CONDOMINIUM OFFERING PLAN FOR THE SALE OF UNITS IN A CONDOMINIUM TO BE KNOWN AS

THE URBAN GARDEN MANOR CONDOMINIUM

14-11 31ST AVENUE
Astoria, New York 11102
Queens County

10 Residential Units	**$6,903,000.00**
2 Parking Condominium Units	**$ 150,000.00**
TOTAL OFFERING	**$7,053,000.00**

SPONSOR AND SELLING AGENT
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DATE OF ACCEPTANCE FOR FILING IS _____ 2020. THE OFFERING PLAN MAY NOT BE USED AFTER _____ 2021 UNLESS EXTENDED BY AMENDMENT.

FILE NUMBER CD 20-0094

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE 1

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS AFTER PLAN CONSUMMATION IN THE EVENT THAT THE BUILDING DOES NOT QUALIFY FOR SECTION 421-A TAX EXEMPTION BENEFITS, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE SPECIAL RISKS SECTION OF THE PLAN.) PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS 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 GOVERNMENTAL AGENCY HAS APPROVED THIS OFFERING.

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SPECIAL RISKS

1. TAX EXEMPTION FOR THE CONDOMINIUM UNITS AND NO GUARANTY AS TO REAL ESTATE TAX INCREASES BY THE CITY OF NEW YORK

It should be noted by Purchasers that the City of New York may increase the real estate tax rate at any time and if the real estate tax increases, then the real estate taxes to be paid by the Purchasers would increase during the First Year of Condominium Operations or subsequently. Purchasers should be aware that the projections of real estate taxes are only projections and that actual real estate tax rates may increase further between the time a Purchaser signs a Purchase Agreement and the time that a Purchaser closes on title. The condominium may qualify for a tax exemption under 421-a if one hundred (100%) percent of the units in the condominium have an average assessed value when completed of less than $65,000.00. Based upon the opinion of the Sponsor's tax expert the average assessed value may be $53,150.00. If the average assessed value of the units upon completion is in excess of $65,000.00 then in that event the condominium building will not qualify for 421-a tax exemption benefits and each unit owner would be required to pay the full non-exempted taxes.

Purchasers should note that even if the average assessed valuation of 100% percent of the units in the building is less than $65,000.00, there are many additional requirements that may make it extremely difficult or impossible to obtain 421-a benefits. The requirements are that the 421-a application must be filed 1) after the first assessment following the Completion Date (determined to be the date that a Temporary and/or Permanent Certificate of Occupancy is issued for the building); upon execution of Purchase Agreements for each of the units at the building; and 3) within one (1) year following completion of construction. **ADDITIONALLY, UPON EXECUTING THEIR PURCHASE AGREEMENT ALL OWNERS OF DWELLING UNITS IN THE BUILDING SHALL BE REQUIRED TO EXECUTE A RESTRICTIVE DECLARATION WHICH SHALL BE RECORDED AGAINST THE PREMISES AGREEING TO MAINTAIN THE UNIT AS HIS OR HER PRIMARY RESIDENCE FOR AT LEAST THE FIRST FIVE (5) YEARS OF OWNERSHIP.**

If the condominium is eligible for 421-a 16 benefits, each unit will be subject to an assessed valuation cap. This means that only a portion of a unit's billable exempt assessed value is eligible for the 421-a tax exemption. The assessed value of a unit above this assessed valuation cap is ineligible to receive benefits. The assessed valuation cap is $65,000.00. It is anticipated that the assessed valuation cap will not apply to the units since their assessed valuation is projected to be below $65,000.00. This shall result in their full billable exempt assessed value is eligible for the 421-a tax exemption.

The 421-a exemption, if granted, will be for a limited period of 20 years and will decrease progressively during such period. Neither Sponsor, Attorney for Sponsor, Sponsor's Counsel, Sponsor's Real Estate Tax Counsel, Selling Agent, Managing Agent or any other person makes any representation or guaranty that the partial exemption from real estate taxes under 421-a will be granted or as to the amount, if any, of the minimum tax that will be assessed against the Units or the amount of real estate taxes payable at the time by any Unit Owner.

Purchasers should note that the real estate tax estimates contained in Schedule A reflect anticipated real estate taxes with and without any 421-a tax exemption benefits. The Sponsor will use best efforts to sell the units in order to qualify for the 421-a benefits.

It should be noted that the Condominium is not located within a geographic exclusion area as defined under N.Y. Real Prop. Tax Law § 421-a [7](a)(ii). Additionally, the Building in which the Condominium is located is exempt from the prevailing wage requirement enunciated under N.Y. Real Prop. Tax Law § 421-a [8](c)(i) due to it containing less than thirty (30) Units. It should be further noted that the Sponsor intends that the Building shall be exempted from the statutory obligation to register the Units as rent-stabilized by reason of its Condominium status as defined under N.Y. Real Prop. Tax Law § 421-a[2](f).

If Unit Owners pay a higher rate for the first year of the ownership before the partial tax abatement is implemented, then Unit Owners would be entitled to a refund or credit from the City of New York for any overpayment in real estate taxes. Because there could be a lag in time between the application to the New York City Department of Housing Preservation and Development for partial exemption of real estate taxes under Section 421-a of the Real Property Tax Law and the implementation of the benefits by the New York City Department of Finance, it is possible that Unit Owners will have to pay the cost of real estate taxes without any partial tax exemption, unless and until tax exemption benefits are granted and implemented by the City of New York.

It should be noted that if the Condominium does not become eligible for 421-a Benefits or when the Benefits period expires, Unit Owners will be subject to substantially higher real estate taxes resulting from an increased assessed valuation on the Building from the New York City Department of Finance.

SPONSOR WILL NOT RENT ANY CONDOMINIUM UNITS UNLESS IT IS DETERMINED THAT SPONSOR IS INELIGIBLE FOR THE 421-a BENEFITS.

SPONSOR SHALL IMMEDIATELY SUBMIT AN AMENDMENT TO THE OFFERING PLAN DISCLOSING THAT THE SPONSOR IS INELIGIBLE FOR THE 421-a BENEFITS.

PURCHASERS ARE STRONGLY ADVISED TO READ THE TAX OPINION LETTER INCLUDED IN THIS OFFERING PLAN AND TO CONSULT WITH THEIR OWN COUNSEL REGARING THE PROJECT'S POTENTIAL ELIGIBILITY FOR 421-A TAX EXEMPTION BENEFITS.

Purchasers may obtain more information about the § 421-a application process, tax benefits, and requirements associates therewith at www.nyc.gov/html/hpd/html/developers/421a.shtml.

2. CONTROL OF MANAGEMENT BY SPONSOR

The Sponsor has the right to maintain a majority of the Members of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to Residential Unit Owners other than the Sponsor, its Principals,

successors, assignees and/or designees or until three years after the first closing, whichever occurs sooner. There is no limit on the period of time it may take Sponsor to convey all the Residential Units in the Condominium. Notwithstanding, the Board of Managers has a fiduciary duty to the Unit Owners to enforce Sponsor's obligations. Sponsor's intentional refusal to allow the Board of Managers to pursue litigation against the Sponsor entity may constitute a breach of fiduciary duty to the Board of Managers. In addition the Unit Owners may commence a lawsuit in the nature of a derivative action. In the event a Sponsor-controlled Board does not undertake the enforcement of the Sponsor's obligations, the Unit Owners may have to independently raise funds to pursue such enforcement and any other causes of action against the Sponsor. Notwithstanding said fact, Sponsor has the right to voluntarily relinquish a majority of the Members of the Board of Managers before the last Residential Unit is closed. There is no provision in the By-Laws that requires that a majority of the Members of the Board of Managers be owner occupants who are unrelated to the Sponsor or its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed as a result of their different reasons for purchasing, i.e. purchasing as a Residential Unit to live in as opposed to purchasing as an investment.

3. SPONSOR'S RIGHT TO LEASE UNITS

Sponsor is reserving the unconditional right to rent rather than sell Units after the plan has been consummated in the event that the building does not qualify for section 421-a tax exemption benefits. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. It should be noted that Sponsor cannot rent Units to individuals other than Purchasers under any allowable interim leases before consummation of the offering. If, prior to consummation, Sponsor rents any residential Unit (or portion thereof) to any person other than an interim lessee, Sponsor is obligated to abandon the offering plan in accordance with the provisions of 13 N.Y.C.R.R. §§ 20.1(l)(2) and 20.5(g).It should be noted that only the sales of the Residential Units in the condominium will be counted towards effectiveness.

Sponsor intends to offer Unsold Residential Units for sale both to Purchasers for personal occupancy as well as to those who are purchasing for investment or resale. Purchasers for investment or resale may, in turn, rent such Residential Units and accordingly, such Residential Units will not be used for the personal occupancy of the owner thereof. As a result, some and possibly many Residential Units may be occupied by renters instead of Residential Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Residential Units, the Condominium Board 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 those Residential Unit Owners who occupy their Residential Units may have different interests than those Residential Unit Owners who purchased such Residential Units as an investment.

4. SPONSOR HAS THE RIGHT TO SELL UNITS FOR INVESTMENT OR RESALE

The Sponsor has the right to sell Units to Purchasers for investment or for resale. It is possible that certain Residential Unit Owners will not be residents of the Condominium. A Purchaser may be acquiring a Unit that has been previously occupied, but such Unit will be delivered at Closing free and clear of all leases and tenancies, except as may otherwise be agreed to in writing by the parties. (See the Section of the Plan entitled "Description of Property and Improvements" and "Rights and Obligations of Unit Owners and the Board of Managers" for details.)

5. MATERIALS, WORKMANSHIP, ETC.

All Condominium Units and General and Limited Common Elements offered pursuant to this Offering Plan are sold subject to completion of the work specified in the Architect's Report. The Sponsor is obligated to obtain Final Certificates of Occupancy for the Condominium Building. (See the Section of the Plan entitled "Description of Property and Improvements").

6. WARRANTIES

In view of the fact the Condominium will consist of a Building containing less than five (5) stories the Housing Merchant Implied Warranty Law contained in Article 36-B of the General Business Law is applicable. General Business Law §777, the Housing Merchant Implied Warranty Law is applicable to Condominium Units in buildings which are five stories and less. The Housing Merchant Implied Warranty Law applies, however, Sponsor elects to exclude the Housing Merchant Implied Warranty in favor of a Limited Warranty as set forth in this Offering Plan.

Certain of the limitations contained in the Limited Warranty are noted as follows: the Limited Warranty provides coverage for the first residential Unit buyer only; Sponsor's liability with regard to items set forth in the Limited Warranty only is limited to ten percent (10%) of the purchase price, exclusive of all options; incidental, special, indirect consequential or other similar damages are excluded; and detailed procedures must be followed for giving notice of a warranty claim to the Sponsor, and for commencing a lawsuit against Sponsor. Despite the 10% limitation, the Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, cannot go below the duty to construct the premises in accordance with all applicable codes, filed Plans and specifications and locally accepted building practices for items which are not covered by codes. (See the Section of the Plan entitled "Housing Merchant Warrant" for details.)

Any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the applicable codes and filed plans and specifications.

7. CERTIFICATE OF OCCUPANCY

Purchasers are advised that in New York, 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. Certificates of occupancy are generally governed by section 301 of the New York Multiple Dwelling Law and local Building codes and rules. Both TCOs and PCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the Building Department. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell Units and it may result in the issuance of a violation and/or fines from the DOB. In New York, it is common for Sponsors to commence Unit Closings when some or all Units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a PCO covering the entire Building within two (2) years from the date of issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the Building Department will issue the PCO within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO for the entire Building, and shall exercise best efforts to obtain the PCO within such two year period while keeping the TCO current. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Purchasers should further note the Unit Owners shall not be permitted to undertake any renovations prior to the procurement of a PCO.

Buyers 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 available on the DOB website at: http://nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

8. CLOSING DATE AND ADJOURNMENTS

Purchaser may adjourn the Closing date which is set forth in the contract one time for an adjourned period of up to 15 days. If the Purchaser adjourns the Closing as permitted herein, then the adjourned date is made "TIME OF THE ESSENCE". This means that the Purchaser must close by the adjourned date. In the event that Purchaser does not close on the adjourned date, Purchaser may risk the loss of his or her Down Payment. (See the Sections of the Plan entitled "Procedure to Purchase" and "Purchase Agreement" for details.) Purchasers will be required to pay an additional fee of $350.00 to Sponsor's Closing attorneys if Purchaser does not close title to his or her Unit on the date stated in the notice of Closing because such Purchaser has not complied with the terms of the executed Purchase Agreement (See the Section of the Plan entitled "Terms of Sale" for details). If Purchaser fails for any reason to close title to the Unit on the Scheduled Closing Date and Sponsor elects not to cancel the Purchase Agreement as a result of such default: (a) the Closing apportionments described in the Section of the Plan entitled "Closing Costs and Adjustments" 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, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments

made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.0438% (or 16.00% annually) of the Purchase Price of the Unit per day commencing with the Schedule Closing Date to the Actual Closing Date. Sponsor must provide a Purchaser with a written demand for payment after default at least 30 days before forfeiture of the down payment may be declared. (See the Section of the Plan entitled "Procedure to Purchaser" for details.)

9. COSTS FOR SPONSOR'S ATTORNEY'S FEES TO BE PAID BY PURCHASER.

Purchaser shall pay the fee of Sponsor's Closing attorneys in the amount of $2,500.00 per Unit at the time of Closing for document preparation fees for preparation of Closing documents and for attendance by Sponsor's counsel at the Closing. If a Closing takes place, at the request of the Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney (in addition to the fee set forth above), an attendance travel fee in the sum of $350.00 provided that the Closing is held in the City of New York or Nassau County. Sponsor and Sponsor's counsel are not required to attend a Closing at any location other than in the City of New York or Nassau County. In the event that a Closing is adjourned with Sponsor's consent, at the request of the Purchaser, or Purchaser's attorney within forty eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $350.00. There will be a fee charged of $250.00 for the preparation by Sponsor's counsel of E-tax forms, which are required for the ACRIS recording of the transfer documents.

10. CONTRIBUTIONS TO WORKING CAPTIAL FUND

At the time of Closing, each Purchaser will be required to pay an amount equal to two months' Common Charges then in effect for the Unit pursuant to the Budget in accordance with Schedule A hereto, as the same may be amended from time to time which shall be paid into the Working Capital Fund of the Condominium. The Working Capital fund may not be used to pay Common Expenses of the Condominium during the time that the Sponsor remains in control of the Board of Managers. (See the Section of the Plan entitled "Unit Closing Costs and Adjustments" and "Working Capital Fund" for details.)

11. BONDING BY SPONSOR

No bond or other security has been posted to secure Sponsor's obligations under this Plan or to complete construction of the Building or other obligations under the Plan including the obligation to pay Common Charges with respect to unsold Units. (See the Section of the Plan entitled "Rights and Obligations of the Sponsor" for details.)

12. SPONSOR DECLARING PLAN EFFECTIVE

Pursuant to existing law and regulation, the Sponsor may declare the Condominium Plan effective with executed Purchase Agreements for a minimum of fifteen (15%) percent (15% x 10 = 2 Residential Condominium Units) of the Units in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit. It should be

noted that only the sales of the Residential Units in the condominium will be counted towards effectiveness. Notwithstanding the fact that not all purchasers used for purposes of declaring the plan effective may actually close, sponsor must re-declare the plan effective in order to consummate the offering plan in accordance with 13 NYCRR § 20.1(c)(6). If all purchase agreements are either rescinded or terminated prior to the date of the first unit closing, regardless of whether the condominium declaration has been recorded, sponsor must re-declare the offering plan effective.
(See the Section of the Plan entitled "Effective Date of the Plan" for details.)

13. LENDER INFORMATION REGARDING CONDOMINIUMS IN GENERAL

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

14. RESERVE FUND

Federal National Mortgage Association ("FNMA") and Federal Housing Authority ("FHA") have certain guidelines for new construction Condominiums for which they seek evidence of compliance as a condition of approving financing for loans to individual Purchasers that are insured by or assigned to them. To facilitate Purchasers obtaining such financing, beginning on the date the Common Charges are first collected, a special capital assessment of $5,057.00 will be imposed to be contributed to a reserve fund to be used for capital repairs and replacements of the General Common Elements such as roofs, sidewalks and the like. This amount constitutes 11.50% of the projected operating expenses for the First Year's Budget. This amount may change in future years based on the results of a reserve fund study conducted by the Condominium, changes in FNMA or FHA guidelines, or Board action.

Special Note re: Closing Adjustments: At Closing, the Sponsor will adjust with the Condominium certain ongoing costs that have been prepaid by the Sponsor for the First Year of Condominium Operation, such as insurance for the Condominium. The Condominium will reimburse the Sponsor for net adjustments in favor of the Sponsor from the Condominium Working Capital Fund.

15. ESCROW OF PURCHASERS FUNDS

All funds received from Purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to or endorsed by the Purchaser to the order of the "Tsoromokos & Papadopoulos, PLLC

URBAN GARDEN MANOR Condominium Master Escrow Account". All sums, including Deposits will be placed initially in the non-interest bearing portion of the Master Escrow Account (including Deposits for upgrades or extras ordered by Purchasers) in a bank doing business in the State of New York which account(s) is insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000.00 and any funds in excess of $250,000.00 will not be insured. In addition, Purchasers should further note that if Purchasers have accounts at the same bank as sponsor's account that holds escrowed funds, Purchaser funds at the escrow bank factor into the $250,000.00 insurance limit. 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) in the forms set forth in Part II to the Plan, to Sponsor at the time Purchaser tenders the Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser (except for Deposits for upgrades or extras ordered by Purchasers). If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Master Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Master Escrow Account so that checks may be drawn thereon.

Although all funds received by Sponsor from Purchaser for upgrades, options, extras, special work or custom work ("Extras") not included in the base price of a Residential Unit will initially be placed in the Escrow Account, such funds may be released from the Escrow Account without the requirements disclosed in Section XII of the Plan as long as the Sponsor uses the funds for such Extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid to the Sponsor for Extras which have been installed by Sponsor, paid for but not installed by Sponsor or which have been ordered but not installed by Sponsor and for which Sponsor is obligated to pay for such Extras, unless the Offering Plan has been abandoned. In the event the Offering Plan is abandoned the Purchaser shall be entitled to receive a refund of all funds paid to the Sponsor for such Extras. See Section XII of the Offering Plan.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the tender of the Deposit.

16. MORTGAGE TAX CREDIT

Sponsor shall, upon the Closing of each Unit, have the right to receive a rebate for mortgage recording taxes already paid, if any, which rebate shall be credited to Sponsor from amounts any Unit Purchaser otherwise would have paid in connection with the recording of a mortgage against his Unit at the time of purchase. (See the Section of the Plan entitled "Unit Closing Costs and Adjustments" for details.)

17. BALCONIES/TERRACES

Balconies and/or terraces may not be used for any type of occupancy including but not limited to dining, sleeping, living room, recreation room, office, storage, etc. To do so may result in a violation against the Building being issued by the New York City Department of

Buildings and the Unit Owner will be assessed the monetary penalty resulting from such violation.

18. PURCHASER PAYMENT OF TRANSFER TAXES

While the New York State and New York City Transfer Taxes are customarily paid for by the Sponsor in single family home transactions, the burden of paying such taxes may be modified by contract. As is common with many other Condominium developments in the State of New York, the purchase agreement for this Condominium provides that the Purchaser of a Condominium Unit will be required to pay the New York State and New York City Transfer Taxes at the Closing. The New York State Department of Taxation and Finance and the New York City Department of Finance take the position that where the Purchaser pays the transfer taxes, the amount thereof will be added to the taxable consideration for determining the transfer taxes.

The Purchaser will be responsible for paying the following taxes and fees: The New York State Real Estate Transfer Tax, currently $4.00 for each one thousand dollars ($1,000.00) or fractional portion thereof, of the purchase price plus a $5.00 service charge; if applicable, the New York State Additional Tax ("Mansion Tax") of 1% where the purchase price equals $1 million or more; and the New York City Transfer Tax which is currently 1.00% of the purchase price up to $500,000.00 and 1.425% over $500,000.00 (for example - $1,000.00 or 1,425.00 respectively per $100,000.00 of purchase price). Because the Purchaser, rather than the Sponsor is required to pay the New York State and New York City Transfer taxes, the tax is deemed to be additional consideration and therefore, the price is considered to be 1.014 (for Purchase Price under $500,000.00) or 1.01825 (for price of $500,000.00 and over) times the price of the Unit listed in Schedule A. (See the Section of the Plan entitled "Unit Closing Costs and Adjustments for details.)

19. APPLIANCES

Sponsor shall provide a refrigerator, range, dishwasher and under-counter microwave oven to each residential unit. Unit Owners will be responsible for purchasing and installing laundry equipment at their sole cost. The laundry equipment is to be of residential type, stacked and compact to fit in the laundry closet provided in the unit. All equipment is required to be powered by electricity and the clothes dryer is required to be vent-less.

20. PARKING

Parking Space Unit #2 has been designated as a handicapped parking space and will be the last parking space sold if it has not previously been sold to a purchaser who themselves or a member of their family has a vehicle with handicapped plates. At, or subsequent to the First Closing, Sponsor shall sell the Handicap Parking Space to the Condominium on behalf of all Unit Owners, which Handicap Parking Space will be reserved for handicap use. The Purchase Price of the Parking Space is $75,000.00. At the Closing of Title to each Unit, each Purchaser will be required to pay on behalf of the Condominium Board, Purchaser's share of the cost of the Handicap Parking Space, plus all costs incurred in connection with the purchase of the Handicap Parking Space. Purchasers share shall be based upon the Purchaser's total percent common interest in

the Condominium, including the Purchaser's Residential Unit, Storage Unit and Parking Space. The purchase of Parking Space Unit #2 and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed:

In the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said unit owner is the owner of the parking space, said unit owner has the right to demand that the owner of Parking Space Unit #2 trade the handicapped parking space he/she owns with said handicapped owner.

In the event the present or future owner of a unit or member of his or her family member residing in the unit, becomes handicapped and said unit owner does not own a parking space, said unit owner has the right to demand that the owner of Parking Space Unit #13 sell it at then current, fair market value to said handicapped owner. All costs and expenses entailed in the transfer of title to the parking spaces, including without limitation, title abstracts, title insurance, transfer taxes and recording fees and reasonable attorney fees shall be borne by the party requesting the transfer.

The owner of Parking Space Unit #2 must comply with the aforementioned demand upon thirty (30) days written notice.

If the parties cannot agree on the fair market value of Parking Space Unit #2 then the parties agree to submit the matter to binding arbitration in accordance with Article of the By-Laws of the condominium.

The Parking Space Units shall be used only for parking of an automobile, and other permitted vehicles of occupants of the dwelling as well as any type of mechanical or motor-driven equipment or other accessory device or passenger bus required for the proper maintenance of the property and of the Units thereon. Each Parking Space Unit shall consist of the space measured from (a) the point beginning at the left hand corner of the inside face of the garage wall, or (b) the front of the painted line to the end of the painted line, and from painted line to another adjoining Parking Space Unit parallel and to the right and from that point to the inside face of the garage wall, or the front of the painted line at the right hand corner and from that corner to the left hand corner. The Parking Space Units are reflected on the floor plan on which they occur. See Section II of the Offering Plan.

Parking Space Units may only be owned by a Residential Unit Owner in this Condominium except as provided below. The Percentage of Common Interest of a Parking Space Unit shall be added to the Percentage of Common Interest of the Residential Unit of the Residential Unit Owner who owns said Parking Space Unit and the Residential Unit Owner thereof shall pay all Common Charges associated therewith. Parking Space Unit Owners shall have no voting rights associated with any Parking Space Unit they own. Any Residential Unit Owner who owns a Parking Space Unit shall have the right to rent the Parking Space Unit to other Residential Unit Owners or tenants of a Residential Unit Owner in the Condominium. The Board of Managers shall be required to keep an overall list of all Parking Space Units assigned or rented to Residential Unit Owners in the Condominium. All Residential Unit Owners in the Condominium will be obligated to advise the Board of Managers of any sale, transfer or rental of any Parking Space Unit.

Notwithstanding the above the Sponsor shall have the right to rent, lease or permit the use of a Parking Space Unit that has not been acquired by a Residential Unit Owner to any non-resident or business establishment for the use of such nonresident or business establishment. In the event there are Parking Space Units that have not been sold to a Residential Unit Owner after the Sponsor has conveyed all of the Residential Units to bona fide Purchasers, the Sponsor shall have the right but not the obligation to sell or convey any or all of the remaining Parking Space Units to the Condominium Board of Managers.

The Sponsor may rent any off-street parking spaces to non-residents of the building, for periods of not less than one week and not more than one month. All off-street parking spaces shall be made available to residents within 30 days after written request made to the Sponsor, by such residents.

This Condominium includes two (2) Parking Space Units in addition to the Residential Units. See Section IX of the Offering Plan.

21. SPONSOR MAY CONTINUE TO SHOW UNSOLD UNITS TO PROSPECTIVE PURCHASERS

While Units are being offered for sale or lease by the Sponsor or its designees, there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate.

22. UNIT OWNERS MUST NOTIFY BOARD OF MANAGERS AND/OR MANAGING AGENT OF CHILDREN AGE TEN AND UNDER RESIDING IN THE CONDOMINIUM

Each Unit Owner must notify the Managing Agent, or the Board of Managers if there is no Managing Agent, when a child or children ages ten (10) years and under lives or resides, permanently or temporarily in the Condominium Unit. Each Unit Owner must install at the Unit Owner's sole cost and expense the required window guards in all windows of the Unit. The Unit Owner must maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without the written consent of the Managing Agent or the Board of Managers. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" for details.)

23. INCREASE OR DECREASE IN COMMON INTEREST

The Percentage of Common Interest of each of the Residential Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act, based on floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Based upon final specifications, construction conditions and/or "as-built" Plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation the Percentage of Common Interest may justify a minor increase or decrease in the aggregate Percentage of Common Interest appurtenant to

Units. In such event, the Percentage of Common Interest appurtenant to each individual Unit would be adjusted pro rata. Sponsor expressly reserves the right, from time to time, prior to the first Closing, to effect such a change in the Percentage of Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Percentage of Common Interest of any Unit be increased or decreased as a result of any of the foregoing a material amount.

Unless an affected Purchaser consents, no material change will be made in Unit size, layout of Common Interest if a purchase agreement have been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default.

24. MEASUREMENTS OF INTERIOR OF UNIT

The approximate floor area of each Condominium Unit is measured as follows: (a) vertically from the top of the concrete or wood flooring to the underside of the concrete or sheetrock ceiling and (b) horizontally to the center line of demising walls between Units; to the centerline of non-structural common walls; to the inside face of common structural walls or elements; and to the outside face of exterior walls. The square footage of each Unit is not based upon measurements from interior surfaces of interior walls and the actual area comprising the Condominium Unit is significantly less than listed on Schedule A of this offering plan. The square footage set forth in the offering plan exceeds the actual usable floor area of the Unit.

25. BOARD OF MANAGERS PERMISSION REQUIRED FOR USE OF CONDOMINIUM UNITS BY GUESTS.

A Unit Owner may not permit a guest to use the Unit for more than seven consecutive nights in the absence of the Unit Owner without the express written consent of the Board of Managers.

26. FOREIGN GOVERNMENT PURCHASERS OR RESIDENT REPRESENTATIVES FROM A FOREIGN GOVERNMENT MUST WAIVE IMMUNITY.

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 (examples are diplomatic immunity or sovereign immunity) 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 Purchase Agreement, the Condominium Documents or this Offering Plan being brought in any State or Federal Court in the State of New York. Any such Purchaser and any other Purchaser who is not a resident of New York State shall designate and authorize a lawful agent to receive process. (See the Section of the Plan entitled "Procedure to Purchase" and "Purchase Agreement" for details.)

27. INSURANCE

After the Closing of Title to a Unit, a Unit Owner will be responsible for maintenance and repairs inside of the Condominium Unit, for areas which are limited common element to

the Condominium Unit and for any equipment which is exclusively used by the Condominium owner, such as items which services only the individual Condominium Unit. The Unit Owner will be responsible for obtaining and maintaining casualty insurance with respect to the fixtures, equipment, appliances and personal property situated within the Unit , as well as liability insurance with respect to occurrences in or about the Unit and any Parking Space licensed by a Unit Owner. The Condominium Board, through Common Charges will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. 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. Therefore, a person who takes possession prior to closing assumes the risk of loss not covered by insurance.

28. INDEMNIFCATION OF BOARD OF MANAGERS BY UNITS OWNERS

As a customary element of Condominium operations, Unit Owners are obligated to severally indemnify the members of the Board of Managers and the officers of the Condominium against any liability or claims except those arising out of the bad faith or willful misconduct of the members of the Board of Managers or the officers of the Condominium, but the liability of any Unit Owner on account of such indemnification is limited to the aggregate Common Interest of all Unit Owners. However, Purchasers should note that the Condominium is separately insured against most potential risks and that the Condominium Budget includes Directors and Officers liability insurance covering most good-faith actions of Board members and officers. It is recommended that the Condominium maintain all such coverage as part of its common expenses.

29. OPTION OF SPONSOR TO PAY ALL EXPENSES OF OPERATION IN LIEU OF COMMON CHARGES

Sponsor is reserving the right to delay the collection of Common Charges until such time into the future. During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments required by lenders. Such expenses shall not include individual unit owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment 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 Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or 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 delay. Prior to commencing the collection of Common Charges, 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 collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent purchasers.

30. ASSIGNMENT OR TRANSFER OF PURCHASE AGREEMENT

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. In connection with the assignment of Purchase Agreements the sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that (i) Purchaser designates such assignee at least 10 business days prior to the Closing Date; (ii) (ii) the Closing is not delayed as a result of such assignment , (iii) the assignee of this Agreement assumes in writing, by an instrument prepared by Attorney for Sponsor, the obligations of Purchaser under this Agreement and (iv) the assignment is made without consideration. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor.

31. NO ADVERTISING

Prior to Closing of Title to a Residential Unit, the Purchase Agreement prohibits Purchaser from listing the Residential Unit for resale or rental with any broker or placing or authorizing any listing in any brokers listing system or other listing service or from advertising or otherwise offering, promoting, or publicizing the availability of the Residential Unit for sale or rental, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion. Any listing of the Residential Unit for sale or rental and/or advertising by Purchaser in violation of the terms of the Plan will be deemed a material default under the Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the entire Deposit made by Purchaser, together with interest earned thereon.

32. FIRST UNIT CLOSING DATE / OFFER OF RESCISSION

The Sponsor anticipates that the first Closing of a Unit will occur by August 1, 2020. Purchasers will be offered a right of rescission if: (1) the actual date of Closing of title to the first Unit; or (2) the projected date of Closing of title to the first Unit occurs later than July 31, 2021, twelve months after the projected date for the first Closing. If the Plan is amended to provide for a later projected date for the first Closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than 12 months beyond that amended later date. Purchasers will have at least 15 days from presentation of an offer to rescission within which to elect to rescind.

However, if the first Unit Closing occurs before July 31, 2021, the Sponsor may schedule the Closings of title to other Units significantly later than such date. Unless Purchase Agreement contains an outside Closing date, the Sponsor is not obligated to schedule a Closing within any specified time frame or to ensure that Closing of title to the Unit will occur by any date certain. Purchasers who enter into a purchase agreement after the

offering plan has been amended date would be entitled to an offer or rescission if the first closing occurs more than 12 months beyond that amended later date.

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

33. PURCHASE IS NOT CONDITIONED UPON MORTGAGE FINANCING

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. No representation is made by the sponsor as to the availability or cost of such financing.

34. ALTERATIONS

Residential Unit Owners will not be permitted to make any changes, additions or alterations to their Residential Unit prior to the issuance of a Permanent Certificate of Occupancy for the Residential Unit and/or Building. Residential Unit Owners are responsible for obtaining all necessary permits from the City of New York and any other required municipal agencies for any changes the Residential Unit Owner makes to their Residential Unit subsequent to the Closing of Title with the Sponsor. Sponsor will not be liable for nor responsible to a Residential Unit Owner in the event an inspection by the Department of Buildings of the City of New York prevents the issuance of a renewal and/or extension of a Temporary Certificate of Occupancy or Permanent Certificate of Occupancy as a result of changes made to the Residential Unit by a Residential Unit Owner.

35. FIRST YEAR OF CONDOMINIUM OPERATIONS

The projections for the first year of operation of the Condominium contained in the budget are only estimates. Actual expenses may vary from the amounts shown. Purchasers should further note that premiums for insurance have been extremely volatile and have increased substantially in recent years. Sponsor cannot predict whether or not the insurance rates will continue to increase or stabilize. Sponsor makes no representation that the premium costs for the insurance reflected in the proposed first year budget will be applicable at the time of the first Closing of a Residential Unit in the Condominium. See Schedule B, the proposed first year budget and the footnotes immediately following thereto.

36. SPECIAL ALLOCATION OF COMMON INTEREST

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. There are no special allocations in this condominium. Purchasers are directed to the provisions of the condominium Declaration, specifically Article: Twelfth and Article VI entitled Finances, Section 7 of the By-Laws for the powers afforded to the Board of Managers and procedure by which it shall make allocations and assessments of Common Charges to the General Common Elements and any Individual

Residential Unit's Limited Common Element. Any re-allocation may have a financial impact upon all units or an individual unit, as the case may be.

37. ASSIGNMENT OR TRANSFER OF PURCHASE AGREEMENT

The Purchaser may not assign his Purchase Agreement without first obtaining the written consent of the Sponsor, which consent may be granted or withheld in Sponsor's sole and absolute discretion. Purchasers are prohibited from listing their Units for sale prior to the Closing of such Unit. In the event that a Purchaser sells his or her Unit within twelve (12) months of the Closing date of their Unit (the "subsequent sale"), Purchaser shall be obligated to pay to the Sponsor, in addition to the purchase price paid at the Closing of the purchase of the Unit from the Sponsor, the net proceeds of the subsequent sale.

38. VETO POWER OVER CERTAIN EXPENSES

This Offering Plan provides 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 per cent (25%) of the common interest, whichever is sooner, , the Board of Managers may not, without the Sponsor's prior written consent prior to the transfer of title to the last Residential Unit (i) make any additions, alterations or improvements to the Common Elements or to any Unit costing cumulatively more than $25,000.00, the foregoing not to include necessary repairs and maintenance work; or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of the reserve for contingencies provided in Schedule B; or (iii) hire any employee in addition to the employees referred to in the Plan; or (iv) enter into any contracts not in existence on the date of the first Closing of Title to a Residential Unit; or (v) borrow money on behalf of the Condominium; or (vi) reduce the services or maintenance set forth in Schedule B; (vii) charge any Special Assessment for a non-Budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium; or (viii) increase the Common Charges of the Condominium more than ten (10%) from the prior year's Budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Condominium funds or assess the Sponsor for the purpose of commencing a lawsuit against the Sponsor or any of its principals.

As noted above, the Sponsor has the right to retain control over certain expenditures and fiscal actions of the Board of Managers. Notwithstanding said fact, Sponsor may not exercise veto power over expenses described in Schedule B (the proposed first year Budget), or over expenses required:

(i) to comply with applicable laws or regulations; or

(ii) to remedy any notice of violation; or

(iii) to remedy any work order by an insurer; or

(iv) necessary for the preservation or safety of the Condominium or for the safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

The above provisions provide that during said period, significant financial decisions of the Board of Managers will be decided by the Sponsor. Examples of such decisions are, in part, the ability to borrow money, as provided in The Condominium Act (Article 9-B of the Real Property Law, §339-jj), for a capital improvement all Residential Unit Owners are in favor of, or the ability to enter into a contract with a lawyer and fund legal fees if the Sponsor fails to comply with provisions in the offering. Sponsor's power to veto other expenses ends five (5) years after the closing of the first unit, or whenever the unsold units are less than twenty-five per cent (25%) of the common interest, whichever is sooner.

39. PROPERTY MANAGEMENT

The condominium will be managed by the Sponsor at Sponsor sole cost for the first year of operation of the Condominium even if the Sponsor no longer owns any units.

The Sponsor (for the first year of operation of the Condominium), and thereafter, the Board of Managers or a Managing Agent will be responsible for issuing monthly common charge invoices to the Unit Owners, collecting the monthly common charges, paying bills of the condominium, and overseeing the employees of the condominium. The duties of the Board with respect to management of the Condominium are set forth in Section this Offering Plan.

It should be noted that in the event it becomes necessary to hire a managing agent, common charges will increase to cover such cost for management fees. The budget is likely to increase by ten percent in the event that a managing agent is hired.

40. COSTS FOR SPONSOR'S ATTORNEYS FEES TO BE PAID BY PURCHASER.

Purchaser shall pay the fee of Sponsor's Closing attorneys in the amount of $2,500.00 per Unit at the time of Closing for document preparation fees for preparation of Closing documents and for attendance by Sponsor's counsel at the Closing. If a Closing takes place, at the request of the Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney (in addition to the fee set forth above), an attendance travel fee in the sum of $500.00 provided that the Closing is held in the City of New York or Nassau County. Sponsor and Sponsor's counsel are not required to attend a Closing at any location other than in the City of New York or Nassau County. In the event that a Closing is adjourned with Sponsor's consent, at the request of the Purchaser, or Purchaser's attorney within forty eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $350.00. There will be a fee charged of $250.00 for the preparation by Sponsor's counsel of E-tax forms, which are required for the ACRIS recording of the transfer documents.

41. RIGHT OF FIRST REFUSAL OF THE BOARD FOR THE PROPOSED RESALE AND LEASING OF A CONDOMINIUM UNIT:

Right of First Refusal of Board as to Sales

Any Residential Unit may be sold subject to the requirements contained in Section 2 of Article XI of the By-Laws, provided that, in each instance, the Residential Unit Owner first gives the Condominium Board, on behalf of all Residential Unit Owners, a right of first refusal, the terms of which require the offering Unit Owner to provide notice of intention to sell

A. The Unit Owner shall first give the Board of Managers thirty (30) days prior written notice of the terms of any bona fide sale, together with a copy of any proposed sales agreement, together with a fully executed, original counterpart of the sales agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser. Written notice with a copy of the contract of sale shall be sent to the managing agent, if any, or to the President of the Condominium by Certified Mail or overnight mail by via a nationally recognized overnight courier service with proof of delivery being retained by the Unit Owner,

B. The Board of Managers may require the prospective Purchaser to complete an application and/or questionnaire for consideration by the Board of Managers or Sponsor of the proposed transaction. (The 30 day period as discussed above shall commence from the time that the managing agent or the President of the Condominium receives a fully completed application in the event that the Condominium requires applications to be completed by prospective Purchasers). The Board of Managers shall require photo identification of all persons who are prospective Purchasers and who may reside in the Condominium Unit; the names, addresses and social security numbers of all proposed occupants shall be provided to the Board of Managers with the proposed contract of sale. Any prospective Purchaser of any Condominium Unit consents to the Board of Managers obtaining a criminal background check on the proposed Purchasers. The Board of Managers may not discriminate against any proposed Purchaser or proposed occupant on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

If the Board of Managers fails to act within such thirty (30) day period, it shall be deemed to have consented to the proposed transaction;

Any such deed to convey any Condominium Unit shall provide that the 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.

C. If the Board of Managers refuses to consent to the transaction, it shall, within the thirty (30) day period, either:

(i) Produce a Purchaser who will purchase the Unit upon the same terms as stated in the Unit Owner's notice to the Board of Managers and the contract of sale executed by the proposed Purchaser, or

(ii) Agree to purchase the Unit on behalf of all other Unit Owners on the same terms stated in the contract of sale submitted to the Board of Managers.

If the Board of Managers desires to purchase the Condominium Unit from a Unit Owner, at the closing, the Unit Owner shall convey the Unit (and Appurtenant Interests) 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, with all transfer stamps affixed, and shall pay all transfer and other taxes arising out of such sale. Real estate taxes, mortgage interest and common charges and expenses shall be apportioned between the Unit Owner and the Board of Managers, or its designee, as of the closing date. The closing shall occur within 45 days from the date that the Board of Manager exercises its right of first refusal to purchase the Condominium Unit. The closing shall occur at the offices of the attorney for the Condominium.

In connection with the foregoing, the Board of Managers may not purchase a Unit without the approval of a majority of the Unit Owners (as such term "majority" is defined in the By-Laws). In the event that the Board of Managers does not have sufficient funds on hand for the purchase of a Unit which has been approved by the majority of the Unit Owners, the Board of Managers may borrow such funds or may assess the Unit Owners in proportion to their respective common interests to the extent of the purchase price amount. In the event that the Board of Managers exercises its right to purchase the Condominium Unit, it may do so on the same terms and conditions (including but not limited to the mortgage contingency provisions and closing date provisions set forth in the contract executed by the proposed Purchaser). In the event that the Board of Managers does not either produce a Purchaser for the Unit or agree to purchase the Unit on behalf of all of the Unit Owners as set forth above within the stated thirty (30) day period, the Unit Owner shall have the right to consummate the sale on the terms submitted to the Board of Managers and in accordance with the terms set forth in the contract of sale executed by the proposed Purchaser. The proposed Purchaser must comply with the requirements set forth in the Declaration and By-Laws.

The restrictions upon the sale of Units, set forth in this Section shall not apply to the Sponsor, or its designee, or to a mortgagee (including the holder of a construction loan, if any) acquiring title in foreclosure or by deed in lieu of foreclosure. The foregoing persons shall be free to sell without first notifying or obtaining the consent of the Board of Managers or Sponsor. The Board of Managers and the Sponsor, as the case may be, shall be required to cooperate in providing appropriate physical access to any such Unit and the Common Elements, as well as all financial information regarding same.

A Unit acquired by the Board of Managers pursuant to the Right of First Refusal described herein may be sold, leased, mortgaged or otherwise dealt with in the discretion of the Board of Managers. The proceeds of such disposition will be received by the Board of Managers on behalf of all Unit Owners in proportion to their respective common interests.

Right of First Refusal of the Board as to Leasing

Any Residential Unit may be leased subject to the leasing requirements contained in Section 2 of Article XI of the By-Laws, provided that, in each instance, the Residential Unit Owner first

gives the Condominium Board, on behalf of all Residential Unit Owners, a right of first refusal, the terms of which require the offering Unit Owner to provide notice of intention to lease Any Residential Unit Owner who wishes to enter into a lease for the Residential Unit Owner's Residential Unit shall be required to provide the Board of Managers of the Condominium with a copy of the lease at least thirty (30) days prior to its execution. All Residential Unit Owners who wish to enter into a new lease for the Residential Unit Owner's Residential Unit shall be required to submit all documentation required by the Board of Managers as set forth in Section 2 of Article XI of the By-Laws to the Managing Agent or the Board of Managers in the absence of a Managing Agent. All leases must comply with all the requirements contained in said Section 2. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium.

The provisions contained herein shall not apply to the acquisition or sale of a Residential Unit by a Mortgagee who shall acquire title to such Residential Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any Purchaser from such Mortgagees.

Any sale or lease of any Unit in violation of the above shall be voidable at the election of the Board of Managers.

Except as noted below, every lease on every Residential Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

(a) No later than thirty (30) days prior to execution of a lease, the Residential Unit Owner must provide the Board of Managers of the Condominium with a copy of the lease, name of the proposed tenant and terms of the lease;

(b) the lease must be in writing;

(c) the lease must be for the entire Residential Unit;

(d) the lease must have a minimum term of twelve (12) months. Renewal leases shall also have a minimum term of twelve (12) months.

(e) the form of the lease and any renewal lease must contain a provision that the tenant has thoroughly read and agrees to be subject to the Declaration, the By-Laws and Rules and Regulations of the Condominium and agrees to accept the power of attorney of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the Rules and Regulations of the Condominium and agrees to be jointly and severally liable with the Residential Unit Owner for any and all fines and costs levied against the tenant for any violation of the provisions of the Rules and Regulations, By-Laws and/or Declaration of Condominium;

(f) the use of the premises is subject to the Declaration, the By-Laws and the Rules and Regulations of the entire Condominium;

(g) within thirty (30) days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the executed lease, must be furnished to the Managing Agent or if no Managing Agent to a Member of the Board of Managers of the Condominium;

(h) within thirty (30) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent to the Board of Managers of the Condominium;

(i) the Residential Unit cannot be used as a motel or hotel or otherwise for transient tenants;

(j) no Residential Unit Owner, Resident or tenant shall be permitted to place any signs for rent in or on the Residential Unit or the Common Elements of the Condominium unless approved in writing by the Board of Managers;(k) all leases and tenants are subject to all municipal requirements applicable to rentals, if any; and

(l) if any Residential Unit Owner (Landlord) or tenant is in violation of any of the provisions of the Declaration or By-Laws, or both, including any Rules and Regulations, the Board of Managers of the Condominium may bring an action in its own name or in the name of the Residential Unit Owner, or both, to have the tenant evicted or to recover damages, or both.

The Board of Managers, in its sole discretion, may add or change any of the criteria above with respect to the requirements of leasing Residential Units.

In order to carry out the provisions of Article XI of the By-Laws and pursuant to the provisions of Article Fourteenth of the Declaration of Condominium each Residential Unit Owner shall upon becoming a Residential Unit Owner grant an irrevocable power of attorney, to nominate, designate, constitute and appoint the Members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Residential Unit Owner's Condominium Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium. The remedy provided herein is not exclusive and is in addition to any other remedy or remedies available to the Board of Managers of the Condominium. If permitted by present or future law, the Condominium may recover all of its costs, including court costs and reasonable attorney's fees, and these costs shall be a continuing lien on the Residential Unit that shall bind the Residential Unit in the hands of the then Residential Unit Owner and the Residential Unit Owner's successors and assigns. The Board of Managers of the Condominium shall give the tenant and the Residential Unit Owner written notice of the nature of the violation of the Rule and Regulation, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Managers of the Condominium may file for eviction.

By becoming a tenant, each tenant will be bound by the Declaration, the By-Laws and the other Rules and Regulations of the Condominium, and recognizes and accepts the right and the power of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the other Rules and Regulations of the Condominium.

To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Residential Units in the Condominium, only subsections (c), (f), (g), (h), (i). (j), (k) and (l) above shall apply to a first mortgage lender who has title to the Residential Unit through (a) foreclosure of its first mortgage on the Residential Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Residential Unit. Any subsequent Purchaser from the first mortgage lender is subject to all the terms of Article XI of the By-Laws. In addition the provisions of Article Twelfth of the Declaration of Condominium regarding an Institutional Mortgage shall be applicable regarding unpaid Common Charges accrued before acquisition of title of a Unit by the Mortgagee.

The foregoing restrictions shall not apply to Sponsor-owned Residential Units. The Sponsor, its successors, assignees and/or designees shall have the right to freely sell an Unsold Unit or to freely lease all or any part thereof without any interference or any restrictions by the Board of Managers as long as the lease and use by a tenant is in compliance with the permitted use of the Unit under applicable zoning and occupancy requirements.

42. TIME IS OF THE ESSENCE

Time is of the essence with respect to Purchaser's obligations to pay the Balance of the Purchase Price and to pay, perform or comply with Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the entire Deposit and any interest earned on the Deposit. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close on the Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, reasonable legal fees and costs of collection).

43. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement if Sponsor is deemed the prevailing party in any such dispute or, in the event Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in canceling the Purchaser Agreement or otherwise enforcing Purchaser's obligations thereunder.

44. 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, the Purchase Agreement or the relationship created in the Purchase Agreement or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

45. FINANCIAL CRIMES ENFORCEMENT NETWORK REPORTING REQUIREMENTS

The Geographic Targeting Order ("GTO") issued by the Financial Crimes Enforcement Network ("FinCEN") requires U.S. title insurance companies to identify and report to FinCEN the natural persons behind companies making "all cash" – i.e. non-financeed purchases, including those involving wire transfers, of residential real property located in New York City and several other jurisdictions. As a result, U.S. title insurance companies shall report to FinCEN the personal identity of purchasers in residential real estate transactions in which:

(1) the purchaser is a legal entity as defined in the GTO;
(2) the purchaser purchases residential real property located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan, and Staten Island;
(3) the total purchase price is in excess of $300,000 in the Boroughs of Manhattan, Bronx, Brooklyn, Queens, or Staten Island;
(4) such purchase is made without a bank loan or other similar form of external financing; *and*
(5) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form, or a funds transfer.

As long as the GTO remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria and occurring on or after November 8, 2019 (the revised GTO's effective date).

46. WOOD FLOORS

The Residential Units will be delivered with wood or engineered wood floors. As recommended by the National Wood Flooring Association, Unit Owners are advised to be very cautious about washing wood products with a wet mop or otherwise with water, *since* contact with standing water can cause cupping, swelling, and subsequent gapping. For more information about the effect of water on wood flooring, Purchasers should make reference to the National Wood Flooring Association, available at http://www.nwfa.org/. All wood products should be maintained in accordance with manufacturer's recommendations.

Wood is also subject to changes as a result of humidity, including seasonal changes in humidity, as well as chipping, scratching, cracking, cupping and curling. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after they are subject to wear and tear, including without limitation, bleaching due to sun exposure. Any exposure to the sun will subject the floors to bleaching and Sponsor makes no representation about the color or cohesion of the floor. Relative humidity should be between thirty-five percent (35%) and sixty-five percent (65%) to avoid excessive shrinkage, cracking, swelling or cupping.

Sponsor makes no representation as to the number of times such floors can be sanded, if at all. Sponsor is not responsible for: (i) variations in floor level and slight separation between base and floor; (ii) variations in width, length or tone of wood floor strips or normal shrinking or expansion of wood flooring due to changes in moisture content of wood; or (iii) scratches and dents in flooring. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

47. HEATING AND AIR CONDITIONING EQUIPMENT BEYOND ANY WARRANTY PERIOD IS THE RESPONSIBILITY OF THE UNIT OWNER

Replacement of the heating equipment or of the individual air conditioning equipment or any part of the equipment beyond the warranty period will be the responsibility of the Unit Owner. Heating and individual air conditioning equipment is not part of the common elements. Each Unit has independent heating and air conditioning services of their own. The only warranty provided on heating or air conditioning equipment or any part of the equipment is a one year manufacturer's warranty. The one year manufacturer's warranty on the heating or air conditioning equipment will not be available to purchasers who purchase a Unit after the expiration of the one year's manufacturer's warranty.

48. TAX CUTS AND JOBS ACT OF 2017

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

Further information regarding the Tax Cuts and Jobs Act of 2017 is available at the following web address:

http://docs.house.gov/billsthisweek/20171218/CRPT-115HRPT-466.pdf

49. OFFERING PLAN REIMBURSEMENT FEE

Each Purchaser shall pay to the Sponsor the sum equal to $2,500.00 as and for reimbursement of the Sponsor's costs in preparation of the offering plan literature filed with the New York State Department of Law.

50. SMOKING POLICY

Smoking shall be prohibited in all indoor locations of the condominium, including common areas and dwelling units, as well as all outdoor areas of the premises, including but not limited to courtyards, rooftops, balconies and patios and any other outdoor areas connected to the dwelling units. No owner shall smoke, or permit smoking by any occupant, agent, tenant, invitee, guest, friend, or family member anywhere on the property. Smoking shall include carrying, burning, or otherwise handling or controlling any lit or smoldering product containing tobacco or cloves, including but not limited to cigarettes, cigars or pipes.

Notwithstanding the said prohibition against smoking, the Board may designate (or remove from designation) an outdoor area for smoking, provided the smoking area(s) shall not cause secondhand smoke to drift into indoor common areas, exclusive use areas or individual units.

51. UNIT OWNER RESPONSIBILITIES

The Condominium will not employ any full or part-time super for janitorial services. Therefore, Unit Owners shall be responsible to keep the common areas of the building clean and free of debris and to take out their own garbage to the curb as required by law. Should the Condominium decide to employ additional labor for janitorial services in the future, the common charges will increase by approximately fifty percent (50%).

52. ROOF

There will be no roof bond furnished other than the (1) year warranty from the contractor for the construction materials and workmanship commencing on November, 2019. Only the roofing materials will have a (5) year warranty from the manufacturer commencing on November, 2019. The sponsor is not providing a No Dollar Limit manufacturer's warranty for the new roof.

53. FLOOD ZONE AND INSURANCE

The building is located in a Flood Zone AE Flood Hazard Area with a 0.2% Annual Chance of Flood Hazard, Area of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile. Mandatory flood insurance purchase requirements apply.

DEFINITIONS

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

"Appurtenant Interest" shall mean with respect to any Unit, the undivided interest of the owner thereof, pursuant to Section 339-x of the Condominium Act.

"Assessments" shall mean 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).

"Board" or "Board of Managers" or "Condominium Board" means the Board of Managers of the Condominium which is the overall governing body of the Condominium which represents all the Unit Owners and Manages the Condominium pursuant to the provisions of the Declaration, By-Laws, and of the Plan.

"Building" or "Buildings" means the Building structures known by the address 14-11 31ST AVENUE, Astoria, New York 11102, County of Queens, City and State of New York which is located on the Land, in which the Condominium will be located.

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

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

"Closing" or **"Closing of Title"** shall be the time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Closing Date" shall be the date upon which a Closing occurs.

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

"Common Charges" means any charges allocated and/or assessed by the Condominium Board against any Unit and/or each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.

"Common Elements" means all portions of the Condominium other than the Units, including without limitation the Land, roofs, walls and structural elements of the Building, windows, hallways, roof, cellar, meter rooms, mechanical rooms, refuse chute, vestibule, staircases, elevator, elevator machine room, roof recreation deck, rear yard, front yard and certain other portions of the Building to be set aside for common use.

"Common Expense" means all costs and expenses incurred or paid Generally by the Board in connection with the operation of the Condominium, which pursuant to the Plan, the Declaration and the By-Laws, are, except as set forth in the Plan and the Condominium By-Laws, to be paid by the Unit Owners in proportion to their Common Interest, as

summarized in "Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws" and as more fully described in the Declaration and the By-Laws.

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

"Condominium" means URBAN GARDEN MANOR Condominium which is established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws and is composed of the Unit Owners.

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

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

"Condominium Unit" or "Unit" means a Unit located in the Condominium.

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

"Department of Law" means the Real Estate Financing Bureau of the New York State Department of Law, 28 Liberty Street, New York, New York 10005.

"Deposit" or "Down Payment" shall mean all Deposits, down-payments, advances or payments made by Purchasers prior to the Closing of each individual transaction.

"Designee" means any individual or entity so designated in writing by a Unit Owner or Sponsor as the case may be authorized to make such designation.

"Effective Date" shall mean the date upon which Sponsor has declared the Offering Plan effective pursuant to the provisions of the General Business Law of the State of New York.

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

"Exhibits" means collectively Exhibits A, B, C and D which were submitted to the Department of Law in connection with the submission of this Plan to such Department.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property.

"Filing Date" means the date that the Offering Plan or an amendment to the Offering Plans is or was accepted for filing by the New York State Department of Law.

"Final Certificate of Occupancy" shall mean the Final Certificate of Occupancy issued or to be issued by the New York City Department of Buildings for the Building.

"First Unit Closing" or **"First Closing"** shall mean the first date that title to a Condominium Unit is transferred to a Purchaser under the Plan by the Sponsor.

"First Year's Budget" or "First Year of Operation" or "Operating Budget" or "Annual Operating Budget" shall mean the Section of the Plan entitled "Schedule B – First Year's Budget". The First Year's Budget is sometimes referred to herein as "Schedule B".

"Floor Plans" means the floor Plans of the Units and Building certified to by a professional engineer or registered architect, to be filed with the Office of the City Register, simultaneously with the recording of the Declaration, together with any supplemental floor Plans thereto, copies of which are reproduced in Part II of the Plan.

"GBL" or **"General Business Law"** shall mean the New York State General Business Law.

"Land" means the parcel of Land located in the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York, as Block 534, Lot 20 and more particularly described in Schedule A to the Declaration.

"Law" means the laws and ordinances of any or all of the Federal, New York State, New York City and County (where the Condominium is located) governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the property and/or the Condominium, and/or the direction of any public officer pursuant to law.

"Limited Common Elements" means, with respect to each Unit, those Common Elements, if any, which are so designated on the Floor Plans or in the Declaration and which serve or benefit exclusively some, but not all, of the Unit Owners and areas which are irrevocably restricted in use to specified Unit Owners, subject to the right of the Board of Managers, or their designees to enter upon any restricted area for maintenance, repair and inspection of a Unit or Common Elements and subject to the rules of the Board of Managers. Limited Common Elements include but are not limited to storage rooms, balconies and terraces.

"**Majority"** means a more than fifty percent (50%) in Common Interest in the aggregate, as may be specified herein or in the Declaration or the Bylaws with respect to any matter

or matters. Any specified percentage of Unit Owners means such percentage in Common Interest in the aggregate, as may be specified herein or in the aggregate, as may be specified herein or in the Declaration or the Bylaws with respect to any matter or matters, provided, however that different percentages in interest and in number of Units may be so specified.

"Managing Agent" or "Property Manager" shall mean a person or entity employed by the Condominium Board to undertake and perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in the Bylaws.

"Offering Plan" or "Plan" shall mean the document filed with the New York State Department of Law which describes the Condominium property and pursuant to which individual Units in the Condominium are offered for sale, as the same may be amended from time to time.

"Operation of the Property" means the administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.

"Party Wall" as hereinafter referred to shall be defined as a wall which is common to and separates two or more Units.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described in this Offering Plan.

"Permitted Mortgage" means a mortgage placed on a Unit made to a bank, a trust company, an insurance company, a federal savings and loan association, a pension fund or other institutional lender, the Sponsor, a Sponsor-designee, or the Sponsor of the Unit.

"Permitted Mortgagee" means the holder of a Permitted Mortgage.

"Person" means a natural person, limited liability company, partnership, limited liability company, trust, trustee, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other legal entity.

"Plan" or "Offering Plan" means the Condominium Offering Plan for URBAN GARDEN MANOR Condominium promulgated by the Sponsor pursuant to Section 352-e of the General Business Law of the State of New York and any and all amendments thereto.

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

"Power of Attorney" or "Unit Power of Attorney" means the document signed by Unit Owners which (i) appoints the Board of Managers as attorney in fact to acquire on behalf of all Unit Owners, any Unit that the Unit Owner of which wishes to sell or abandon, together with the Appurtenant Interest thereto, and to deal with any such Units so acquired as they may determine and (ii) appoint the Sponsor, as attorney in fact, to amend the Declaration, the Bylaws, the Rules and Regulations of the Condominium, or any of said documents under certain conditions set forth in the Power of Attorney.

"Property" means and includes collectively the Land and the Building, and all other improvements thereon, 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, which have been or are intended to be submitted to the provisions of the New York State Condominium Act..

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

"Purchaser" shall mean a Purchaser of a Unit pursuant to a Purchase Agreement.

"Register's Offices" shall mean the Office of the Register of the City of New York of the County of Queens.

"Residential Unit" means a Unit of residential housing now or hereafter situated on the Property. A Residential Unit is equivalent to the term "Unit" as the same is used in Article 9-B of the Real Property Law. A Residential Unit shall be used for residential purposes only, including home occupancy, and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory", "bed and breakfast" or other transient hotel-type entity. A Residential Unit may be used for any other lawful purpose, provided such use is permitted by, and complies with Law, does not violate the then existing Certificate of Occupancy covering the Building and the Condominium Board, in its sole discretion, grants permission for such use.

"Rules and Regulations" means the rules and regulations made in accordance with the By-Laws of the Condominium as the same may be amended from time to time, provided that they are not in conflict with the terms of the Condominium Act, the Declaration or the Bylaws.

"Schedule A" shall mean the Section of the Plan entitled "Schedule A – Offering Prices of Units and Related Information".

"Schedule B" shall mean the Section of the Plan entitled "Schedule B – First Year's Budget". Schedule B is sometimes referred to herein as the First Year's Budget.

"Schedule B-1" shall mean the Section of the Plan entitled "Schedule B-1 – for Individual Energy Costs".

"Selling Agent" means the Sponsor, or any Selling Agent named in the Plan or any successor Selling Agent at any time in question.

"Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" means the promoter of the project and/or the Offering Plan to convert or create the particular parcel of property to Condominium Ownership. The Declarant under the declaration of Condominium for the Property is the Sponsor of the Offering Plan. Gold Sun Estate LLC is the Sponsor and Declarant.

"Sponsor Designee" means any person designated by Sponsor to hold title to any Unit. Sponsor's statement in writing that a person is a Sponsor-designee shall be conclusive evidence of such status so as to entitle such Person to all of the rights of a Sponsor-designee. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such designee shall also be deemed a "Sponsor-designee".

"Unit" means any Residential Unit designated as a Unit in the Declaration.

"Unit Deed" shall mean the deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.

"Unit Designation" shall mean the number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the Unit in the Declaration and on the Floor Plans.

"Unit Owner" or **"Unit Owners"** means any owner or owners of a Unit in the Condominium. All of such Unit Owners are collectively referred to as "Unit Owner". "Unit Owner" and shall have the meaning ascribed to it in Article 9-B of the Real Property Law of the State of New York. Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common or tenancy by the entirety.

"Unsold Unit" means any Unit held by the Sponsor or Sponsor's designee or any Construction Lender or Sponsor or Receiver appointed by such Construction Lender or a Purchaser at a foreclosure sale held by such Construction Lender or any designee of such Construction Lender or any entity acquiring Sponsor's Units by a deed in lieu of foreclosure. The owner of Unsold Units shall have the same rights, privileges, exemptions and benefits with respect to its Unsold Units as Sponsor has under this Plan and the Declaration and By-Laws with respect to the Units owned by Sponsor and that such individuals and/or entities will assume the status and all of the obligations of the Sponsor for those Units under the offering plan, applicable laws or regulations.

INTRODUCTION

The purpose of the Offering Plan is to set forth all of the material terms of the offer in order to allow prospective Purchasers to make an informed decision regarding their purchase of a Unit.

Under New York law, a Sponsor may not offer Condominium Units for sale unless and until an Offering Plan has been accepted for filing by the Department of Law of the State of New York.

The Offering Plan may be amended from time to time when an amendment is filed by Sponsor with the New York State Department of Law. All amendments will be served on all offerees (all Purchasers and Unit Owners) as defined in Part 20.1(d) of Title 13 NYCRR. An amendment is not effective until the Department of Law of the State of New York has accepted the amendment for filing.

The Condominium is subject to and complies with the New York Condominium Act (Article 9-B of the New York Real Property Law).

The Sponsors are Nema-1 Realty, LLC & Magnum 1 Realty, LLC, New York limited liability companies.

The Sponsor acquired Lot 20, on June 22, 2016 in fee simple the property upon which the Condominium is being constructed. The prior use of the premises was as a mixed use building which was demolished. The Sponsor has not obtained any construction financing with respect to the construction of the Condominium building.

Sponsor reserves the unconditional right to rent rather than sell Units after consummation of the Plan in the event that the building does not qualify for the 421-a tax exemption benefits. Sponsor will endeavor in good faith to sell Units rather than rent. If Sponsor makes a bulk sale of all or some of its unsold Units, the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell Units and shall be responsible for all of the Sponsor's obligations under the Offering Plan with respect to those Units. Purchasers should note that the Sponsor can only rent Units after consummation of the Offering Plan.

There are no limits or requirements imposed by the lender for Sponsor to rent rather than sell under specified market conditions.

The Sponsor hereby offers for sale ten (10) Residential Units and two (2) Parking Condominium Units which will be offered for sale in one (1) newly constructed Building. All of the units offered in the plan were vacant at the time of submission.

The ten (10) Residential Units for sale are located on the first through fifth floor levels. The two (2) Parking Condominium Units for sale are located in the rear of the condominium.

It is anticipated that all of the Units contained in the Condominium will be completed on or about August, 2020.

The prices for all Units being offered for sale are set forth on Schedule "A" which is included in this Offering Plan.

There are no Units or property interests which are not offered for sale.

All portions of the Condominium, excluding the Units, are Common Elements of the Condominium. The Common Elements of the Condominium are described as follows:

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

1. The Land on which the Condominium is erected and all other Land within the boundaries of the Property;

2. All portions of the roof, including gutters and leaders, that are not restricted in use to a specific Unit or Units and intended for the common use and service of the Building;

3. All exterior walls of the Building;

4. All foundations, footings, columns, girders, beams, supports, floor slabs and ceilings that are not part of a Unit and any interior load bearing walls that are not part of a Unit and that service the entire Building;

5. Stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units which are intended for the common use and service of the Building;

6. All improved and unimproved areas of the Condominium located outside the boundaries of the Units intended for common use and service;

7. All central and appurtenant installations for services such as power, light, telephone, television, gas, hot and cold water and heat (including all boilers, pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces intended for the common use and that service the Building;

8. All drainage systems, sewers and/or storm sewer pipes, drywells or detention tanks or facilities intended for the common use and that service of the Building;

9. All mechanical equipment, refuse rooms, utility meters, storage areas, if applicable, are intended for the common use and service of the Building;

10. Any heating, cooling or other mechanical system located in the Common Elements intended for the common use and service of the Building;

11. All telephone and cable rooms, meter rooms, equipment rooms, elevator rooms and any other mechanical rooms or areas intended for the common use and service of the Building;

12. All tanks, pumps, motors, fans, compressors, elevator equipment and control equipment intended for the common use and service of the Building;

13. Any sprinkler system located in the Common Elements and intended for the common use and service of the Building;

14. Any plantings and Landscaping intended for the common use of the Condominium;

15. Any pedestrian walkways and ramps intended for the common use and service of the Condominium;

16. The lobby located on the first floor level intended for the common use of the residents of the Condominium;

17. The outdoor recreational space located in the rear yard intended for the common use of the residents of the Condominium;

18. The authorized mail area adjacent to the lobby;

19. Any fences and gates located on the Property;

20. All flues, chimneys and vent caps for the common use and service of the Building;

21. The vestibule located in the front of the Building and the rear Building entrance intended for the common use and service of the Building;

22. Refuse disposal chutes;

23. Any intercom system intended for the common use and service of the Building; and

24. All other parts of the Condominium, Building and all apparatus and installations existing in the Building or Property for common use or

necessary or convenient to the existence, maintenance or safety of the Condominium.

B. Irrevocably Restricted Areas/ Individual Residential Unit's Limited Common Elements - Certain portions of the Common Elements are irrevocably restricted in use to specified Residential Units or Residential Unit Owners subject to the right of the Board of Managers of the Condominium to enter upon any restricted area for maintenance, repair or improvement of a Unit, or the Common Elements and subject to the Rules and Regulations of the Board of Managers (see By-Laws, Article VIII). Said irrevocably restricted Common Elements are also referred to as an Individual Residential Unit's Limited Common Element. Any portion of the Common Elements which is not restricted in use may be used by any Unit Owner. Following are descriptions of the irrevocable restricted Individual Residential Unit's Limited Common Elements:

1. Individual Residential Unit's Limited Common Elements - *Individual* Residential Unit's Limited Common Elements are irrevocably restricted in use to a specific Residential Unit or specific Residential Units. Following are descriptions of irrevocable restricted Individual Residential Unit's Limited Common Elements:

(a) balconies and/or terraces appurtenant to a Residential Unit shall be a Limited Common Element for the exclusive use of the Residential Unit Owner of the applicable Residential Unit;

(b) Hot water tanks, boilers, air conditioning condensers and any other heating, cooling or other mechanical system servicing an individual Unit that is located in or on the Common Elements;

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

All structural repairs and replacements to any balcony and/or terrace that is an Individual Residential Unit's Limited Common Element will be the responsibility of the Condominium and a Common Expense. All General maintenance and repairs of a balcony and/or terrace or rear yard that is an Individual Residential Unit's Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, (including the repair of leaks and the repair or replacement of the surface of the balcony and/or terrace), shall be the responsibility of the Residential Unit Owner whose balcony and/ or terrace is appurtenant to their Residential Unit and is an Individual Residential Unit's Limited Common Element of their Residential Unit. The balconies and/or terraces are not permitted to be used for storage and are not permitted to be enclosed and are not permitted to be used for any type of occupancy including but not limited to dining, sleeping, living room, recreation, office or similar use. All drains located on a balcony and/or terrace must be kept open at all times. Residential Unit Owners will not be permitted to store any combustible material or other items in or on a balcony and/or terrace or rear yard. Neither the Condominium nor any Residential Unit

Owner will be permitted to enclose or make any structural changes to a balcony and/or terrace except as required for repair or replacement.

All repairs, maintenance and replacement and all costs associated thereto to any hot water tank, boiler, air conditioner condenser or any other heating, cooling or other mechanical system that is an Individual Residential Unit's Limited Common Element shall be the sole obligation of the applicable Residential Unit Owner for which the facility is an Individual Residential Unit's Limited Common Element.

C. Provisions Applicable to All Common Elements -

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

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

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

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

The Common Expenses associated with the Condominium, General Common Elements, individual Residential Unit's Limited Common Elements that are the obligation of the Condominium to repair maintain and replace, as necessary and other costs designated as a Condominium obligation or Common Expense shall be paid for by all Unit Owners based upon their Percentage of Common Interest in the Condominium as reflected in Schedule A of the Offering Plan except as provided in the Special Risks section of the Plan.

The individual costs associated with a Residential Unit's Individual Limited Common Elements shall be borne exclusively by the respective Residential Unit Owner, except as otherwise provided in the Declaration and By-Laws. All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements, equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively a Residential Unit shall be the responsibility of the Residential Unit Owner for such equipment services, etc.

There are a number of different model types of Residential Units which contain different size and layout types. See Schedule C in Part II of the Plan for a detailed description of each model and/or type. The Land and all improvements to be erected thereon are hereinafter referred to as the "Development" or the "Condominium".

Sponsor will endeavor in good faith to market and sell the Residential Units in the Condominium however, Sponsor is retaining the unconditional right to rent rather than sell

Residential Units in the event that the building does not qualify for section 421-a tax exemption benefits. Because Sponsor is retaining the unconditional right to rent rather than sell Residential Units in the event that the building does not qualify for section 421-a tax exemption benefits this Plan may result in the creation of a Condominium in which a majority of the Residential Units are not owned by owner-occupants or investors unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. In the event Sponsor makes a bulk sale of all or some of its Units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell Residential Units.

As in the ownership of a private one (1) family Home, the Purchaser of a Residential Unit in a Condominium (the "Residential Unit Owner") owns their Residential Unit in fee simple absolute and is entitled to exclusive possession of their Residential Unit. Each Purchaser of a Residential will also own an undivided interest in and right to use the General Common Elements and a right to use the Individual Residential Unit's Limited Common Elements that pertain to an individual Residential Unit. A full description of the General and applicable Individual Residential Unit's Limited Common Elements is described above.

The approximate physical dimensions of each Residential Unit consists of the area measured horizontally from (a) vertically from the top of the concrete or wood flooring to the underside of the concrete or sheetrock ceiling and (b) horizontally to the center line of demising walls between Units; to the centerline of non-structural common walls; to the inside face of common structural walls or elements; and to the outside face of exterior walls. The interior of the entrance doors, windows and their panes and frames, and HVAC Unit and their sleeves, will be included as part of each Residential Unit. As such, the areas are not based upon measurements from interior surfaces of interior walls and the actual living area comprising the Residential Unit may be substantially less than the area listed in Schedule A. No Residential Unit owner shall be deemed to own any Common Element located within the Residential Unit including but not limited to the supporting columns, pipes, wires, conduits or other public lines running through the Residential Unit which are utilized for or service more than one (1) Residential Unit.

A Unit Owner is required to pay monthly Common Charges assessed by the Board of Managers for the operation and maintenance of the Condominium pursuant to Sections 339(i) and (m) of the New York Condominium Act. Monthly Common Charges may commence with the Closing of the first Residential Unit which is expected to be in August 1, 2020, however, see Section XX as to the right of the first Board of Managers to commence the collection of Common Charges at a subsequent date. Purchasers should note that pursuant to the terms of the Offering Plan as long as the Sponsor retains control of the Board of Managers, the Board of Managers retains the right to delay the commencement of the collection of Common Charges. During any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders. Upon the commencement of the collection of Common Charges, there will be no assessment of Unit Owners for prior expenses of the Budget during the period Sponsor was paying the Common Expenses of the Condominium. Sponsor shall remain obligated to update the Budget for the Condominium as provided for in the governing

regulations. In the event Sponsor elects to delay collection of Condominium Common Charges, it will disclose such fact in the Closing notice to Purchasers and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to commencing collection of Common Charges and will disclose such fact in the following Amendment to the Offering Plan.

Until title to a Residential Unit has passed to a Purchaser, the Sponsor will pay such Common Charges and Special Assessments as are assessed by the Board of Managers on the Units to which Title has not passed. Once Title has passed to a Purchaser, the Purchaser will be responsible for all costs, including all Common Charges, in the event the collection of Common Charges has commenced, and individual expenses associated with the Unit, as well as any costs associated with the Individual Residential Unit's Limited Common Elements that pertain to the Purchasers' Residential Unit.

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

There is no restriction upon ownership of a Residential Unit. Occupancy of a Residential Unit, however, may only be for residential purposes as described in the Offering Plan. Residential Units can be sold by a Residential Unit Owner, provided that the Residential Unit Owner is not in arrears on the payment of Common Charges (except where the payment of such unpaid Common Charges is paid by the Grantee or provided for out of the proceeds of the sale) and subject to restrictions contained in the mortgage, if any, covering their Residential Unit. A Purchaser is free to make a gift of their Residential Unit to anyone during their lifetime or to devise their Residential Unit by will, or to have it pass by intestacy without any restriction. No Residential Unit can be sold without a simultaneous sale of the undivided interest in the Individual Residential Unit's Limited Common Elements that pertain to the Residential Unit.

With certain exceptions, as set forth in the By-Laws, any sale or rental or a Residential Unit will be subject to first right of refusal by the Condominium Board to acquire or lease such Residential Unit or to produce a third-party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit. Sponsor may sell or lease its respective Units, or portions thereof, without any restriction or limitation. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" subsection "Sale or Lease of Units" for details.)

The Units can be purchased for all cash or may be purchased partly for cash and partly by mortgage. 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. No representation is made by the sponsor as to the availability or cost of such financing. . Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's down-payment in the event a Purchaser is unable to obtain a

mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at Closing regardless of the availability of financing. In the event a Purchaser does not Close Title to the Unit as a result of Purchaser's inability to obtain a mortgage Purchaser will be deemed in default of the Purchase Agreement and after Sponsor complies with the required notices may, at its option, retain as liquidated damages all or any part of the monies paid on account of the Purchase Agreement plus Extras paid by Purchaser which Extras have been installed by Sponsor, paid for but not installed by Sponsor or which have been ordered but not installed by Sponsor and for which Sponsor is obligated to pay unless the Offering Plan has been abandoned. In the event the Offering Plan is abandoned a Purchaser will be entitled to a return of all funds paid for Extras.

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

Primary responsibility for operating the Condominium rests with the Board of Managers who are elected by the Unit Owners. See the By-Laws contained in Part II of the Offering Plan.

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

Each Unit will be taxed separately for real estate tax purposes and may be separately mortgaged. Therefore, no Unit Owner is liable for the payment of real estate taxes or mortgage payments on any other Unit. In the opinion of counsel, a Unit Owner is presently entitled to deductions for income tax purposes for payments for real estate taxes applicable to their Unit. In addition, provided the Residential Unit will be the Purchaser's principal residence or one (1) other residence selected pursuant to Section 163(h)(5)(A)(i)(II) of the Internal Revenue Code of 1986, a Residential Unit Owner may also deduct the interest on the mortgage they procure to finance the purchase of their Residential Unit for income tax purposes. Purchasers are further advised that H.R.1, commonly referred to as the Tax Cuts and Jobs Act there is a newly passed limitation of a $10,000.00 cap on the itemized deduction of state and local income and real estate property taxes. Purchasers should note, that the $10,000.00 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000.00 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000.00 threshold. See Section XXII of the Offering Plan.

Fire and liability insurance covering the General Common Elements are included with other items as part of Common Charges, but fire and liability insurance for the Purchaser's personal effects, the interior of the Unit and the Individual Residential Unit's Limited Common Elements for an Individual Residential Unit Owner's exclusive use should be carried by the individual Purchaser. Common Charges are levied in proportion to the Percentage of Common Interest in the "Common Elements" appurtenant to each Unit. However,

Purchasers should see Special Risk No. 36 which provides that as permitted in Section 339-m of The Real Property Law of the State of New York, the Board of Managers may also make allocations and assessments of Common Charges to the General Common Elements in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are based on special or exclusive use or availability or exclusive control of particular Units or common areas by particular Unit Owners. For possible increases in Common Charges upon default in payment by a Residential Unit Owner see Section XX of the Offering Plan. Each Residential Unit Owner is responsible for the cost of their own interior repairs and decoration in their Residential Unit after Closing.

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

The price of the Residential Units will include only the appliances and fixtures detailed in the Description of Property Report contained in Part II of the Plan. Installation and the cost of any extras, upgraded appliances, upgraded fixtures or appliances or fixtures not provided is the sole responsibility of each Residential Unit Owner.

The prices for the Units are set forth in Schedule A. THESE PRICES HAVE BEEN SET BY THE SPONSOR ALONE AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

This Offering Plan contains all of the material terms of this transaction. Parts I and II along with Parts A, B, C and D of the Schedules submitted along with the Offering Plan together constitute the entire Offering Plan. Copies of the Plan and Parts A, B, C and D of the Schedules will be available for inspection by Prospective Purchasers and their attorneys without charge and for copying at a reasonable charge at the Condominium site whenever the on-site sales office is open, at the office of the Sponsor or any Selling Agent engaged by Sponsor and at the New York State Department of Law, 28 Liberty Street, 21st Floor, New York, New York 10005. There are no restrictions on who may purchase a Residential Unit in the Condominium except that this offer is made only to persons over eighteen (18) years of age. Each Residential Unit Owner can sell their Residential Unit to whomever they desire subject to the below resale provisions.

FOR THE PROPOSED RESALE OF A CONDOMINIUM UNIT

Any Unit Owner shall have the right to sell his or her Unit under the following terms and conditions:

A. The Unit Owner shall first give the Board of Managers thirty (30) days prior written notice of the terms of any bona fide sale, together with a copy of any proposed sales agreement, together with a fully executed, original counterpart of the sales agreement, as the case may be, containing all of the terms offered in good faith by the prospective

purchaser. Written notice with a copy of the contract of sale shall be sent to the managing agent, if any, or to the President of the Condominium by Certified Mail or overnight mail by via a nationally recognized overnight courier service with proof of delivery being retained by the Unit Owner,

B. The Board of Managers may require the prospective Purchaser to complete an application and/or questionnaire for consideration by the Board of Managers or Sponsor of the proposed transaction. (The 30 day period as discussed above shall commence from the time that the managing agent or the President of the Condominium receives a fully completed application in the event that the Condominium requires applications to be completed by prospective Purchasers). The Board of Managers shall require photo identification of all persons who are prospective Purchasers and who may reside in the Condominium Unit; the names, addresses and social security numbers of all proposed occupants shall be provided to the Board of Managers with the proposed contract of sale. Any prospective Purchaser of any Condominium Unit consents to the Board of Managers obtaining a criminal background check on the proposed Purchasers. The Board of Managers may not discriminate against any proposed Purchaser or proposed occupant on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

If the Board of Managers fails to act within such thirty (30) day period, it shall be deemed to have consented to the proposed transaction;

Any such deed to convey any Condominium Unit shall provide that the 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.

C. If the Board of Managers refuses to consent to the transaction, it shall, within the thirty (30) day period, either:

(i) Produce a Purchaser who will purchase the Unit upon the same terms as stated in the Unit Owner's notice to the Board of Managers and the contract of sale executed by the proposed Purchaser, or

(ii) Agree to purchase the Unit on behalf of all other Unit Owners on the same terms stated in the contract of sale submitted to the Board of Managers.

If the Board of Managers desires to purchase the Condominium Unit from a Unit Owner, at the closing, the Unit Owner shall convey the Unit (and Appurtenant Interests) 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, with all transfer stamps affixed, and shall pay all transfer and other taxes arising out of such sale. Real estate taxes, mortgage interest and common charges and expenses shall be apportioned between the Unit Owner and the Board of Managers, or its designee, as of the closing date. The closing shall occur within 45 days from the date that the Board of Manager exercises its right of first refusal to purchase the Condominium Unit. The closing shall occur at the offices of the attorney for the Condominium.

In connection with the foregoing, the Board of Managers may not purchase a Unit without the approval of a majority of the Unit Owners (as such term "majority" is defined in the By-Laws). In the event that the Board of Managers does not have sufficient funds on hand for the purchase of a Unit which has been approved by the majority of the Unit Owners, the Board of Managers may borrow such funds or may assess the Unit Owners in proportion to their respective common interests to the extent of the purchase price amount. In the event that the Board of Managers exercises its right to purchase the Condominium Unit, it may do so on the same terms and conditions (including but not limited to the mortgage contingency provisions and closing date provisions set forth in the contract executed by the proposed Purchaser). In the event that the Board of Managers does not either produce a Purchaser for the Unit or agree to purchase the Unit on behalf of all of the Unit Owners as set forth above within the stated thirty (30) day period, the Unit Owner shall have the right to consummate the sale on the terms submitted to the Board of Managers and in accordance with the terms set forth in the contract of sale executed by the proposed Purchaser. The proposed Purchaser must comply with the requirements set forth in the Declaration and By-Laws.

The restrictions upon the sale of Units, set forth in this Section shall not apply to the Sponsor, or its designee, or to a mortgagee (including the holder of a construction loan, if any) acquiring title in foreclosure or by deed in lieu of foreclosure. The foregoing persons shall be free to sell without first notifying or obtaining the consent of the Board of Managers or Sponsor. The Board of Managers and the Sponsor, as the case may be, shall be required to cooperate in providing appropriate physical access to any such Unit and the Common Elements, as well as all financial information regarding same.

A Unit acquired by the Board of Managers pursuant to the Right of First Refusal described herein may be sold, leased, mortgaged or otherwise dealt with in the discretion of the Board of Managers. The proceeds of such disposition will be received by the Board of Managers on behalf of all Unit Owners in proportion to their respective common interests.

FOR THE PROPOSED LEASING OF A CONDOMINIUM UNIT

Any Residential Unit may be leased subject to the leasing requirements contained in Section 2 of Article XI of the By-Laws. In addition, any Residential Unit Owner who wishes to enter into a lease for the Residential Unit Owner's Residential Unit shall be required to provide the Board of Managers of the Condominium with a copy of the lease at least thirty (30) days prior to its execution. All Residential Unit Owners who wish to enter into a new lease for the Residential Unit Owner's Residential Unit shall be required to submit all documentation required by the Board of Managers as set forth in Section 2 of Article XI of the By-Laws to the Managing Agent or the Board of Managers in the absence of a Managing Agent. All leases must comply with all the requirements contained in said Section 2. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium.

The provisions contained herein shall not apply to the acquisition or sale of a Residential Unit by a Mortgagee who shall acquire title to such Residential Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any Purchaser from such Mortgagees.

Any sale or lease of any Unit in violation of the above shall be voidable at the election of the Board of Managers.

Except as noted below, every lease on every Residential Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

(h) No later than thirty (30) days prior to execution of a lease, the Residential Unit Owner must provide the Board of Managers of the Condominium with a copy of the lease, name of the proposed tenant and terms of the lease;

(i) the lease must be in writing;

(j) the lease must be for the entire Residential Unit;

(k) the lease must have a minimum term of twelve (12) months. Renewal leases shall also have a minimum term of twelve (12) months.

(l) the form of the lease and any renewal lease must contain a provision that the tenant has thoroughly read and agrees to be subject to the Declaration, the By-Laws and Rules and Regulations of the Condominium and agrees to accept the power of attorney of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the Rules and Regulations of the Condominium and agrees to be jointly and severally liable with the Residential Unit Owner for any and all fines and costs levied against the tenant for any violation of the provisions of the Rules and Regulations, By-Laws and/or Declaration of Condominium;

(m) the use of the premises is subject to the Declaration, the By-Laws and the Rules and Regulations of the entire Condominium;

(n) within thirty (30) days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the executed lease, must be furnished to the Managing Agent or if no Managing Agent to a Member of the Board of Managers of the Condominium;

(h) within thirty (30) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent to the Board of Managers of the Condominium;

(i) the Residential Unit cannot be used as a motel or hotel or otherwise for transient tenants;

(j) no Residential Unit Owner, Resident or tenant shall be permitted to place any signs for rent in or on the Residential Unit or the Common Elements of the Condominium unless approved in writing by the Board of Managers;(k) all leases and tenants are subject to all municipal requirements applicable to rentals, if any; and

(l) if any Residential Unit Owner (Landlord) or tenant is in violation of any of the provisions of the Declaration or By-Laws, or both, including any Rules and Regulations, the Board of Managers of the Condominium may bring an action in its own name or in the name of the Residential Unit Owner, or both, to have the tenant evicted or to recover damages, or both.

The Board of Managers, in its sole discretion, may add or change any of the criteria above with respect to the requirements of leasing Residential Units.

In order to carry out the provisions of Article XI of the By-Laws and pursuant to the provisions of Article Fourteenth of the Declaration of Condominium each Residential Unit Owner shall upon becoming a Residential Unit Owner grant an irrevocable power of attorney, to nominate, designate, constitute and appoint the Members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Residential Unit Owner's Condominium Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium. The remedy provided herein is not exclusive and is in addition to any other remedy or remedies available to the Board of Managers of the Condominium. If permitted by present or future law, the Condominium may recover all of its costs, including court costs and reasonable attorney's fees, and these costs shall be a continuing lien on the Residential Unit that shall bind the Residential Unit in the hands of the then Residential Unit Owner and the Residential Unit Owner's successors and assigns. The Board of Managers of the Condominium shall give the tenant and the Residential Unit Owner written notice of the nature of the violation of the Rule and Regulation, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Managers of the Condominium may file for eviction.

By becoming a tenant, each tenant will be bound by the Declaration, the By-Laws and the other Rules and Regulations of the Condominium, and recognizes and accepts the right and the power of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the other Rules and Regulations of the Condominium.

To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Residential Units in the Condominium, only subsections (c), (f), (g), (h), (i). (j), (k) and (l) above shall apply to a first mortgage lender who has title to the Residential Unit through (a) foreclosure of its first mortgage on the Residential Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Residential Unit. Any subsequent Purchaser from the first mortgage lender is subject to all the terms of Article XI of the By-Laws. In addition the provisions of Article Twelfth of the Declaration of Condominium regarding an Institutional Mortgage shall be applicable regarding unpaid Common Charges accrued before acquisition of title of a Unit by the Mortgagee.

The foregoing restrictions shall not apply to Sponsor-owned Residential Units. The Sponsor, its successors, assignees and/or designees shall have the right to freely sell an Unsold Unit or to freely lease all or any part thereof without any interference or any restrictions by the Board of Managers as long as the lease and use by a tenant is in compliance with the permitted use of the Unit under applicable zoning and occupancy requirements.

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. PURCHASERS ARE ADVISED THAT THE PLAN CONTAINS ALL OF THE MATERIAL TERMS OF THE TRANSACTION.

GENERAL DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS

LOCATION

The Condominium is located in the City of New York, County of Queens, City and State of New York. The Land is located at 14-11 31st Avenue, Astoria, New York 11102. A metes and bounds description of the Land is set forth in the Declaration in Part II of the Plan. The Property is presently designated as Block 534, Lot 20 on the Tax Map of the City of New York for the Borough and County of Queens. The adjoining areas have not been developed and consist of single and two family homes. Purchasers are therefore advised that in the future the adjoining area may be developed into multi-family homes. The individual Condominium Units will be designated as a Condominium series of lots numbers by the City of New York whereby each Condominium will have and be known as an individual tax lot number.

TOPOGRAPHICAL FEATURES

The site consists of a new Building over gently sloped Land.

IMPROVEMENTS – GENERAL DESCRIPTION OF THE BUILDING

There is one (1) newly constructed Building containing five (5) stories and ten (10) Residential Units and two (2) Parking Condominium Units. The structure is of non-combustible construction. The Building consists of brick and block walls and metal framed walls with brick veneer and the floors above the cellar are constructed of steel beams, metal decking with poured concrete. The cellar floor is poured concrete slab. The foundation for the Building is poured in place reinforced concrete walls resting on reinforced poured spread concrete footings.

The Units, the Building containing them and all other improvements are under construction and will be completed as described in "Description of Property, Specifications and Building Condition" in Part II of the Plan. The Units, the Building containing them and all other improvements will be constructed in accordance with all applicable rules, regulations, laws, and other requirements of all governmental authorities having jurisdiction thereof, including those governing zoning and construction, and the Sponsor and all persons engaged by the Sponsor in connection with this Plan have complied and will comply with all applicable laws, rules and regulations and other governmental requirements pertaining thereto. Construction of the Condominium will comply with the New York City Building Code and applicable zoning requirements. Prospective Purchasers may examine the Building Plans filed with the Building Department of the City of New York at the Sponsor's office or the Building Department. The Building Plans have been filed and approved by the New York City Department of Buildings. Before the Closing of Title to a Unit, a temporary or permanent Certificate of Occupancy will be issued for such Unit or the Building in which it is located. At the time of the first Closing of Title to a Unit, the construction of all Units in that Building will have been completed.

Construction timetable - Construction work is in progress as of the date of this offering. Completion is anticipated in August, 2020. Before the Closing of Title to a Unit, a temporary

or Permanent Certificate of Occupancy will be issued for such Unit or the Building in which it is located. At the time of the first Closing of Title to a Unit, the construction of all Units in that Building will have been completed. Purchasers should note that neither the Sponsor nor the manufacturer provides any warranty for the windows.

Purchasers are advised that in New York, newly constructed and newly renovated Buildings are sometimes offered as Condominium projects without a final certificate of occupancy (TCO") covering the entire Building but with only a temporary certificate of occupancy ('TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of Occupancy are generally governed by section 301 of the New York Multiple Dwelling Law and local Building codes and rules. Both TCOs and PCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the Building Department. 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, it is common for Sponsors to commence Unit Closings when some or all Units are covered by a TCO rather than a PCO. Sponsor anticipates that this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a PCO covering the entire Building within two (2) years from the date of issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the Building Department will issue the PCO within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO for the entire 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.

Buyers 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 available on the DOB website at: http://nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

Construction Data for Units. Common Elements and Limited Common Elements

The Building, the Units and Common Elements will be constructed in the manner set forth in the Building Plans filed with the City of New York, which Plans will not be changed so as to adversely affect the Unit Owners. For a detailed description of such data see the Description of Property Report in Part II of the Plan. Construction of the Building has commenced and Closing of Title to the first Residential Unit is expected to take place in August 1, 2020, barring any unforeseen delays beyond the control of the Sponsor such as weather conditions, strikes, material shortages, acts of God and sales conditions.

Easements

All pipes, sewers and/or drainage lines and wires, conduits and public utility lines located within each Unit and for the exclusive use of the Unit shall be maintained by such Unit Owner. Any portion of such pipes, sewers and/or drainage lines and wires, conduits and public utility lines located in the Common Elements or in a Limited Common Element and servicing one or more

other Units will be a General Common Element and all repairs and maintenance thereto shall be the responsibility of the Condominium. Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in other Units and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, sewers and/or drainage lines, wires, conduits and public utility lines servicing such other Units located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in any Unit and servicing any other Unit or causing damage to any other Unit or any pipe, sewer and/or drainage line, wires, conduits and public utility lines, no matter how designated that causes or is in imminent danger of causing damage to another Unit or the Common Elements. The cost of such repairs shall be a Common Expense unless the damage is the result of the negligence of a Unit Owner or tenant, occupant, employee or other person a Unit Owner may be responsible for, in which case the cost of such repairs shall be the responsibility of the Unit Owner who is responsible or whose tenant, occupant, employee or other person the Unit Owner is responsible for causing such damage. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

The Board of Managers and their agents, employees and contractors shall have an easement for access through all the Common Elements and the Units for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any Unit or any other Common Element no matter how classified, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of Condominium or for the health and safety of the Condominium. Such right of access to a Unit shall be exercised in such a manner as is required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the health and safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Each respective utility and cable company shall have a right of access to the Common Elements and each Unit for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, wires, conduits, and public utility lines located in the Common Elements and any Unit. Any utility or cable company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

The Board of Managers shall have the right to grant such additional electric, gas, water, sewer, drainage or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Managers shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such

easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

The Board of Managers shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Condominium.

The Sponsor, its successors, assigns, and/or designees and Purchasers of undeveloped or Unsold Units, reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across all of the Property and the Building comprising the Condominium for the purpose of completing construction, sale and rental of Units and facilities in the Condominium and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across all of the Property and the Building comprising the Condominium for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television and other utilities and for any other materials or services necessary for the completion of the work. The Sponsor, its successors, assigns, and/or designees and Purchasers of undeveloped or Unsold Units, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Property and Building comprising the Condominium. The Sponsor, its successors, assigns and/or designees and Purchasers of undeveloped or Unsold Units, shall have an easement to erect and maintain General sales, leasing, business or administration offices and/or model Units, to erect, maintain, repair and replace from time to time one or more free-standing and other selling, directional and informational signs in/or on the Property and the Building comprising the Condominium as it deems necessary for the purposes of advertising the sale or lease of Units, and *for the* purpose of showing the Units to prospective Purchasers or lessees and for access to Units and Common Elements consistent with the purposes of the Declaration, as the same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units, together with their Percentage of Common Interest in the Common Elements. The Sponsor, its successors, assigns and/or designees and Purchasers reserve the right to continue to use the Common Elements and any facilities, sales offices, model Units and signs located on the Common Elements, in its efforts to sell and/or lease Units constructed in the Condominium and to complete construction of the Condominium. This paragraph shall not be amended without the consent of the Sponsor. The Sponsor and Purchasers of Unsold Units shall have the rights enumerated herein for so long as Sponsor or said Purchasers continue to own at least one Unsold Unit.

Each Unit Owner hereby grants a right of access to and through their Unit to Sponsor or its designee, and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Sponsor with respect to the Common Elements and/or the Units pursuant to or in accordance with the offering plan, filed plans and specifications, the declaration and applicable law.

The Sponsor for so long as the Sponsor controls the Board and the Board of Managers and their respective designees shall have an easement of access to all Residential Units for the purpose of maintenance, repair and replacement of recessed exterior lighting and to install, repair and maintain all pipes, conduits, ducts and other facilities servicing the exterior lights without the consent of the respective Residential Unit Owner upon reasonable notice to the Residential Unit Owner.

Each Unit Owner grants an easement of ingress and egress in, over and through any hallway that may be part of their Unit to any other Unit Owner, tenant, resident or other persons needing ingress or egress to their respective Unit that may be necessary for said purpose.

The Board of Managers will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements and Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium to repair, maintain and replace, located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements or Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium to repair, maintain and replace.

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

Each Unit will have an easement for lateral and vertical support among all adjoining Units and Common Elements.

Any easements granted to Sponsor, the Board of Managers, any Unit or any Unit Owner under the Declaration and the By-Laws may be exercised by such Sponsor's, Board of Managers or Unit Owner's employees, agents, contractors, suppliers, customers, guests, invitees, licensees, servants, tenants, subtenants, members, and visitors, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by the Sponsor, the Unit Owner or Board of Managers.

Any easement granted in favor of the Sponsor and/or the Board of Managers for premises located within a Residential Unit may only be exercised upon reasonable notice to the Residential Unit Owner.

Each Unit Owner will have a right and easement to use its Unit and the Limited Common Elements appurtenant to such Unit or Units, and the General Common Elements, subject to and in accordance with the terms and conditions of the Declaration and By-Laws.

All Unit Owners, residents, guests, tenants and anyone else needing access to a Unit shall have an easement of ingress and egress, in, through and over the Property of the

Condominium, including the Common Elements regardless of how classified for access to their Unit.

The Board of Managers will have an easement and unlimited access to any Limited Common Elements for the purpose of making inspections, repairs or rebuilding of the Condominium.

Allocation of Common Interest

The Common Interest of the Condominium establishes the Unit Owners' percentage of ownership in the Common Elements and percentage of liability for the payment of Common Charges subject to the provisions of Section 339-m. Each Unit Owner has the Percentage of Common Interest in the Condominium set forth on Schedule A. The Percentage of Common Interest of each of the Residential Units has been determined pursuant to Section 339-i (1) (iv) of the Condominium Act, based on floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Residential Unit. See Special Risk No. 22 as to Sponsor's right to adjust the Percentage of Common Interest a de minimis amount so that the Percentage of Common Interest equals one hundred (100%) percent.

Recreation Facilities

The Condominium will include a rear yardarea for use by the Residential Unit Owners. Use of these facilities shall be based upon a first come, first served basis, as determined by the Sponsor and/or Board of Managers as the case may be, in their sole and absolute discretion. The rear yard will comply in all respects with the requirements set forth in the New York City Department of Buildings Bulletin 2018-002. Furnishings and/or equipment not provided by the Sponsor will be at the sole cost of the Unit Owners as a Common Expense of the Condominium and not the Sponsor. A Permanent Certificate of Occupancy covering the rear yard must be obtained prior to its use as a recreational area.

LOCATION AND AREA INFORMATION

Location

The Property is located on 31st Avenue, between 14th Street and 21st Street in the County of Queens, City and State of New York.

The surrounding areas and neighborhood is composed of primarily of single family, multi-family detached and semi-detached residences and commercial stores and offices. The surrounding areas are residential with concentrated areas of retail and commercial properties. The properties adjacent to and to the North, East, South and West of the Condominium are all residential and commercial properties. To the Sponsor's knowledge, there are no adjacent or nearby properties which a reasonable Purchaser would find obnoxious.

Transportation

New York City is served the three major airports: LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and 33rd Street, and from Grand Central Station, located at Lexington Avenue and 42nd Street.

Transportation to and from the Building, and through New York City, is available by taxi and limousine service. Public transportation is also readily available. Public buses run regularly along the Q18 route (30th Avenue, 58th Street, 65th Place), the Q19 route (Astoria Boulevard), the Q69 route (21st Street, Ditmars Boulevard, Jackson Heights), the Q101 route (Rikers Island, Steinway Street, 58th Street and 2nd Avenue), the Q102 route (31st Street. Roosevelt Island), the Q104 route (Broadway, 48th Street) and the M60 route (LaGuardia Airport via Astoria Boulevard, 125th Street – Manhattan). The number N and W local subway lines stop at Ditmars Boulevard, Astoria Boulevard and 30th Avenue at 31st Street and provide Manhattan-bound service. In addition, a number of commercial parking garages are located nearby.

Shopping

There is local shopping area located on 30th Avenue, Broadway, Steinway Street and Ditmars Boulevard, all located within one mile from the Condominium.

Medical, Educational and Religious Facilities

A number of excellent medical centers, such as Mount Sinai Medical Center, Astoria Medical Center, Astoria Pediatric Associates and New York Hospital of Queens, are readily accessible.

Numerous private schools, public schools and parochial schools on the elementary, middle school and high school levels are located within walking distance of the Building, including Les Enfants Montessori School, PS127 Aerospace Science Magnet School, PS122 Mamie Fay School and Long Island City High School. In addition, the following

private schools are located in the vicinity of the Condominium: St. Demetrios High School and St. John's Preparatory School. Nearby colleges include Vaughn College of Aeronautics and Technology and LaGuardia Community College

There are various denominational synagogues and churches located within walking distance from the Condominium.

Municipal Services

The City of New York will provide water, sanitation (refuse removal and snow removal of all public streets adjoining the Condominium), police and fire services to the Building.

The local police station is the 114th Precinct, located at 34-16 Astoria Boulevard, Astoria, New York.

The local fire station is Engine 312, Battalion 49, located at 22-63 35th Street, Astoria, New York.

The City of New York will remove snow and maintain the roads in the street in front of the Condominium.

Municipal Services

The mailing address for the Building is 14-11 31ST AVENUE, Astoria, New York 11102.

Zoning

The Property is located in a R6B Zoning district in which residential use is permitted as well as commercial and community facility use.

Options to Acquire Adjacent Areas

Neither the Sponsor nor the Sponsor's principals own, in whole or in part, or have an option or right to acquire, in whole or in part, any adjacent areas to the Condominium premises.

Landmark

The Building does not have Landmark status.

General

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

SCHEDULE A – PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A
THE URBAN GARDEN MANOR CONDOMINIUM
OFFERING PRICES AND RELATED INFORMATION
AUGUST 1, 2020 TO JULY 31, 2021

	(ii)	(i)		Limited Common Elements		(iii)	(iv)	(v)	(v)	(v)	(v)	(v)	(vi)	(vi)	(vi)	(vi)
Unit No	Offering Price	App. Sq. Ft.	No. Bd./ Ba.	Uninhabitable Balcony Area	Uninhabitable Terrace Area	Total Percent Common Interest	Projected Com. Chg. Monthly	Projected Com. Chg. Annual	Projected Real Estate Taxes w/o 421a Monthly	Projected Real Estate Taxes w/421a Monthly	Projected Real Estate Taxes w/o 421a Annual	Projected Real Estate Taxes w/421a Annual	Projected Total Carrying Charges w/421a Monthly	Projected Total Carrying Charges w/421a Annual	Projected Total Carrying Charges w/o 421a Monthly	Projected Total Carrying Charges w/o 421a Annual
1F	$ 440,000.00	352	Studio	-	152	5.95%	158.67	1,904.00	293.91	36.66	3,526.92	439.88	195.32	2,343.88	452.58	5,430.92
1R	$ 582,500.00	475	Studio	-	-	8.40%	224.00	2,688.00	414.93	51.75	4,979.18	621.01	275.75	3,309.01	638.93	7,667.18
2F	$ 720,500.00	655	1/1	60	-	10.80%	288.00	3,456.00	533.48	66.54	6,401.81	798.44	354.54	4,254.44	821.48	9,857.81
2R	$ 720,500.00	655	1/1	60	-	10.80%	288.00	3,456.00	533.48	66.54	6,401.81	798.44	354.54	4,254.44	821.48	9,857.81
3F	$ 735,750.00	655	1/1	60	-	10.80%	288.00	3,456.00	533.48	66.54	6,401.81	798.44	354.54	4,254.44	821.48	9,857.81
3R	$ 720,500.00	655	1/1	60	-	10.80%	288.00	3,456.00	533.48	66.54	6,401.81	798.44	354.54	4,254.44	821.48	9,857.81
4F	$ 768,450.00	655	1/1	60	-	10.80%	288.00	3,456.00	533.48	66.54	6,401.81	798.44	354.54	4,254.44	821.48	9,857.81
4R	$ 752,100.00	655	1/1	60	-	10.80%	288.00	3,456.00	533.48	66.54	6,401.81	798.44	354.54	4,254.44	821.48	9,857.81
5F	$ 678,300.00	532	Studio		144	9.05%	241.33	2,896.00	447.04	55.76	5,364.48	669.07	297.09	3,565.07	688.37	8,260.48
5R	$ 784,400.00	655	1/1	60	-	10.80%	288.00	3,456.00	533.48	66.54	6,401.81	798.44	354.54	4,254.44	821.48	9,857.81
P1	$ 75,000.00	90	-	-	-	0.50%	13.33	160.00	24.70	3.08	296.38	36.97	16.41	196.97	38.03	456.38
P2	$ 75,000.00	90	-	-	-	0.50%	13.33	160.00	24.70	3.08	296.38	36.97	16.41	196.97	38.03	456.38
	$ 7,053,000.00	6,124		420	296	100.00%	$ 2,666.67	$32,000.00	$ 4,939.67	$ 616.08	$ 59,276.00	$ 7,393.00	$ 3,282.75	$39,393.00	$ 7,606.33	$91,276.00

NOTE: THE BALCONIES, TERRACES, PATIOS AND CELLAR ARE UNINHABITABLE SPACE. THIS SPACE MAY NOT BE LEGALLY USED FOR SLEEPING, COOKING AND/OR LIVING PURPOSES AND THAT TO DO SO MAY RESULT IN A BUILDING CODE VIOLATION BEING ISSUED FOR THE BUILDING.

FOOTNOTES TO SCHEDULE A

The amounts set forth on Schedule A are projected based on the assumption that the First Year of Condominium Operations will be the year from August 1, 2020 through July 31, 2021. The actual First Year of Condominium Operations may begin earlier or later than the projected date.

(i) Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation within reasonable tolerances and may change 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. Any material changes will be set forth in an amendment to the Offering Plan, an no material adverse change will be made in the size (ex. a decrease), configuration, or layout of a Unit for which an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within the Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the materially adversely affected Purchaser(s) the right, for at least fifteen days, to rescind their Agreement and receive a refund of their deposit, together with all interest, if any, earned thereon. An increase in the size of a room or Unit will not on its own give rise to a right of rescission The approximate floor area of each Condominium Unit is measured as follows: (a) vertically from the top of the concrete or wood flooring to the underside of the concrete or sheetrock ceiling and (b) horizontally to the center line of demising walls between Units; to the centerline of non-structural common walls; to the inside face of common structural walls or elements; and to the outside face of exterior walls. The square footage of each Unit is not based upon measurements from interior surfaces of interior walls and the actual area comprising the Condominium Unit is substantially less than the amount listed in Schedule A. Floor plans are included in the plan in Part II. The method customarily used in New York City to measure condominium units is as follows: measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the center line of partitions separating the Unit from corridors stairs, elevators and other mechanical equipment spaces or any other Common Element not within a Unit or to the exterior side of the opposite exterior walls. Each Unit is measured vertically from the top of the concrete floor to the underside of the concrete ceiling. As is customary in New York, these square foot areas 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 shown on Schedule A are Residential Limited Common Elements.

(ii) No change in the sales price will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sales prices below the offering plan prices without filing an amendment to the Plan at any time during the offering where a reduction in the offering price does not constitute a General offering, but

is rather the result of an individual negotiated purchase. Accordingly, Purchasers may pay different Purchase Prices for similar Residential Units. In addition to the payment of the Purchase Price, each Purchaser shall be responsible for the payment of certain Closings costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments." Purchasers should note that a Purchaser shall be required to pay the New York Real Estate Transfer Taxes, New York City Real Property Transfer Taxes, Sponsor's attorney fee and initial working capital contribution as explained 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 Closings 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. Purchasers should refer to the Section of the Plan entitled Changes in Prices and Units for further information.

(iii) The percentage of Common Interest for each of the Units has been calculated in accordance with Section 339-i1(iv) of the Condominium Act based upon floor space, subject to the location of such space and 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 Condominium Unit. The size of the Unit, the location of the Unit, balconies, terraces and other limited common elements are factors which have been considered in determining the percentage of Common Interest of each Unit pursuant to Sec. 339-i, Subsection (1)(iv) of the Real Property Law of the State of New York.

(iv) The estimated monthly Common Charges for each Unit are based on Schedule B – First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from August 1, 2020 through July 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 the loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company, the costs of any insurance which the Unit Owner obtains for the Unit and the costs of interior repairs and decorations to the Unit. See the Section of the Plan entitled "Schedule B-1 – Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Residential Units. All Unit Owners from and after the Closing, including Sponsor with respect to Unsold Units, shall be responsible for payment of all Common Charges with respect to their Units payable monthly or as specially assessed.

Each Unit has a separately metered domestic utility costs for electricity including for air conditioning, lighting and power for each Unit and there is one meter for common area consumption.

If Unit Owners obtain cable television services, telephone services, or an individual unit security monitoring system, the costs of same shall be borne by and be an additional cost to the Unit Owner.

(v) With regard to projected real estate taxes, 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 nonpayment of taxes on other Units.

It should be noted by Purchasers that the City of New York may increase the real estate tax rate at any time and if the real estate tax rate increases, then the real estate taxes to be paid by Purchasers would increase during the First Year of Condominium Operations or subsequently. Future increases cannot be predicted by Sponsor.

The Sponsor intends to apply for partial exemption from real estate taxes attributable to the Units pursuant to Section 421-a 16 of the New York Real Property Tax Law issued by The City of New York Department of Housing Preservation & Development. It should be noted that the Condominium is not located within a geographic exclusion area as defined under N.Y. Real Prop. Tax Law § 421-a[7](a)(ii). Additionally, the Building in which the Condominium is located is exempt from the prevailing wage requirement enunciated under N.Y. Real Prop. Tax Law § 421-a [8](c)(i) due to it containing less than thirty (30) Units. It should be further noted that the Sponsor intends that the Building shall be exempted from the statutory obligation to register the Units as rent-stabilized by reason of its Condominium status as defined under N.Y. Real Prop. Tax Law § 421-a[2](f). Based on the opinion of Sponsor's Real Estate Tax Consultant described herein, under the 421-a program, the real estate tax estimate for the First Year of Condominium Operation will be based upon the taxable assessed valuation of the Property in the tax year prior to construction commencement, which is commonly referred to as the "mini-tax." Purchasers should refer to the 421-a Real Estate Tax Exemption Benefits Opinion prepared by the Real Estate Tax Consultant set forth in Part II of the Plan for further discussion regarding the 421-a program and the availability of such program to this project. The estimated tax is based on the assumption that the partial exemption will be in effect for the First Year of Condominium Operation, and that there will not be any change in the taxable status of the Property. No warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the actual assessed valuation or the assessed valuation for the Property if Section 421-a benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the First Year of Condominium Operation or that the real estate taxes will be allocated among Units in proportion to their Common Interests or Schedule A purchase prices. In no event will Sponsor, Tax Counsel, Real Estate Tax Consultant or any offeror be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement, in the event Section 421-a benefits are not granted or, if granted in the event the amount of such exemption and the resulting taxes differ from those projected.

If for any reason the Section 421-a tax exemption is not granted, the projected aggregate real estate taxes payable with respect to all Units for the First Year of Condominium Operation, based upon the post-construction (i) taxable assessed valuation of $531,505.00 and (ii) the 2020/2021 effective tax, will total approximately $59,276.00, based on the real estate tax projection opinion prepared by Sponsor's Real Estate Tax

Consultant set forth in Part I of the Plan. This tax projection does not take into account any Section 421-a benefits that may be applicable to the Property at such time.

Assuming that the Section 421-a tax exemption is granted, the projected aggregate real estate taxes payable with respect to all Units for the First Year of Condominium Operation, based upon the post-construction (i) taxable assessed valuation of $59,276.00 and (ii) the 2019/2020 effective tax, will total approximately $7,393.00, based on the real estate tax projection opinion prepared by Sponsor's Real Estate Tax Consultant set forth in Part II of the Plan. This tax projection does not take into account any Section 421-a benefits that may be applicable to the Property at such time.

In no event will Sponsor, Tax Counsel, Real Estate Tax Consultant or any offeror be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement, in the event the amount of real estate taxes differ from those projected.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single 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 Register's Office. Once a separate tax lot is established for a Unit and apportionment of the assessed valuation of the Property to the newly created tax lot representing the Unit is officially made and a tax bill is issued by the City of New York to such Unit Owner, a Unit Owner will not be responsible for the payment of real estate taxes assessed against another Unit, nor will the Unit be subject to any lien arising out of non-payment of real estate taxes assessed against another Unit.

At the projected tax rate of 12.473% the total amount of taxes for all Units for the first year of assessment after completion of construction based upon the projections of Astro Realty Brokerage LLC, would be approximately as follows:

Tax Year	Assessed Valuation	Rate	Taxes Payable
2020/2021	$531,505.00	12.4730%	$59,276.00

If section 421-a tax exemptions benefits are granted to the building, at the projected tax rate of 12.473% the total amount of taxes for all Units for the first year of assessment after completion of construction based upon the projections of Astro Realty Brokerage LLC, would be approximately as follows:

Tax Year	Assessed Valuation	Rate	Taxes Payable
2020/2021	$59,276.00	12.473%	$7,393.00

For purposes of Schedule A, the projected real estate taxes for the Units were based the projected total assessed valuation after construction is completed and on Common Interest percentages. It is possible that the apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that

the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages. Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate 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 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, Tax Counsel, Real Estate Tax Consultant 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 that predicted 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 Astro Realty Brokerage LLC, a copy of which is set forth in Part I of the Plan, 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 Attorney's Income Tax Opinion. Purchasers are further advised that under H.R.1, commonly referred to as the Tax Cuts and Jobs Act there is a newly passed limitation of a $10,000.00 cap on the itemized deduction of state and local income and real estate property taxes. Purchasers should note, that the $10,000.00 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000.00 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000.00 threshold. 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. Sponsor makes no guaranty or warranty concerning the availability of any tax deductions

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 subjected to any lien arising from the non-payment of real estate taxes assessed against other Units. (See the Section of the Plan entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium" for more details.)

(vi) These figures represent the aggregate estimated monthly carrying charges which include estimated Common Charges and estimated real estate taxes.

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to the Working Capital Fund in an amount equal to 2 months' Common Charges assessed against the Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.

NO WARRANTY, GUARANTY OR ASSURANCE IS GIVEN AS TO:

(i) Any projected or estimated amount set forth above including, without limitation, the estimates of the Property's assessed valuations, tax rates or tax amounts during the first year of Condominium operations, the estimates of the portions of such assessed valuations that will be allocable to the Condominium Units and the projections of the average real estate tax rate will be in effect during such first or subsequent year of Condominium Operation and/or the rate of construction progress of the Condominium Building;

(ii) The figures or methods that the New York City Real Estate Tax Assessment Bureau will use to allocate the Property's aggregate assessed valuation between the Units, or the New York City Real Estate Tax Assessment Bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described in this offering plan; or

(iii) The accuracy of any of the projections or estimates made in this offering plan and in Schedule A;

If units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, sponsor may place in escrow, in the name of the board of managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing. Alternatively, the sponsor may place in escrow, in the name of the board of managers, an amount equal to the real estate taxes attributable to the unsold units for such six month period and may collect at each unit closing the estimated amount of taxes attributable to such unit for the balance of the six month period. The board of managers will pay the real estate taxes from any escrow account when taxes are due and payable and the funder of any escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment. No escrow will be required if the condominium by-laws include as part of the common expenses, real estate taxes on the property until the units are separately assessed and after assessment unit owners will be reimbursed for any overpayment of taxes or assessed for an underpayment.

If and when any real estate tax abatement is approved by the City of New York, each Condominium Unit owner will be entitled to a rebate in real estate taxes paid, if the proportionate share of real estate taxes paid exceeds the amount of real estate taxes that should have been paid with the tax abatement in place. If the City of New York does not credit each particular Condominium tax lot with a refund, then the Condominium Board will file the necessary documents to obtain a refund of overpaid real estate taxes and the Condominium Board will receive the refund and then pay to each Condominium Unit owner the proportionate share of the rebate of real estate taxes.

The projection and estimates of the Real Estate Taxes and Assessed Valuations as used in this Offering Plan that will be payable for each of the Units during the projected First Year of Condominium Operations is based upon an opinion letter prepared by Astro

Realty Brokerage LLC ("Real Estate Tax Consultant"), 92-50 Queens Boulevard, Rego Park, NY 11374.

Purchasers may obtain more information about the Section 421-a application process, tax benefits, and requirements associated therewith at http://www.nyc.gov/html/hpd/html/developers/421a.shtml.

SCHEDULE B – PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

URBAN GARDEN MANOR Condominiums
Projected Budget for First Year Operating Budget
August 1, 2020 to July 31, 2021

1. INCOME	$32,000.00
OPERATING BUDGET	
2. Property management	$ 0.00
3 Natural gas	$ 0.00
4. Water and sewer charges	$10,103.00
5. Electricity	$ 3,840.00
6. Legal fees	$ 1,000.00
7. Accounting and tax services	$ 3,000.00
8. Insurance	$ 9,000.00
9. Repairs and maintenance	$ 2,000.00
Total Operating Budget	**$28,943.00**
OTHER COMMON EXPENSES	
10. Reserve fund	$ 3,057.00
TOTAL COMMON EXPENSES	**$32,000.00**

***In the event the actual first year Budget differs from the actual commencement of the Budget year by six (6) months or more, Sponsor will amend the Plan to include a revised Budget See explanatory footnotes. If the amended Budget exceeds this Budget by twenty-five (25%) percent or more, the Sponsor will offer all Purchasers the right to rescind their Purchase Agreement and have their Deposits returned, with interest, if any within a reasonable period of time that is not less than fifteen (15) days. In addition, in the event the estimated commencement date of the First Year of Operation of the Condominium is delayed by twelve (12) months or more, Purchasers will be offered a right of rescission unless Purchaser enters into a Purchase Agreement subsequent to an amendment disclosing a revised estimated date of the first Closing. In such an event the Purchaser will be offered a right of rescission by an amendment to the Offering Plan if the estimated date of the Closing of the first Unit is delayed by twelve (12) months or more from the estimated date disclosed in the amendment.**

Notes to Projected Budget

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation are based upon the assumption that the First Year of Condominium Operations will be the twelve month period August 1, 2020 through July 31, 2021. The actual First Year of Condominium Operations may be earlier or later than the aforesaid twelve month period.

In the event that the actual or anticipated date of commencement of Condominium operation is to be delayed more than six (6) months from the Budget year projected in the Offering Plan, the plan must be amended to include a revised Budget disclosing current projections. Sponsor may not declare a plan effective where there are any material changes to the Budget if these changes have not been disclosed by a duly filed amendment to the Offering Plan.

If such amended projections exceed the original projections by twenty-five percent (25%) or more, the Sponsor must offer all Purchasers the right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right, whether or not Sponsor offers to guarantee the previous Budget projection. Sponsor must return any deposit or down-payment and any unexpended portion of any sums paid for special orders to Purchasers who rescind within a reasonable period of time that is not less than fifteen (15) days.

Purchasers will be offered a right of rescission if: (1) the actual date of Closing of title to the first Unit; or (2) the projected date of Closing of title to the first Unit occurs later than July 31, 2021, twelve months after the projected date for the first Closing. If the Plan is amended to provide for a later projected date for the first Closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than 12 months beyond that amended later date. Purchasers will have not less than 15 days from presentation of an offer to rescission within which to elect to rescind.

However, if the first Unit Closing occurs before July 31, 2021, the Sponsor may schedule the Closings of title to other Units significantly later than such date. Unless your Purchaser Agreement contains an outside Closing date, the Sponsor is not obligated to schedule your Closing within any specified time frame or to ensure that Closing of title to your Unit will occur by any date certain.

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. As permitted by the New York Condominium Act, Section 339(m), the Condominium Declaration, the By-Laws and the budget for the First Year of Condominium Operation provide that the Community Facility and Commercial Unit Owner will not be liable for their pro rata portion of the expenses of the Condominium. The allocation of the cost of services is predicated upon the non-use or disproportionately lower usage of certain services by the owner of the Community Facility and Commercial Units. The Community Facility and Commercial Unit Owners will be separately metered for water, gas and electrical consumption and will have limited use of certain common areas of the Building. The Community Facility and Commercial Unit Owners are also responsible for the removal of all refuse generated by the occupant of the Community Facility and Commercial Units but are expected to lease the Parking Unit and the Parking Unit is anticipated to serve the Community Facility and Commercial Unit owners. Purchasers are directed to the provisions of the condominium Declaration, specifically Article: Twelfth and Article VI entitled Finances, Section 7 of the By-Laws for the powers afforded to the Board of Managers and procedure by which it shall make allocations and assessments of Common Charges to the General Common Elements and any Individual

Residential Unit's Limited Common Element. Any re-allocation may have a financial impact upon all units or an individual unit, as the case may be.

1. Income

The budget does not provide for the hiring of a super. The budget presumes that the unit owners will manage the Building themselves including such responsibilities as putting out the garbage, snow removal and such other services as are otherwise performed by a super in multiple dwellings in New York City. If the Board of Managers decides to hire a superintendent in the future, such service will be an additional expense for the Condominium, and may cause an increase in common charges of approximately fifty (50%) percent.

2. Property management

The condominium will be managed by the Sponsor at Sponsor sole cost for the first year of operation of the Condominium.

The Sponsor (for the first year of operation of the Condominium), and thereafter, the Board of Managers or a Managing Agent will be responsible for issuing monthly common charge invoices to the Unit Owners, collecting the monthly common charges, paying bills of the condominium, and overseeing the employees of the condominium. The duties of the Board with respect to management of the Condominium are set forth in Section this Offering Plan.

It should be noted that in the event it becomes necessary to hire a managing agent, common charges will increase to cover such cost for management fees. The budget is likely to increase by ten percent in the event that a managing agent is hired.

Sponsor is reserving the right to delay the collection of Common Charges until such time into the future. During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments required by lenders. Such expenses shall not include individual unit owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment 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 Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or 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 delay. Prior to commencing the collection of Common Charges, 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 collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent purchasers.

It should be noted that at such time as the common charges are collected, there will not be an assessment of unit owners for expenses anticipated in the budget and that Sponsor must pay the full reserve amount, if any, set forth in the budget.

During the period Sponsor pays for the expenses of the Condominium's operation and prior to the filing of an amendment to the Plan updating the budget, (a) the Sponsor will continue to update the budget to reflect material changes in expenses and that such budget and commencement date amendments shall be distributed to all unit owners upon acceptance as well as distributed to prospective purchasers, (b) the Condominium's eligibility for funding from FHA, FNMA or other government-sponsored mortgage enterprises shall not be affected by the Sponsor's decision to delay the collection of Common Charges; and (c) Sponsor's payment of expenses on behalf of the Condominium will not affect the Condominium's eligibility under Section 528 of the Internal Revenue Code.

3. Natural Gas for Heating, Hot Water and Cooking

There shall be no estimated gas consumption in the Common Elements as there shall be no gas consumption at the condominium.

4. Water and sewer charges

The Building's water for consumption purposes will be supplied by the Department of Environmental Protection (DEP a municipal agency of the City of New York. The Building will be supplied with water from DEP's street main which will enter the basement in the water and sewer meter room. The Building will dispose of its waste water into the DEP street sewer main which is connected to the Building in the basement water and sewer meter room. Water supplied to the Building will be metered at the point of entry into the Building in the basement water and sewer meter room. Waste water is not metered by the DEP but usage is measured and charged using a factor of water consumption.

There will be one water meter measuring all of the Residential Units' and Common Area consumption of water and this cost will be included in Common Charges. All water and sewer usage is billed quarterly directly by DEP to the Condominium. Water and sewer usage is based on a report prepared by Mottola Rini Engineers P.C. with offices located at 36 West 25th Street, New York, New York 10010. It should be noted that a 10% inflation factor has been included in the estimates.

The summary of water and sewer costs for purposes of Common Charges are:

	Cubic Feet	Cost
Water and Sewer Consumption	78,075.00	$10,103.00

5. Electricity

Electricity will be used for lighting, power and elevator. The projected cost per kilowatt of electricity is $0.405 per kilowatt-hour inclusive of sales tax for energy to provide lighting,

power and air conditioning for the Building. The cost of electric is based upon Consolidated Edison Rate Schedule 1.

There is no air conditioning in the common areas.

Air conditioning in individual Units is provided by electricity. There will be separate electric meters for each condominium Unit to measure electricity usage by each Unit Owner.

There will be one common electric meter for electricity usage for the common areas of the condominium to be paid by the condominium as a common expense through common charges. Electricity for the cellar is included in this budget.

The common electric meter will meter electricity consumed for public interior lighting, exterior lighting, fans, pumps and elevator.

The projection for the electricity usage is based upon estimates provided by Mottola Rini Engineers P.C. with offices located at 36 West 25th Street, New York, New York 10010.

It is anticipated that the Condominium will utilize approximately 12,134 kilowatts–hour per year of electricity at a rate of approximately $0.445 per kilowatt for a total price of $5,400.00.

The cost of electricity for public lighting is based upon 24 hours of operation per day for interior lighting and 12 hours of operation per day for exterior lighting.

In view of the current energy situation, it is not possible to predict whether the budgeted figure will reflect the annual cost to be incurred during the first year of condominium operation, which will vary with the level of consumption and the cost of the utility. Electricity is generated by the utility company by means of fuel oil as primary energy source. If the cost of oil used to generate electricity increases, it is likely that electricity rates will increase. It is believed that the projected figure should be sufficient to cover any reasonable increase in the cost of electricity resulting from the foregoing during the first year of condominium operation.

The utility costs, for the purposes of this budget have been increased by three percent to reasonably anticipate an increase in utility costs.

See Schedule B-1 for electricity costs for each individual Unit.

6. Legal Fees

The Condominium will engage a law firm to act as the attorney for the Condominium to advise the Condominium Board on legal issues that may arise in connection with the Condominium's normal business operations. The amount reflected does not cover extraordinary costs or expenses for additional services rendered or costs incurred to conduct litigation on behalf of the Condominium. The estimated cost for these services for the first year is $1,000.00.

7. Accounting and tax services

It is anticipated that the Condominium will enter into an agreement with Vasilakos & Vasilakos, LLP, a certified public accountant located at 1273 77th Street, Brooklyn, NY 11228 to provide tax preparation and financial statement services for the Condominium for the first calendar year of condominium operation. The estimated cost for these services for the first year is $3,000.00. The fee of $3,000.00 is the maximum that will be charged to the condominium for the preparation of certified financial statements while the Sponsor is in control of the Board of Managers, and this sum is guaranteed by the Sponsor as long as the Sponsor is in control of the Board of Managers. In the event that the actual costs exceed $3,000.00 while the Sponsor is in control of the Board of Managers, then the Sponsor shall be responsible for any accounting fees exceeding $3,000.00 as quoted by the Certified Public Accountant herein.

8. Insurance

Property and liability insurance coverage is estimated to cost $9,000.00, based on a proposal from SterlingRisk Insurance, a licensed insurance broker located at 135 Crossways Park Drive, P.O. Box 9017, Woodbury, NY 11797. Insurance coverage is summarized as follows:

Items covered:	Coverage amounts:
All risks, Building stipulated value	$2,500,000.00
Loss deductible	$5,000.00
Loss of rents/common charge income	$Actual Loss Sustained
General liability	$1,000,000.00
General liability aggregate	$2,000,000.00
Director and officer liability	$NONE
Boiler and machinery	Included

All risk Building coverage – the Building limit value is based upon the estimated current replacement cost for the Building (excluding the costs for Land, excavation, and foundation). This replacement cost was determined from the appraisal performed as part of the Sponsor's bank construction loan and in conjunction with standard insurance industry practices for estimating replacement cost and insurance requirements. The licensed insurance broker believes it is considered adequate to not make the insured a co-insurer. The all-risk policy covers, but is not limited to, losses caused by fire, windstorm, vandalism, collapse, sprinkler leakage, riot and civil commotion, weight of ice and snow and falling objects. Any incurred loss will be adjusted on a replacement cost basis, with no allowance for depreciation.

Loss deductible – the Condominium will be responsible for the first $5,000 per occurrence on all property claims.

Loss of rents – in the event the Building is deemed uninhabitable due to a covered property loss to the Building, the insurance policy will pay the Building maintenance fees covered in the operating Budget up to the actual loss sustained, until the Building can be restored.

General liability and General liability aggregate – this will cover lawsuits against the Condominium for bodily injury and/or property damage claims. Defense costs are automatically covered in addition to the limits shown. There will be no deductible applied to General liability claims.

Boiler & machinery – this will cover mechanical breakdown and defined accidents to the Building's heating, electrical and cooling systems with coverage up to the Building limit.

Additional coverages not included in the quote but to consider – Flood and Earthquake. While the Building is not located in a flood zone or on a fault line this coverage maybe required by a lender or Mortgagee. Additionally, coverage for elevator collision, auto liability and garage keepers liability are not included but may be available at extra cost.

The insurance coverage will not be cancelled without a notice to the Condominium's Board of directors and Mortgagee.

Each individual Residential Unit Owners should consider the desirability of obtaining additional insurance at their own cost, which is not included in the above coverage, for the following coverage:

- Fire or casualty; losses to the contents of their Unit and any replacement, additions, upgraded fixtures and improvements therein and coverage for any additional living expenses if the Unit is not inhabitable; and
- Liability for the personal injury or property damage as a result of occurrences in their Unit, including water damage and legal liability to cover damage arising from leaks or other conditions with or from the Unit.

The coverage amount limited stated above for casualty insurance is based on full replacement value and should be sufficient to avoid the effects of co-insurance. The Condominium Board of Managers should review said amount annually. The above quotation does not include excess liability, workers compensation and auto liability which may be obtained at additional expense to the Condominium.

The insurance policies will provide that (i) each Residential Unit Owner is an additional insured; (ii) there will be no cancellation without notice to the Condominium Board and/or their legal representatives; (iii) the right to subrogation against Residential Unit Owners is waived; (iv) the defense of invalidity because of acts of defense of pro-rata reduction in liability if Residential

Unit Owners obtain additional coverage is waived; and (v) policy will follow perimeters set forth by Declaration and By-Laws of Condominium.

The above coverage will be in place prior to or simultaneously with the closing of the first Residential Unit in the Condominium.

No coverage is provided for fire and casualty losses to the contents of each Residential Unit, nor does the coverage take into account any future replacements or additions to the Residential Units, or the fixtures and improvements contained therein. In addition, no liability coverage for an individual Residential Unit Owner, is included in the coverage provided above for occurrences not within the Common Elements. Prospective Purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance of their own risk of liability and fire and casualty losses.

Inflationary increases in property values and other changes in the exposures of property make it necessary to periodically review and update the coverage detailed above.

IN RECENT YEARS, PREMIUMS FOR INSURANCE (ESPECIALLY FIRE AND LIABILITY INSURANCE) HAVE INCREASED SUBSTANTIALLY. IT IS NOT POSSIBLE TO PREDICT WHETHER FUTURE PREMIUMS WILL CONTINUE TO INCREASE OR WILL LEVEL OFF. NO REPRESENTATION IS MADE REGARDING THE ACTUAL COST OF INSURANCE AT THE TIME OF CLOSING. PURCHASERS ARE ADVISED TO PROCURE THEIR OWN FIRE AND LIABILITY COVERAGE FOR THE INTERIOR OF THE UNIT AND THE PURCHASER'S PERSONAL AFFECTS.

9. Repairs and maintenance

The Budget for common area repairs and maintenance of $2,000.00 is based on estimated charges for Building supplies, expenses for the maintenance and servicing of equipment, annual inspection fees and related services, and other costs necessary to properly operate the Building efficiently and according to local Building codes. Because the Building is of new construction, only minor repairs for plumbing, electrical, or carpentry etc. have been assumed. A capital reserve fund is included in the Budget and is outlined separately below to cover the cost of major repairs and replacements in the future as the Building ages. Any maintenance or repair costs related to the interior of a residential Unit such as painting, plumbing, HVAC equipment repairs, etc., have not been included in this Budget as these costs are the responsibility of the individual Residential Unit Owner.

Summary of repairs and maintenance costs are:

Inspections and Permits	$1,000.00
Monthly exterminations services	$ 100.00
Building supplies	$ 500.00
Other	$ 400.00
Total	$2,000.00

10. Reserve fund

A capital reserve fund of approximately 10.56% of the first year operating Budget (excluding the capital reserve fund cost) or $3,057.00 has been included in the first year operating Budget. The capital reserve fund will be designated for the repair or replacement of major Building components or equipment such as boiler or cooling tower replacement, roof or elevator replacement, etc. After the First Year of Operations, the Condominium's Board of Directors will have the authority to determine the amount, usage and duration of any future funding levels for the capital reserve fund. At this time the Sponsor has no knowledge of any capital improvements that may have to be made during the first five years of Condominium operation since the Building is newly constructed.

SCHEDULE B-1 PROJECTED ENERGY ESTIMATES

MOTTOLA RINI ENGINEERS P.C.
CONSULTING ENGINEERS

April 17, 2020

Tsoromokos & Papadopoulos, PLLC
4502 Ditmars Blvd. Suite 1000
Astoria, NY 11105

Attention: Mr. Nick Tsoromokos

Re: "The Urban Garden Manor Condominium"
14-11 31st Avenue
Astoria, NY, 11106
Utility Cost Estimates

Dear Mr. Tsoromokos:

The following is the projected **individual unit electrical costs** for lighting, power, ventilation and air conditioning for the condominium units:

Unit	KW-Hrs./Year	$/Year
Unit 1F	2,505	$ 1,140.00
Unit 1B	2,505	$ 1,140.00
Unit 2F, 3F & 4F	2,956	$ 1,345.00
Unit 2B, 3B& 4B	2,956	$ 1,345.00
Unit 5F	3,252	$ 1,480.00
Unit 5B	3,252	$ 1,480.00

The following is the projected **Individual Unit Gas** costs for natural gas used for heating & cooking for the condominium units
:

Unit	Therms/Year	$/Year
Unit 1F	377	$ 850.00
Unit 1B	377	$ 850.00
Unit 2F, 3F & 4F	560	$ 1,262.00
Unit 2B, 3B & 4B	560	$ 1,262.00
Unit 5F	660	$ 1,485.00
Unit 5B	733	$ 1,650.00

The following is the **projected common area costs** for this project: (This includes power and energy for public lighting, fans, common area heating, elevator, pumps, etc.)

Electricity

For public interior and exterior lighting, pumps, fans, elevator, common area hvac equipment, etc.:

36 WEST 25 STREET, NEW YORK, NY 10010 (212) 627-7299 FAX (212) 627-1567

8,440 KWH/year = $ 3,840.00/year

Water and Sewer

$ 10,103.00/year (78,075 CF/year total)

The above figures are based on the following assumptions:

1. Double insulated glass, thermal barrier type windows.
2. R-30 insulation for roof.
3. R-19 insulation for walls.
4. Individual gas meters are provided for respective unit heating, hot water and cooking.
5. Individual tenant electric meters and a house electric meter are provided.
6. Cost of Electricity: $.455 per KW-hr average yearly residential usage. Costs include taxes, and adjustments, and a 10% inflation factor, but no utility company demand charges.
7. Cost of Gas: $2.25 per Therm average to include taxes, adjustments and a 10% inflation factor.
8. Heating based on 4871 degree days, 68F space temperature average with +5F outdoor design with 15 mph wind.
9. Cooling based on 600 load hours per air conditioning residential season, figured with 10,000 BTUH unit for bedrooms and a 13,000 BTUH unit for living rooms/rec. rooms. All units figured with an EER of 9.5.
10. Single bedroom and studio apartments assume occupancy of two (2) persons.
11. Each apartment has a gas range for cooking. Usage is based on three meals a day.
12. Apartments will not be provided with laundry equipment.
13. Exterior lighting will be operated on a time clock basis. Lighting is based on twenty (20) 12-watt indoor fixtures and four(4) 20-watt outdoor fixtures. Common electric costs also include central exhaust fans, common area hvac equipment, pumps, an elevator, and the like.
14. Water costs are computed at $12.94 per 100 cubic feet of water residential usage. Each person will use approximately 80 gallons of water per day. Calculations are based on metered method. Costs include taxes, adjustments and a 10% inflation factor.

The above figures are based upon construction complying with the New York City Energy Conservation Construction Code. Costs can vary considerably depending upon actual usage, personal habits and maintenance of equipment in efficient operating condition, as well as, thermostat settings. These figures are not intended to be a guarantee.

Although it is believed that the foregoing is accurate, no warranty is made to what the actual costs may be.



Very truly yours,

Anthony Rini III, P.E.
Mottola Rini Engineers, P.C.

36 WEST 25 STREET, NEW YORK, NY 10010 (212) 627-7299 FAX (212) 627-1567

SCHEDULE B-1 PROJECTED INDIVIDUAL ENERGY COSTS BUDGET

Mottola Rini Engineers PC, having an office at 36 West 25th Street, 4th Floor, New York, New York 10010 provided the attached estimate of annual electric energy costs for lighting and for operating typical electrical appliances located in reach Residential Unit.

Actual costs may vary depending upon the hours of use, thermostat settings and proper maintenance. These cost figures are estimates and are not intended as guarantees.

In view of the fact that these averages may include the use of energy by persons of varying need with different standards of comfort or with families of different sizes, the amount of energy used by the Purchaser may vary substantially from the average estimates herein provided. In addition, the effect of inflation, fuel shortages and other factors may raise the cost of electricity and gas substantially higher than the current or projected rate. Purchasers should note that a 10% inflation factor has been included in these estimates

Although the Sponsor is under obligation to provide accurate information to Prospective Purchasers, factors beyond its control may substantially affect the cost of electricity and gas after the purchase of a Unit or in subsequent years. Sponsor represents however, that it has followed the plans and specifications provided by the manufacturer of the appliances together with the recommendation of the manufacturer and other experts to enable these items of equipment to operate at optimum efficiency at the lowest cost. Further, that it has not been induced to select the appliances etc., described herein on the basis of any financial inducement other than the cooperative advertising and price of the system made to it by the manufacturer or distributor of the system or by the supplier of energy to be used in connection therewith or by any of their agents or employees.

TP TSOROMOKOS PAPADOPOULOS ATTORNEYS

NICK TSOROMOKOS, ESQ.
ANTHONY PAPADOPOULOS, ESQ.
718.721.1250
718.721.1270
INFO@TANDPLAWFIRM.COM

July 21, 2020

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

Re: URBAN GARDEN MANOR Condominium
14-11 31ST AVENUE
Astoria, New York 11102 ("Property")

Gentlemen:

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

Our experience includes the preparation of numerous Condominium Offering Plans in the State of New York for over fifteen (15) years.

In reviewing said Schedule A, the allocation of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium has been determined based upon the floor space, subject to the location of such space and the additional factors of relative value to the 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 particulars Residential Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to Section 339-i(1)(iv) and 339(m) of the Real Property Law of the State of new York.

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

Very Truly Yours,

Tsoromokos & Papadopoulos PLLC
By: Nick Tsoromokos, Esq.

ASTRO REALTY BROKERAGE, LLC

TAX ABATEMENT SERVICES

92-50 QUEENS BOULEVARD
REGO PARK, N.Y. 11374

Tel: 718 478-2600
Fax: 718 458-4191

January 17, 2020

Nema-1 Realty LLC
Magnum 1 Realty, LLC
21-71 Steinway Street
Astoria NY 11102

RE: Urban Garden Manor Condominium
14-11 31st Avenue, Astoria NY 11102 ("The Property")

To whom it may concern:

Nema-1 Realty, LLC and Magnum 1 Realty, LLC (the "Sponsor"), has requested that our office project the real estate tax liability of proposed units to be constructed at the Property, with and without a Section 421-a 16 partial real estate tax exemption.

Please be advised that although the estimate of the assessed valuation upon completion of construction is a good faith estimate, such assessed valuation, when actually made, may be less or greater than as estimated below.

421-a (16) Affordable New York Housing Program:

For the Condominium to be eligible for a 421-a(16) Affordable New York Housing Program ("421-a 16"), one hundred percent of the units in the Property shall have an average assessed value not to exceed sixty-five thousand dollars ($65,000) upon the first assessment following the Completion Date. Based on our estimates the average assessed value may be $53,150. Therefore, it is our opinion that the project will qualify for 421-a 16 benefits, however there is no guarantee. This is only our opinion, we have no control of how this condominium will be assessed by the NYC Department of Finance, Assessor's Unit upon completion. If the building's average assessed value, upon completion, is in excess of $65,000, the condominium will not qualify for 421-a 16 benefits and each unit owner would be obligated to pay the full non-exempted taxes.

The 421-a 16 application must be filed (1) after the first assessment following the Completion Date, (2) upon the execution of Purchase Contracts for each unit in such Homeownership Project and, (3) within one (1) year of completion of construction. The "Completion Date" is determined by the date that a Temporary and or Permanent Certificate of Occupancy is issued for the building.

If the condominium is eligible for 421-a 16 benefits, it is subject to the AV Cap. There will be an assessed valuation cap (AV Cap) for each Condominium Unit. This means that only a portion of a unit's billable exempt assessed value is eligible for the 421-a tax exemption. The assessed value of a unit above this threshold ("AV Cap") is ineligible to receive benefits. The AV Cap is 65,000.

The 421-a, exemption will consist of a benefit period of twenty (20) years. (See schedule below)

The Residential Units will be classified as tax class 2 properties. Tax class 2 properties are residential property with more than 3 units including cooperatives and condominiums.

Based on comparables and opinion, the total assessed valuation of this property containing all Residential Units upon completion of construction, will be as follows:

Without a 421-a 16, partial real estate tax exemption, the assessed valuation for the 1st year of Condominium ownership will be approximately 531,505. ($66,295[1])

With a 421-a 16, partial real estate tax exemption, the assessed valuation for the 1st year of Condominium ownership will be approximately 59,276 ($7,393[2])

Breakdown of each individual unit's real estate projections in broken down below in attachment A.

This Property is eligible for a twenty (20) year 421-a 16, partial real estate tax exemption, broken down as follows:

	Exemption
During Construction (maximum three years)	100%
Following completion of work	
Year:	
1 through 14	**100%**
15th through 20th year	25%
21	0%

Disclosures:

1. It is anticipated that the building will meet the **Post-Completion Assessment Cap Requirement.** Upon the first assessment following completion, the building must have an average assessed value not exceeding $65,000 per unit, upon the first assessment following the Completion Date. Based on our estimates the average assessed value will be **$53,105.** Therefore, it is our opinion that the project will qualify for 421-a (16) benefits. If the building is assessed in excess of $65,000, the condominium will not qualify for 421-a 16 benefits and each unit owner would be obligated to pay the full non-exempted taxes.

2. It is anticipated that all Owners of dwelling units in the building adhere to the **Primary Residence Requirement.** Each Purchaser during the benefit period must agree in writing to maintain the unit as his or her primary residence for at least the first five (5) years of ownership;

3. **Purchase Contracts** executed by Purchasers for all the Residential Units in a Homeownership Project anticipating 421-a (16) Affordable New York Housing Program Benefits, must contain the Building Size Requirement, The Primary Residence Requirement and the Post-Completion Assessment Cap Requirement disclosed above.

4. **In addition to the Purchase Contract, The Building Size Requirement, Post-Completion Assessment Cap Requirement, Primary ResidenceRequirement definitions must be included in**

[1] (531,505 * 12.4730%)
[2] (59,276 * 12.4730%)

the INITIALLY ACCEPTED Offering Plan in all applicable sections. If said definitions and Purchase Contract do not include said definitions the Condominium may be ineligible to receive 421-a 16 benefits.

5. If the 421-a 16 exemption is granted, Sponsor may not have the unlimited right to rent because units owners must commit to having the unit as a primary residence.

6. If the 421-a 16 exemption is granted, a Homeownership Restrictive Declaration must be executed and recorded against the Property. Restrictive Declaration cannot be recorded until 421-a staff's review and approval.

7. If the 421-a 16 exemption is granted, the building is not required to provide affordable units because of its condominium status;

8. If the 421-a 16 exemption is granted, the building service employees are not required to be paid prevailing wage for the duration of the building's tax exemption because the building contains less than thirty (30) dwelling units;

9. Our estimates are based on the current residential tax rate of 12.4730% for a class 2 property. Our estimates will change to the extent that these rates increase.

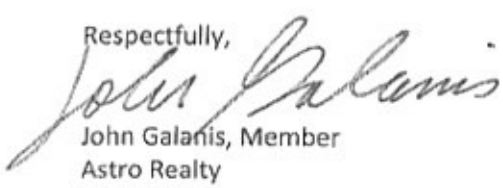
10. Our estimates do not include (1) added value factors for location premiums or optional extras for which the taxes could increase to the extent of such premiums or extras and (2) any exemptions other than the basic STAR that might be granted to individual unit owners such as enhanced STAR, veterans, senior citizen, etc.

11. As it pertains to the 421-a 16 program, no portion of the Condominium shall be operated as a Hotel during the benefit period.

No warranty is or can be made that New York City Department of Finance, or any other agency with jurisdiction, will approve Sponsor's Application for 421-a 16 tax exemption benefits. The writer of this tax opinion shall not be held liable if, because of change of laws and/or regulations, or if the facts as represented by Sponsor prove incorrect, the Property fails to obtain in whole or in part 421-a 16 benefits. Should tax exemption be denied, in whole or in part, then owner of the Property and following submission of the Property to the New York Condominium Act, the owner of a Unit will be responsible for all taxes due and owing from the date of commencement of construction.

We have represented real estate developers, builders, charitable organizations, and homeowners for over 35 years in numerous tax exemption matters with the NYC Department of Housing and Preservation and Development and NYC, Department of Finance. We specialize in obtaining §421-a, §421-a 16 and ICIP/ICAP tax exemptions for our clients.

Respectfully,



John Galanis, Member
Astro Realty
Brokerage LLC
January 17, 2020

ATTACHMENT A
PROJECTED REAL ESTATE TAXES BY UNIT NUMBER

Unit	% common interest	Annual R.E. Taxes without 421-a 16	Annual R.E. Taxes with 421-a 16
1F	5.60%	$3,320	$414
1R	8.50%	$5,037	$627
2F	10.90%	$6,461	$806
2R	10.90%	$6,461	$806
3F	10.90%	$6,461	$806
3R	10.90%	$6,461	$806
4F	10.90%	$6,461	$806
4R	10.90%	$6,461	$806
5F	9.15%	$5,423	$677
5R	10.90%	$6,461	$806
P1	0.15%	$89.00	$11.00
P2	0.15%	$89.00	$11.00
P3	0.15%	$89.00	$11.00
Total	100.00%	$59,276	$7,393

PARKING SPACE UNITS

This Condominium includes two (2) Parking Space Units in addition to the Residential Units.

Parking Space Units may only be owned by a Residential Unit Owner in this Condominium except as provided below.

The Percentage of Common Interest of a Parking Space Unit shall be added to the Percentage of Common Interest of the Residential Unit of the Residential Unit Owner who owns said Parking Space Unit. The Residential Unit Owner thereof shall pay all Common Charges associated therewith.

Parking Space Unit Owners shall not be entitled to any votes for any Parking Space Unit they own.

Any Residential Unit Owner who owns a Parking Space Unit shall have the right to rent the Parking Space Unit to other Residential Unit Owners or tenants of a Residential Unit Owner in the Condominium.

The Board of Managers shall be required to keep an overall list of all Parking Space Units assigned or rented to a Residential Unit Owner in the Condominium. All Residential Unit Owners in the Condominium will be obligated to advise the Board of Managers of any sale, transfer or rental of any Parking Space Unit.

Notwithstanding the above, the Sponsor shall have the right to rent, lease or permit the use of any Parking Space Unit that has not been purchased by a Residential Unit Owner to any non-resident or business establishment for the use of such nonresident or business establishment. The Parking Space Units shall be used only for parking of an automobile, and other permitted vehicles of occupants of the dwelling as well as any type of mechanical or motor-driven equipment or other accessory device or passenger bus required for the proper maintenance of the property and of the Units thereon. Each Parking Space Unit shall consist of the space measured from (a) the point beginning at the left hand corner of the inside face of the garage wall, or (b) the front of the painted line to the end of the painted line, and from painted line to another adjoining Parking Space Unit parallel and to the right and from that point to the inside face of the garage wall, or the front of the painted line at the right hand corner and from that corner to the left hand corner. The Parking Space Units are reflected on the floor plan on which they occur. See Section II of the Offering Plan.

Parking Space Unit #2 has been designated as a handicapped parking space and will be the last parking space sold if it has not previously been sold to a purchaser who themselves or a member of their family has a vehicle with handicapped plates. At, or subsequent to the First Closing, Sponsor shall sell the Handicap Parking Space to the Condominium on behalf of all Unit Owners, which Handicap Parking Space will be reserved for handicap use. The Purchase Price of the Parking Space is $75,000.00. At the Closing of Title to each Unit, each Purchaser will be required to pay on behalf of the

Condominium Board, Purchaser's share of the cost of the Handicap Parking Space, plus all costs incurred in connection with the purchase of the Handicap Parking Space. Purchasers share shall be based upon the Purchaser's total percent common interest in the Condominium, including the Purchaser's Residential Unit, Storage Unit and Parking Space. The purchase of Parking Space Unit #2 and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed:

In the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said unit owner is the owner of the parking space, said unit owner has the right to demand that the owner of Parking Space Unit #2 trade the handicapped parking space he/she owns with said handicapped owner.

In the event the present or future owner of a unit or member of his or her family member residing in the unit, becomes handicapped and said unit owner does not own a parking space, said unit owner has the right to demand that the owner of Parking Space Unit #2 sell it at then current, fair market value to said handicapped owner. All costs and expenses entailed in the transfer of title to the parking spaces, including without limitation, title abstracts, title insurance, transfer taxes and recording fees and reasonable attorney fees shall be borne by the party requesting the transfer.

The owner of Parking Space Unit #2 must comply with the aforementioned demand upon thirty (30) days written notice.

If the parties cannot agree on the fair market value of Parking Space Unit #2 then the parties agree to submit the matter to binding arbitration in accordance with Article of the By-Laws of the condominium. In the event there are Parking Space Units that have not been sold after the Sponsor has conveyed all of the Residential Units to bona fide Purchasers, the Sponsor shall have the right but not the obligation to convey any or all of the remaining Parking Space Units to the Condominium Board of Managers. Thereafter, all costs and expenses associated with any Parking Space Unit will become a Common Expense of the Condominium.

Sponsor shall be obligated to obtain a Certificate of Occupancy for the Parking Units at the Condominium. Said Certificate of Occupancy is estimated to be issued in August, 2020.

CHANGES IN PRICES AND UNITS

(1) The Offering Prices set forth in Schedule "A" must be changed by duly filed amendment to the Plan when the change in price is an across the Board increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. The Offering Prices set forth in Schedule A and other terms of payment (but not other terms of sale) with respect to a particular Unit are negotiable and may be changed by Sponsor at any time and from time to time, both before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Unit Owner or Mortgagee. However, no such change with respect to any Unit for which an Agreement is then in effect may be made without the consent of the Purchaser thereunder, and no Agreement will be modified to waive any of the Purchaser's rights or abrogating any of Sponsor's obligations, under this Plan or Article 23-A of the New York General Business Law.

(2) 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.

(3) 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.

(4) Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements.

In order to meet the possible varying demand for number any type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) 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, any Unit Owner or Mortgagee, to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit; (ii) change the layout of, or number of rooms in, any Unsold Unit; (iii) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (iv) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interest, provided however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; and (v) change the permitted use of some or all of the Unsold Units, however, if any Units are sold or in contract, Sponsor must obtain consent of all Unit

owners and Purchasers in order to change the permitted use of the unsold Units. Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan. Sponsor or its designee will have the right to (or to cause the Board to) so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Units. In addition, none of the foregoing changes, including any material adverse change in size, layout or Common Interest of a Unit or in the amount or quality of Limited Common Elements directly affecting or servicing a Unit, will be made with respect to any Unit for which an Agreement has been mutually executed and delivered , unless: (a) such change has been dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists and set forth in an amendment to the Plan, and the Purchaser is offered the right in such amendment, for at least fifteen days, to rescind his or her Agreement and receive a refund of the Deposit, and any unexpended portion of any sums paid for special orders, together with all interest earned thereon, and the Purchaser elects not to exercise such right of rescission; or (b) such change is not a material adverse change in the size, dimension or floor space or layout of such Unit, in which event a Purchaser will not be excused from purchasing such Unit by reason of such minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Therefore, a decrease in a unit's area of 5% or less will not effect a purchaser's obligations unless such decrease is determined to be a material change.

INTERIM LEASES

The Sponsor will not enter into interim leases with Purchasers for Residential Units prior to Closing. In no event shall Purchaser take possession of the Residential Unit prior to the time of the delivery of the deed, nor shall Purchaser enter the Residential Unit or have the Residential Unit Owner's contractors or agents enter the Residential Unit to perform work prior to Closing without the written authorization of the Sponsor. Should the Purchaser violate this provision, Sponsor will have the right to remove Purchaser from the Residential Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default of the Purchase Agreement and Sponsor may retain as liquidated damages the funds being held in escrow to a maximum of ten (10%) percent of the sales price plus the cost of Extras paid for by Purchaser which Extras have been installed by Sponsor, paid for but not installed by Sponsor or which have been ordered but not installed by Sponsor and for which Sponsor is obligated to pay for such Extras unless the Offering Plan has been abandoned. In the event the Offering Plan is abandoned the Purchaser shall be entitled to receive all funds paid to the Sponsor for such Extras.

PROCEDURE TO PURCHASE

A Purchaser desiring to purchase a Residential, Commercial or Community Unit will be required to execute a Purchase Agreement, which will be in the set form set forth in Part II of the Plan. .

The Purchase Agreement will not be binding upon the Sponsor until Sponsor receives four originally executed copies of the Purchase Agreement signed by the Purchaser(s), together with the down payment check as required hereunder and a signed copy of either IRS Form W-9 (Request for Taxpayer Identification Number and Certification) or IRS Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) and a copy of the Purchase Agreement is executed by the Sponsor and delivered to the Purchaser or Purchaser's counsel.

The Purchase Agreement and offering plan may not contain, or be modified to contain a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the General Business Law.

The following are important provisions contained in the Purchase Agreement:

(1) Downpayment

The amount or the percentage of the deposit shall be ten percent (10%) of the offering price.

(2) Statutory Requirement

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

(3) Escrow

The Escrow Agent:

The law firm of Tsoromokos & Papadopoulos, PLLC, with an address at 45-02 Ditmars Blvd., Suite 1000, Astoria, New York 11105, telephone number 718-721-1250, shall serve as Escrow Agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Nick Tsoromokos, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account:

The Escrow Agent has established the escrow account at Signature Bank, located at 36-36 33rd Street, Suite 400, Long Island City, New York 11106 in the State of

New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Tsoromokos & Papadopoulos PLLC URBAN GARDEN MANOR Condominium Escrow Account ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit. Any deposit in excess of $250,000.00 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions. Purchasers are further advised that if purchasers have accounts at the same bank that holds escrowed funds, purchaser's funds at the escrow bank factor into the $250,000.00 insurance limit.

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

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

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

Purchasers are hereby advised that detailed escrow provisions are found in Section 5 of the Purchase Agreement.

Notification to Purchaser:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of the written Purchase Agreement between the Purchaser and Sponsor.

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State 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 Deposits and requisite notice was timely mailed to the Purchaser.

Escrow revisions:

Before funds are transferred to any new escrow account, or if the escrow agent is replaced, the plan must be amended to provide the same full disclosure with respect to the any new account, the escrow agent and the escrow agreement as was originally provided. A bond, letter of credit or other security may be substituted for any escrow account only after the Department of Law approves in writing the use of such alternate form of security, pursuant to the provisions of paragraph (4) of 13 NYCRR 20.3(o).

Records on file:

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

Release of Funds:

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

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

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

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

Waiver Void:

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

(4) Compliance with Lien Law Section 71-a(3)

Because this offering plan provides for the construction of Residential Units, the Purchase Agreement and the plan must comply with Section 71-a (3) of the Lien Law.

Section 71-a (3) of the Lien Law provides the following:

> (a) The initial advance pursuant to a contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of Residential Unit or any structure designed solely for residential occupancy of not more than two families living separately, on property to be purchased shall, at the vendee's option, be deposited within five business days thereafter by the recipient in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in this state. Such deposit, together with the interest accumulated thereon, shall remain the property of the vendee

except as otherwise provided herein. The recipient shall advise the vendee in writing of the name of the depository where the funds have been placed within ten business days after such deposit has been made.

(b) In lieu of making the deposit of such moneys in an escrow account as provided in paragraph (a) of this subdivision, the recipient may post with the vendee a bond or contract of indemnity, issued by a surety company licensed to execute such an instrument in this state, guaranteeing the return of the moneys which otherwise would be required to be deposited in such escrow account, in which case the recipient shall not be required to deposit such money in an escrow account. Said bond or contract of indemnity shall be delivered to the vendee within ten business days after receipt of the initial advance.

(c) At any time after making the deposit of such moneys in the escrow account, the recipient may post with the vendee a bond or contract of indemnity issued by a surety company licensed to execute such an instrument in this state guaranteeing the return of such moneys, in which case the recipient shall not be required to maintain the deposit of such moneys in such account.

(d) Such advance shall be retained in the escrow account or such bond or contract of indemnity continued in effect until the trust is terminated (i) by the recipient's performance of the terms of the contract of sale, or (ii) by default of the vendee excusing the recipient's performance of the terms of the contract of sale, or (iii) by release or discharge of the recipient's liability to refund such advance to the vendee, or (iv) upon transfer of title of the real property to the vendee.

(e) Every contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of a Residential Unit or a structure designed solely for the residential occupancy by not more than two families living apart, shall contain a statement advising the vendee of the provisions of this subdivision. Such statement shall be printed in bold type which is at least two points larger than any other printing contained thereon and shall read as follows:

"YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE."

(5) Purchase Agreement May Be Made Time of the Essence

In the event that the Purchaser does not appear for Closing ready, willing and able to accept title from the Sponsor, and pay Sponsor the balance of the purchase

price and associated costs within thirty days from the date set forth in the contract, provided that the Sponsor is ready, willing and able to convey title to the Purchaser, then, in that event, the Sponsor may make the Closing date "time of the essence". If the Sponsor makes the Closing "time of the essence" and the Purchaser fails to close on the "time of the essence" Closing date, the Purchaser may forfeit his or her down payment.

(6) Closing Date

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 in compliance with Section 20.1(d) (1) of 13 NYCRR 20.3 no less than 30 days before the date set for the Closing of the Units. Sponsor may permit Purchasers to waive this thirty (30) day provision by including such waiver in the plan or in an amendment thereto.

If Purchaser fails for any reason to close title to the Unit on the Scheduled Closing Date and Sponsor elects not to cancel the Purchase Agreement as a result of such default: (a) the Closing apportionments described in the Section of the Plan entitled "Closing Costs and Adjustments" 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, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.0438% (or 16.00% annual percentage) of the Purchase Price of the Unit per day commencing with the Schedule Closing Date to the Actual Closing Date.

TIME IS OF THE ESSENCE AS TO PAYING THE PURCHASE PRICE FOR A UNIT, AND AS TO CURING ALL DEFAULTS WITHIN ANY GRACE PERIODS GRATNED HEREUNDER. FAILURE TO MAKE A PAYMENT AT THE TIME WHEN A PURCHASER IS CALLED UPON TO MAKE SUCH PAYMENT MAY RESULT IN LOSS OF THE DOWN PAYMENT AND CANCELLATION OF THE PURCHASE AGREEMENT.

(7) Date of Expected First Closing

Based upon the current construction schedule, 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 August 1, 2020. The actual First Year of Condominium Operation may be earlier or later than such date.

Purchasers should also note that even if the first Closing occurs on or before August 1, 2020 (or such other date projected as the commencement of operation at the time the purchase agreement was entered into) or within the twelve (12) month period thereafter, the Closing of subsequent Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Units or for the floor on which such Units are located. In such case, provided that the Sponsor is diligently pursuing completion of construction and issuance of a certificate of occupancy and is

otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the Unit on or before twelve (12) months from the date of the Purchase Agreement, affected Purchasers will be offered a right of rescission. Such rescission right to be offered is effective only after the first Closing has occurred on or before twelve (12) months from the commencement date of the Budget in the plan or an amendment before execution of the purchase agreement.

The Sponsor anticipates that the first Closing of a Unit will occur by August 1, 2020. Purchasers will be offered a right of rescission if: (1) the actual date of Closing of title to the first Unit; or (2) the projected date of Closing of title to the first Unit occurs later than July 31, 2021, twelve months after the projected date for the first Closing. If the Plan is amended to provide for a later projected date for the first Closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than 12 months beyond that amended later date. Purchasers will have at least 15 days from presentation of an offer to rescission within which to elect to rescind.

However, if the first Unit Closing occurs before July 31, 2021, the Sponsor May schedule the Closings of title to other Units significantly later than such date. Unless your Purchaser Agreement contains an outside Closing date, the Sponsor is not obligated to schedule your Closing within any specified time frame or to ensure that Closing of title to your Unit will occur by any date certain.

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

(8) Sponsor Must Make Written Demand Before Declaring Default

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

(9) Unit Power of Attorney

Each Unit Purchaser will be required to sign a power of attorney to the Condominium Board of the Condominium on the date of delivery of the deed. Sponsor will not close with any Purchaser who refuses to sign a power of attorney and reserves the right to rescind the Purchase Agreement by returning the full down payment. The Power of Attorney provides the following powers to the Condominium Board of the Condominium: to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer assign 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, whose Owner elects to surrender the same pursuant to Article "13" of the Declaration of Condominium, (c) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or

other similar sale, on such terms and at such price or rental as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Board of its designee, corporate or otherwise, on behalf of all Unit Owners, 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 attorneys-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 the Condominium 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 other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section or the Common Elements which the Board deems necessary or appropriate.

(10) Purchaser's Right To Rescind The Purchase Agreement

Purchasers shall be afforded not fewer than three business days to review the offering plan and all filed amendments prior to executing a Purchase Agreement. For the convenience of some Purchasers, however, Sponsor will have the right, at its sole option, to accept an Agreement prior to the expiration of such period of three business days; and in such event, and only in such instance, such Purchaser will have the right to rescind such Agreement by written notice sent to Sponsor by certified or registered mail, return receipt requested, or by personal delivery within seven days of such Purchaser's submission of the Agreement, whereupon Sponsor will refund, without interest (notwithstanding any provision of this Plan regarding interest to the contrary), the Deposit received by Sponsor from such Purchaser in connection with such Agreement.

(11) Risk of Loss

Risk of loss for fire or other casualty remains with the Sponsor until legal title to the Unit has been conveyed to the Purchaser. Prior to the first closing, Sponsor may, at Sponsor's option abandon the Plan or repair or replace such loss or damage. If Sponsor elects to replace or repair such loss or damage, then at Sponsor's option, it shall be entitled to a reasonable adjournment of the closing. After the first closing, the entire building will be insured by the Condominium. Any person who takes possession prior to closing assumes the risk of losses not covered by insurance.

(12) Purchase Agreement

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

(13) Conflicts Between Offering Plan and Purchase Agreement

If any provision of the Purchase Agreement is in conflict or inconsistent with any provision of the Offering Plan, then such conflict or inconsistency shall be resolved in favor of the Offering Plan.

(14) Time Limitation For Sponsor To Accept Or Reject Purchase Agreement

Sponsor will either accept a Purchase Agreement and cause to be returned to Purchaser a fully executed counterpart thereof or reject the Purchase Agreement offer and refund the Down Payment tendered within fifteen (15) days after delivery by Purchaser of an executed Purchase Agreement together with the required Down Payment. In the event Sponsor fails to elect to accept or reject within the stated fifteen (15) day period, Sponsor will be deemed to have rejected same and Purchaser shall be entitled to a prompt return of the deposit.

(15) Purchase Agreement And Offering Plan Does Not Waive Any Rights Under Article 23-A of the New York General Business Law

The Plan and the Purchase Agreement does not contain, and may not be modified to contain, a provision waiving a Purchaser's right or abrogating Sponsor's obligations under the Offering Plan or Article 23-A of the New York General Business Law.

(16) Assignment or Transfer of Purchase Agreement

The Purchaser may not assign his Purchase Agreement without first obtaining the written consent of the Sponsor, which consent may be granted or withheld in Sponsor's sole and absolute discretion. Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law. Purchasers are prohibited from listing their Units for sale prior to the Closing of such Unit. In the event that a Purchaser sells his or her Unit within twelve (12) months of the Closing date of their Unit (the "subsequent sale"), Purchaser shall be obligated to pay to the Sponsor, in addition to the purchase price paid at the Closing of the purchase of the Unit from the Sponsor, the net proceeds of the subsequent sale.

(17) No Advertising

Prior to Closing of Title to a Residential Unit, the Purchase Agreement prohibits Purchaser from listing the Residential Unit for resale or rental with any broker or placing or authorizing any listing in any brokers listing system or other listing service or from advertising or otherwise offering, promoting, or publicizing the availability of the Residential Unit for sale or rental, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion. Any listing of the Residential Unit for sale or rental and/or advertising by Purchaser in violation of the terms of the Plan will be deemed a material default under the Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the entire Deposit made by Purchaser, together with interest earned thereon.

(18) Withdrawal or Abandonment

If the Plan is abandoned, the all sums, including the Deposit previously paid and sums paid for special orders to and actually collected by Sponsor together with any interest earned thereon, shall be returned to Purchaser in accordance with the provisions herein set forth.

(19) Charges After Closing

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges (once Common Charges are assessed by the Condominium Board), real estate taxes and assessments whether or not separately assessed (including water charges and sewer rents, if separately assessed) and all other expenses with respect to the Unit, whether or not Purchaser has taken possession of the Unit, and whether or not all work required to be performed by anyone in or to the Unit has been completed.

(20) Foreign Purchasers

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 (examples are diplomatic immunity 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 Purchase Agreement, the Condominium Documents or this Offering Plan being brought in any State or Federal Court in the State of New York. 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 at closing to deposit with the Condominium an amount equal to 2 years' Common Charges in effect for the Residential Unit which will be in addition to the required contribution to the Working Capital Fund. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(21) Upgrades or Extras

Sponsor is obligated to provide only the equipment, fixtures and furnishings set forth in the "Description of Property and Improvements" set forth in Part II of the Plan. If a person desiring to purchase a Unit requests that Sponsor perform special or additional work on the Unit or provide extra or upgraded furnishings, including, but not limited to, any deviation from the materials or specifications described in the Description of Property and Improvements set forth in Part II of the Plan, and Sponsor agrees to perform such work and/or provide such furnishings, then Sponsor may require such Person to deposit an amount greater than the Deposit required under the Purchase Agreement. All funds received by Sponsor for upgrades or extras will be placed in the non-interest bearing portion of the Master Escrow Account. Such funds, however, may be released from the Master Escrow Account by Escrow Agent to Sponsor provided Sponsor uses the funds for upgrades or extras or the funds are used to reimburse

Sponsor. As a result, in the event Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, Purchaser will receive the unexpended portion of any sums paid for special orders, upgrades or extras.

SPONSOR SHALL IN NO EVENT BE OBLIGATED TO PERFORM ANY SPECIAL OR ADDITIONAL WORK TO A UNIT OTHER THAN AS REQUIRED BY THE TERMS OF THE PLAN AND THE "DESCRIPTION OF PROPERTY AND IMPROVEMENTS" SET FORTH IN PART II OF THE PLAN.

(22) Effect of Delays in Closing Date

Purchasers should also note that even if the first Closing occurs on or before August 1, 2020 (or such other date projected as the commencement of operation at the time the purchase agreement was entered into) or within the twelve (12) month period thereafter, the Closing of subsequent Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Units or for the floor on which such Units are located. In such case, provided that the Sponsor is diligently pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the first Unit's Closing on or before twelve (12) months from the date of the Purchase Agreement, affected Purchasers will be offered a right of rescission.

The Sponsor anticipates that the first Closing of a Unit will occur by August 1, 2020. Purchasers will be offered a right of rescission if: (1) the actual date of Closing of title to the first Unit; or (2) the projected date of Closing of title to the first Unit occurs later than July 31, 2021, twelve months after the projected date for the first Closing. If the Plan is amended to provide for a later projected date for the first Closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than 12 months beyond that amended later date. Purchasers who enter into a Purchase Agreement after said amendment would be entitled to an offer of rescission if the first Closing occurs more than 12 months beyond that amended later date. Purchasers will have at least 15 days from presentation of an offer to rescission within which to elect to rescind.

However, if the first Unit Closing occurs before July 31, 2021, the Sponsor may schedule the Closings of title to other Units significantly later than such date. Unless your Purchaser Agreement contains an outside Closing date, the Sponsor is not obligated to schedule your Closing within any specified time frame or to ensure that Closing of title to your Unit will occur by any date certain.

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

(23) Financing Contingency

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at Closing regardless of the availability of financing. In the event a Purchaser does not Close Title to the Residential Unit as a result of their inability to obtain a mortgage, the Purchaser shall be deemed in default of the Purchase Agreement and Sponsor may retain as liquidated damages the funds being held in escrow to a maximum of ten (10%) percent of the sales price plus the cost of Extras paid for by Purchaser which Extras have been installed by Sponsor, paid for but not installed by Sponsor or which have been ordered but not installed by Sponsor and for which Sponsor is obligated to pay for such Extras unless the Offering Plan has been abandoned. In the event the Offering Plan is abandoned the Purchaser shall be entitled to receive all funds paid to the Sponsor for such Extras.

If Purchaser fails to appear and Close Title in accordance with the Purchase Agreement on the date and at the time and place stated in Sponsor's Notice of Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under the Purchase Agreement, Sponsor may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default.

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

ASSIGNMENT OF PURCHASE AGREEMENT

The Purchase Agreement once executed by the Purchaser(s) and Sponsor is non-assignable without the express written consent of the Sponsor. Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

EFFECTIVE DATE OF THE PLAN

The Purchase Agreement and offer to sell Condominium Units is contingent upon, and the Closing of the first Unit will not occur until the Offering Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

The Offering Plan may be declared effective by (i) an amendment to the Plan or (ii) by personal service of notice on every Purchaser or by commencement of service by mail in the manner required by Section 20.1(d) of 13 NYCRR 20.3 stating that the Plan is declared effective and submitting an amendment to the Department of Law within five days confirming that the Plan was declared effective on a specified date. The amendment must conform to 13 NYCRR 20.5(e).

The Offering Plan will not be declared effective unless bona fide Purchasers, including investors, have signed Purchase Agreements for at least 15 percent of the Units offered under the Offering Plan. Units of a primarily ancillary nature such as Parking Space Units may not be counted toward effectiveness. Such Units may be excluded from the base in calculating the percentage needed to become effective. (15% is 2 Residential Units). For offerings of more than five units, the plan may be declared effective by: (i) an amendment to the plan; or (ii) by personal service of notice on every purchaser or by commencement of service by mail in the manner required by section 20.1(d) of this Part stating that the plan is declared effective and submitting an amendment to the Department of Law within five days confirming that the plan was declared effective on a specified date. The amendment must conform to section 20.5(e) of 13 NYCRR Part 20. The closing of the first unit shall not occur until the plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

Notwithstanding the fact that not all purchasers used for purposes of declaring the plan effective may actually close, sponsor must re-declare the plan effective in order to consummate the offering plan in accordance with 13 NYCRR §20.1(c)(6). If all purchase agreements are either rescinded or terminated prior to the date of the first unit closing, regardless of whether the condominium declaration has been recorded, sponsor must re-declare the offering plan effective.

The Offering Plan will not be declared effective based on Purchase Agreements:

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

(ii) if the Purchaser was not afforded the protections required by paragraph (o)(15)(2) of 13 NYCRR 20.3, which states that Purchaser must be afforded not fewer than three business days to review the offering plan and all filed amendments prior to executing a purchase agreement; or

(iii) with any Purchaser who is the Sponsor, the selling agent, or the managing agent or is a principal of the Sponsor, the selling agent or the managing agent or is related to the Sponsor, the selling agent or the managing agent or to any principal of the Sponsor or the selling agent or the managing agent by blood, marriage or adoption or

as a business associate, an employee, a shareholder or a limited partner; except that such a Purchaser other than the Sponsor or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

The Offering Plan must be declared effective when Purchase Agreements have been accepted by Sponsor for eighty (80) percent or more of the Units offered under the Plan. (80% is 8 Units).

If the Offering Plan is abandoned by Sponsor, before the Offering Plan is declared effective, and the Sponsor has accepted purchase agreements, the Sponsor shall promptly submit an amendment to the Office of the Attorney General together with RS-3 as promulgated by the Office of the Attorney General. If payments under purchase agreements have been received, the amount of such funds and the manner of time when these funds will be returned must be disclosed. All monies paid by Purchasers shall be refunded to them in full, with interest earned, if any, within five (5) days after the amendment abandoning the plan has been accepted for filing. Sponsor will then promptly file an amendment together with form RS-3 as required by Section 20.1(l) (2) of 13 NYCRR 20.3. If there are no outstanding purchase agreements the Sponsor need not submit an amendment but shall submit a form RS-3 to the Office of the Attorney General which shall be served simultaneously by the Sponsor on all commercial or professional tenants, if any, in the manner specified by Section 20.1(d)(1) of that Part.

The Sponsor cannot abandon the Plan for any judgments or liens against the property which are known to the Sponsor or any of its principals on the date of the Plan or resulting from acts or the Sponsor or any of its principals. The Sponsor may not abandon this Offering Plan after effectiveness for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than 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 less than one-half of one percent of the total offering amount; or (iii) the taking of any material portion of the property by condemnation or eminent domain. The sum of one-half of one percent of the total offering amount as the figure for the basis for abandonment after effectiveness shall exclude 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.

TERMS OF SALE

(1) The Sponsor expects the first Closing of a Unit to occur on or about August 1, 2020. Purchasers will be offered a right of rescission if: (1) the actual date of Closing of title to the first Unit; or (2) the projected date of Closing of title to the first Unit occurs later than July 31, 2021, twelve months after the projected date for the first Closing. If the Plan is amended to provide for a later projected date for the first Closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than 12 months beyond that amended later date. Purchasers who enter into a Purchase Agreement after said amendment would be entitled to an offer of rescission if the first Closing occurs more than 12 months beyond that amended later date. Purchasers will have at least 15 days from presentation of an offer to rescission within which to elect to rescind.

However, if the first Unit Closing occurs before July 31, 2021, the Sponsor may schedule the Closings of title to other Units significantly later than such date. Unless your Purchaser Agreement contains an outside Closing date, the Sponsor is not obligated to schedule your Closing within any specified time frame or to ensure that Closing of title to your Unit will occur by any date certain

Purchasers should also note that even if the first Closing occurs on or before August 1, 2020 (or such other date projected as the commencement of operation at the time the purchase agreement was entered into) or within the twelve (12) month period thereafter, the Closing of subsequent Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Units or for the floor on which such Units are located. In such case, provided that the Sponsor is diligently pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the Unit on or before twelve (12) months from the date of the Purchase Agreement, affected Purchasers will be offered a right of rescission. Such rescission right to be offered is effective only after the first Closing has occurred on or before twelve (12) months from the commencement date of the Budget in the plan or an amendment before execution of the purchase agreement.

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

(2) If the first Unit's Closing is delayed 12 months or more from August 1, 2020 or 12 months from the date that Purchaser executes a Purchase Agreement, whichever is later, Purchasers will be offered rescission. Such rescission right to be offered is effective only after the first Closing has occurred on or before twelve (12) months from the commencement date of the Budget in the plan or an amendment before execution of the purchase agreement.

(3) The type of deed given to Unit Owners shall be a Bargain and Sale Deed with Covenants against Grantor's Acts. A form of the Unit Deed is contained in Part II of this Offering Plan.

(4) Prior to the Effective Date of the Plan, there is no obligation or liability upon Sponsor to repair any damage from a casualty or other cause that occurs before the Closing of a Purchaser's Unit; in such case, if a Purchaser's Unit or the Common Elements serving such Purchaser's Unit that provide access to such Unit have sustained damage due to casualty or other cause, Sponsor shall have the option, in its sole discretion to elect whether or not to repair such damage. If Sponsor elects to repair such damage, then the Purchase Agreement shall remain in effect, except that Sponsor's time for performance under the Purchase Agreement shall be extended as a result of the delay occasioned because of said casualty and the time required to perform any necessary repairs. If Sponsor elects not to repair such damage, the Purchaser shall be afforded the right to rescind.

(5) A Closing will take place only concurrently with the issuance of a Temporary or Final Certificates of Occupancy for the Building or, issuance of a partial, Temporary or Final Certificate of Occupancy for the Unit closed or the Building in which the Unit is located.

(6) Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the Closing free and clear of all liens, encumbrances and title exceptions other than those described in the Offering Plan and the proposed Unit deed. There will be no leases, mortgages, liens or encumbrances that will affect the Unit after Closing. The state of facts shown on a survey of the Land and Building and any additional state of facts a subsequent survey would show may be a title exception, provided that such state of facts does not render title unmarketable.

Title to each Unit will be subject to the following title exceptions:

a) Utility Easements, if any;

b) Any other covenants, restrictions, easements, or any other encumbrance (other than for the payment of money), provided that they do not prohibit the existence and residential use of the Units as the case may be. The title company will affirmatively insure that none of the same affect the use of the premises as a Condominium.

c) Rights, if any, to maintain vaults and chutes under the sidewalk;

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

e) INTENTIONALLY OMITTED;

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

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

h) Party wall agreements, if any;

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

j) Uniform Commercial Code financing statements or conditional bills of sale provided that (i) such statements were filed on a date more than five years prior to the Closing Date, (ii) Sponsor executes and delivers to the Condominium an affidavit setting forth that the property covered thereby is not longer in the Unit or is fully paid for, or (iii) a tenant is the debtor thereunder;

k) The printed exceptions set forth in the title insurance policy issued by a title company that is authorized to do business in the State of New York and that is a Member of the New York Board of Title Underwriters, including without limitation the following:

l) Defects and encumbrances arising or becoming a lien after the Closing Date;

m) Consequences of the exercise and enforcement or attempted enforcement of any governmental, war or police powers over the Unit or the Property;

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

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

p) Title to any property beyond the lines of the Unit or the Property, or title to areas within or rights to easements in any abutting streets, roads, avenues, lanes, ways or waterways, or the right to maintain therein vaults, tunnels, ramps or any other

structure or improvement, other than the ordinary rights of access and egress belonging to abutting owners;

q) INTENTIONALLY OMITTED;

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

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

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

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

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

w) Sponsor shall have an easement without the necessity of obtaining the consent of the Condominium Board and/or Unit Owners (1) over the Property, including and the Common Elements, for access to and to construct, install, erect, inspect,

maintain, repair, operate, use and replace from time to time one or more Signs (as hereinafter defined) on the Property (including, without limitation on any Common Element, exterior façade, lobby or any other public portion of the Property) for the purposes of advertising the sale of Units and the leasing of the Units or of space in any of the Units or advertising any of the services and/or facilities of such Unit Owner or the services and/or facilities of any tenant occupying such Unit Owner's Unit(s); (2) over the Property, including the Common Elements in connection with the sales and/or leasing of Units; (3) over any portion of the Property, including the Common Elements (including, without limitation, the stairways, walkways, vestibules and other public spaces within the Property) for purposes of access to and for all purposes in connection with the installation, inspection, maintenance, repair, operation, improvement or use of any of the following serving their respective Units, the Service Equipment, flues and/or ducts, security systems (including, without limitation, any and all cables and electrical lines as may be desirable in connection with the installation, maintenance, repair and/or replacement of telecommunications or similar equipment on any portion of the roof that is not a Residential Limited Common Element or part of Residential Unit) heating, air-conditioning systems and devices and exhaust and ventilation fan, systems and devices, in each case, located anywhere on the Property. Any easement under this section shall only exist for so long as Sponsor continues to own at least one Unsold Unit.

x) Any additional declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of each Unit as a Condominium Unit.

(7) All personal property located within the Unit on the date the purchase agreement is signed or located within the Common Elements on the date the declaration is filed, that is owned by the Sponsor or the owner of the property, is included in the conveyance to a Purchaser.

(8) The declaration, By-Laws and floor Plans for the Condominium and such other documents, as required by law, will be recorded or filed prior to the first conveyance of title to a Unit in accordance with the New York Condominium Act or applicable state and local law. The aforesaid documents will be recorded in the office of the City Register in the County where the Condominium is located.

(9) PURCHASER IS OBLIGATED TO PAY NEW YORK STATE AND NEW YORK CITY REAL PROPERTY TRANSFER TAXES. WHILE THE NEW YORK STATE AND NEW YORK CITY TRANSFER TAXES ARE CUSTOMARILY PAID FOR BY THE SPONSOR IN SINGLE FAMILY HOME TRANSACTIONS, THE BURDEN OF PAYING SUCH TAXES MAY BE MODIFIED BY CONTRACT. AS IS COMMON WITH MANY OTHER CONDOMINIUM DEVELOPMENTS IN NEW YORK STATE, THE PURCHASE AGREEMENT PROVIDES THAT THE PURCHASER OF A UNIT WILL BE REQUIRED TO PAY THESE TRANSFER TAXES AT THE CLOSING.

(10) Sponsor has obtained construction loan financing from Sussex Bank. The construction loan mortgage financing is in the amount owed of $8,037,000.00. The Sponsor must obtain a release of lien from each loan by the Mortgagee prior to or at the

time of conveyance of a Condominium Unit to the Purchaser. In order to release a Unit, Sponsor must make a principal reduction equal to 85% of the gross contract sales price of the Unit as determined by Lender.

(11) Each Purchaser will be required to execute and deliver at the Closing: (i) a New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, in the forms required to be filed by law; and (ii) a Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan.

UNIT CLOSING COSTS AND ADJUSTMENTS

1. The estimated Closing costs and expenses to be incurred by each Purchaser upon the purchase of a Unit are as follows:

(i) Estimated Costs, Fees and Charges to be Paid by Purchaser:

At the time of the Closing, the Purchaser will be responsible for paying the costs, fees and charges in connection with the Closing of title: title insurance fee premium; title insurance mortgage premium if the Purchaser obtains mortgage financing; mortgage recording tax; New York State Real Property Transfer Tax; New York City Real Property Transfer Tax; Recording fees for the recording of the deed, mortgage and Unit power of attorney; contributions to the Condominium's Working Capital fund; first month's Common Charges; 421-a tax abatement fee and Sponsor's attorney's fee.

I. Title Insurance Fee Premium:

Although Purchasers are free to use any title insurance company that they choose without incurring a penalty, title insurance is available from Intercounty Abstract Corp., 199 Jericho Tpke, Floral Park, New York, Tel. 516-358-2500 or from a title insurance company selected by the Purchaser. Sponsor is required to convey marketable title and cure defects regardless of the title company utilized by Purchaser. Current rates for fee title insurance in accordance with the scheduled rates set by the New York Board of Title Underwriters and filed with the New York State Insurance Department are set forth below (approximate amounts): (Sponsor does not guaranty the accuracy of the title insurance rates set forth herein).

Amount of Title Insurance (non-bulk rate)	
Fee Amount	Premium
From $100,000 to $500,000	$658 plus $3.71 per Thousand over $100,000;
From $500,000 to $999,999	$2,142 plus $3.38 per Thousand over $500,000;
From $1,000,000 to $5,000,000	$4,508 plus $3.66 per Thousand over $1,000,000;

Amount of Title Insurance (bulk rate)	
Fee Amount	Premium
From $100,000 to $500,000	$461 plus $2.595 per Thousand over $100,000;
From $500,000 to $999,999	$1,499 plus $2.37 per Thousand over $500,000;
From $1,000,000 to $5,000,000	$3,155 plus $2.562 per Thousand over $1,000,000;

If the project qualifies for the Bulk Rate pursuant to Section 20 of the TIRSA Rate Manual, then Owner's insurance shall be charged at 70% of the applicable Fee Title Insurance (Owner's) Rate.

II. Title Insurance Mortgage Premium:

If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the mortgage title insurance will be at a simultaneous rate. The premium for mortgage title insurance will be computed using the "Basic Rate" schedule as described below. The premium on the amount of the loan policy that does not exceed the owner's policy shall be calculated at thirty percent (30%) of the regular scheduled rate for loan policies according to the rates set forth below:

Amount of Title Insurance (non-bulk rate) Mortgage Amount	Premium
From $100,000 to $500,000	$196 plus $1.092 per Thousand over $100,000;
From $500,000 to $999,999	$633 plus $0.995 per Thousand over $500,000;
From $1,000,000 to $5,000,000	$1,130 plus $0.915 per Thousand over $1,000,000;

Amount of Title Insurance (bulk rate)	
From $100,000 to $500,000	$137 plus $0.765 per Thousand over $100,000;
From $500,000 to $999,999	$433 plus $0.745 per Thousand over $500,000;
From $1,000,000 to $5,000,000	$791 plus $0.641 per Thousand over $1,000,000;

III. Cost of Survey.

Each Purchaser shall also be required to pay the cost of any survey or survey inspection prepared at his request. Purchaser shall reimburse to Sponsor the sum of $200.00 as contribution of costs of surveys and surveying services incurred by Sponsor. Prints of Sponsor's survey will be available for a nominal charge.

IV. Cost of Recording Documents.

The fee charged by the New York City Register's Office for the recording of the deed is approximately $250.00. Fee for the recording of the Unit power of attorney is approximately $100.00. The fee for recording the New York City Real Property Transfer Tax Return payable by the Purchaser is $125.00.

V. Costs to Purchaser for the Payment of New York State and New York City Transfer Taxes.

The New York State Real Estate Transfer Tax, currently $4.00 for each one thousand dollars ($1,000.00) or fractional portion thereof, of the purchase price plus a $5.00 service charge. If applicable, the New York State Additional Tax ("Mansion Tax") of 1% where the purchase price equals $1 million or more and the New York City Transfer

Tax is 1.00% of the purchase price up to $500,000.00 and 1.425% over $500,000.00 (for example - $1,000.00 or 1,425.00 respectively per $100,000.00 of purchase price). Because the Purchaser, rather than the Sponsor who has the legal obligation to pay real estate transfer taxes is required to pay the New York State and New York City Transfer taxes, the tax is based on additional consideration amounting to 1.4% of the price of the Unit.

(For example, for a Unit price of less than $500,000 - if the Unit price is $490,000.00, for purposes of calculating the transfer taxes, the Unit price of $490,000.00 is multiplied by 1.014 for a total price for tax purposes of $496,860.00). The transfer taxes are added as additional consideration on which the tax is calculated. Therefore, the New York State Transfer Tax would be approximately $1,988.00 instead of $1,960.00, and the New York City Transfer Tax would be approximately $4,969.00 instead of $4,900.00.

(For example, for a Unit price of more than $500,000 - if the Unit price is $600,000.00, for purposes of calculating the transfer taxes, the Unit price of $600,000.00 is multiplied by 1.01825 for a total price for tax purposes of $610,950.00). The transfer taxes are added as additional consideration on which the tax is calculated. Therefore, the New York State Transfer Tax would be approximately $2,444.00 instead of $2,400.00, and the New York City Transfer Tax would be approximately $8,706.00 instead of $8,550.00.

The New York City Department of Finance has taken the position that when a Purchaser purchases two or more Units, the New York City Transfer Tax may be 1.425% where the consideration is $500,000.00 or less and 2.625% where the consideration is greater than $500,000.00. Purchasers are advised to discuss this with their own attorney and/or accountant if they purchase two or more Units.

VI. Cost of Mortgage Recording Taxes.

In the event that a Purchaser obtains a mortgage from a lending institution, then he or she will customarily pay at the Closing of tile the following additional costs: (i) mortgage recording taxes in the amount of 1.80% of the first ten thousand dollars of the amount of the mortgage executed by the Purchaser and a mortgage recording tax of 2.05% of the amount of the balance of the mortgage actually executed by Purchaser for mortgages in the amount of less than $500,000.00. The mortgage recording tax for mortgages in the amount of $500,000.00 or more is 2.175% after the $30.00 deduction on the first ten thousand dollars of mortgage amount and, (ii) in addition, the recording charges imposed by the New York City Register which are approximately $20.00 plus $5.00 per page or part thereof and a service charge of approximately $20.00 per document. All Purchasers will also be required to pay all fees and charges imposed by their respective lending institutions. Purchaser will also likely pay lender's appraiser fees, origination fees, lender's attorney's fees, reserves for real estate taxes and insurance premiums. The Sponsor makes no representation as to what additional Closing costs may be charged by a particular lender.

VII. Working Capital Contribution by Purchaser.

A Working Capital Fund for the Condominium shall be established as follows:

Upon the Closing of the purchase of a Unit, the Purchaser will be required to pay to the Condominium an amount equal to two months' Common Charges then in effect for the Unit pursuant to the Budget in accordance with Schedule A hereto, as the same may be amended from time to time ("Unit Working Capital Fund Contribution") as initial Working Capital. This contribution is not refundable or transferable if the Purchaser sells his or her Unit.

VIII. Cost of Purchaser's Attorney's Fees.

Purchaser shall have the sole responsibility for payment of his or her own attorney's fees and any attorneys fees or other fees required by his or her lending institution.

IX. Late Fees.

If the Purchaser fails to close on the Closing Date for any reason, then (i) the Closing adjustments shall be made as of midnight of the day preceding the date originally scheduled for the Closing Date and (ii) the Purchaser shall pay to Sponsor, as a late fee, an amount equal to .0438% times the unpaid portion of the purchase price for his or her Unit for each days delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately preceding the actual Closing Date. Purchasers will be required to pay an additional fee of $350.00 to Sponsor's Closing attorneys if Purchaser does not close title to his or her Unit on the date stated in the notice of Closing because such Purchaser has not complied with the terms of the executed Purchase Agreement. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor postpones the Closing Date except to the extent that thereafter the Purchaser postpones the Closing for any reason or is in default.

X. Estimated Apportioned Costs, Fees and Charges to be Paid by Purchaser:

The following costs are to be apportioned at the Closings:

If Units have not been separately assessed for real estate tax purposes prior to the Closing of title to the first Unit, Sponsor shall place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first Closing. Alternatively, if the Units have not been separately assessed as of the first Closing date, the Sponsor shall place in escrow, in the name of the Board of Managers, an amount equal to the real estate taxes attributable to the unsold Units for such six month period and may collect at each Unit Closing the estimated amount of taxes attributable to such Unit for the balance of the six month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from, or obligated to pay any deficit to, the Board of Managers, to the extent of the actual assessment. No escrow will be required if the Condominium By-Laws include as part of the Common Expenses, real estate taxes on the property until the Units are separately assessed and after assessment Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. The amount of the escrow

that the Sponsor Deposits with the Board of managers for unsold Units will be disclosed in the initial post-Closing amendment to the Plan.

Purchasers should note that if, as of the date of Closing, the Units are not separately assessed and the Unit owner is required to deposit monies with the Board so that the Board can pay the real estate taxes that in addition to a Unit owners' deposit of funds with the Board, the Unit owner's lender, if any, may also require an escrow for real estate taxes.

The following is an example of the Closing costs applicable to a purchase price of $720,000.00 and a mortgage of $576,000.00 based on a simultaneous rate:

Owners Policy and Endorsements:	
Fee Title Insurance	$ 2,886.00
Market Value Rider	$ 287.00
Loan Policy and Endorsements:	
Mortgage Insurance	$ 709.00
Residential Mortgage	$ 25.00
TIRSA-8.1 Environmental Lien	$ 25.00
Waiver of Arbitration	$ 25.00
TIRSA-4 Condominium	$ 25.00
Miscellaneous Charges:	
Municipals	$ 325.00
Bankruptcy Search	$ 95.00
Patriot Search	$ 95.00
Escrow Service Fee	$ 50.00
Estimated Sales Tax	$ 50.14
State and Local Taxes:	
Mortgage Tax	$10,447.00
New York State Transfer Tax	$ 2,934.00
New York City Transfer Tax	$11,058.00
Recording Fees:	
Mortgage Recording (up to 20 pgs + $5 per Additional page)	$ 250.00
Deed Recording Fee (up to 3 pgs + $5 per Additional page)	$ 275.00
Power of Attorney Recording Fee	$ 160.00
339-ee Recording Fee	$ 100.00
Additional Expenses	
Condominium Working Capital:	$ 877.92
Survey Fee	$ 200.00
Pro-Rata Insurance	$ 350.75
Offering Plan Reimbursement Fee	$ 2,500.00

ACRIS Preparation Fee	$ 250.00
Sponsor Attorney Fees for Preparation of Deed, Power of Attorney and other Closing Documents	$ 2,500.00
TOTAL:	**$36,499.81**

XI. Credits for Mortgage Recording Taxes Paid by Sponsor.

To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by reasons of any prior mortgage against the Unit or the Property, the Purchaser shall pay to the Sponsor at the Closing for such Unit the amount of any such credit.

The Sponsor may pay or may have paid a mortgage recording tax in connection with obtaining a mortgage loan for the acquisition and/or the construction of the Condominium. Section 339-ee(2) of the New York Real Property Law provides for a mortgage tax credit upon transfer of the Units.

Sponsor shall be entitled to a credit for the mortgage taxes paid pursuant to Section 339-ee(2) of the New York Real Property Law. The pertinent language of the statute is as follows:

> *"If in the event the proceeds of a construction mortgage were applied to construction of a Unit of a Condominium submitted to the provisions of this article, or in the event that a Unit submitted to the provisions of this act was subject to a blanket mortgage, and a mortgage tax was duly paid on such construction or blanket mortgage in accordance with article eleven of the tax law, then, as each Unit is first conveyed, there shall be allowed a credit against the mortgage tax that would otherwise be payable on a purchase money mortgage, said credit to be in the amount resulting from the product of the Purchaser's pro rata percentage of interest in the Common Elements and the mortgage tax already paid on the construction or blanket mortgage. No credit shall be allowed under this subdivision (a) on account of the special additional mortgage recording tax imposed by subdivision one "a" of section two hundred fifty three of the tax law or (b) where the first Condominium Unit is sold more than two years after the construction or blanket mortgage was recorded".*

The Sponsor shall receive the benefit from any credit on Purchaser's mortgage recording tax which may be available pursuant to the quoted statute. Accordingly, at Closing, each Purchaser electing mortgage financing shall pay the full amount of the mortgage recording tax chargeable on the entire amount being financed. Sponsor will be reimbursed at Closing to the extent of any mortgage tax credit allowed.

XII. Mortgage financing costs.

The Purchaser will be responsible for all Closing costs in connection with mortgage financing if the Purchaser obtains a mortgage.

XIII. Costs for Sponsor's Attorney's Fees to be Paid by Purchaser.

Purchaser shall pay the fee of Sponsor's Closing attorneys in the amount of $2,500.00 per Unit at the time of Closing for document preparation fees for preparation of Closing documents and for attendance by Sponsor's counsel at the Closing. If a Closing takes place, at the request of the Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney (in addition to the fee set forth above), an attendance travel fee in the sum of $350.00 provided that the Closing is held in the City of New York or Nassau County. Sponsor and Sponsor's counsel are not required to attend a Closing at any location other than in the City of New York or Nassau County. In the event that a Closing is adjourned with Sponsor's consent, at the request of the Purchaser, or Purchaser's attorney within forty eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $350.00. There will be a fee charged of $250.00 for the preparation by Sponsor's counsel of E-tax forms, which are required for the ACRIS recording of the transfer documents.

XIV. Apportioned Costs to be Paid by Purchaser.

If Units have not been separately assessed for real estate tax purposes prior to the Closing of title to the first Unit, Sponsor shall place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first Closing. Alternatively, the Sponsor shall place in escrow, in the name of the Board of Managers, an amount equal to the real estate taxes attributable to the unsold Units for such six month period and may collect at each Unit Closing the estimated amount of taxes attributable to such Unit for the balance of the six month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from, or obligated to pay any deficit to, the Board of Managers to the extent of the actual assessment. No escrow will be required if the Condominium By-Laws include as part of the Common Expenses, real estate taxes on the property until the Units are separately assessed and after assessment Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. The amount of the escrow that the Sponsor Deposits with the Board of managers for unsold Units will be disclosed in the initial post-first Closing amendment to the Plan.

Purchasers should note that if, as of the date of Closing, the Units are not separately assessed and the Unit owner is required to deposit monies with the Board so that the Board can pay the real estate taxes that in addition to a Unit owners' deposit of funds with the Board, the Unit owner's lender, if any, may also require an escrow for real estate taxes.

XVI. Offering Plan Reimbursement Fee

Each Purchaser shall pay to the Sponsor the sum of $2,500.00 for reimbursement of the Sponsor's costs in preparing this offering plan.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

1. Sponsor is reserving the unconditional right to rent rather than sell Units after consummation in the event that the building does not qualify for section 421-a tax exemption benefits. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Units than the fifteen percent (2 Residential Units = 15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. Sponsor will endeavor in good faith to sell Units rather than rent. If Sponsor makes a bulk sale of all or some of its unsold Units, the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell Units.

2. The Sponsor is obligated to defend any suits or proceedings arising out of Sponsor's acts or omissions and to indemnify the board of managers and the Unit Owners.

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

4. Sponsor and its principals will remain liable notwithstanding any disclaimers or limitations of liability on the part of the Sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation. This Offering Plan does not include any financial limitation on Sponsor's liability for failure to perform its obligations under the Offering Plan.

5. The Sponsor agrees to pay all common charges, special assessments and real estate taxes with respect to unsold Units. Sponsor represents that it has the financial resources to meet its obligations with respect to unsold Units. Sponsor will fund its financial obligations to the Condominium through sale of a Condominium Unit pursuant to this Plan or through cash on hand. No bond or other security has been furnished to secure Sponsors obligations under this Plan or to complete construction of the Building.

6. Risk of loss for fire or other casualty remains with the Sponsor until legal title to the Unit has been conveyed to the Purchaser. Prior to the first closing, Sponsor may, at Sponsor's option abandon the Plan or repair or replace such loss or damage. If Sponsor elects to replace or repair such loss or damage, then at Sponsor's option, it shall be entitled to a reasonable adjournment of the closing. After the first closing, the entire building will be insured by the Condominium. Any person who takes possession prior to closing assumes the risk of losses not covered by insurance.

7. Sponsor shall procure fire and casualty insurance, as set forth in Schedule B, pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance as reflected in Schedule "B". Such insurance will provide that each Unit Owner is an additional insured and that there will be no cancellation without notice to the Board of Managers and Unit Owners. The insurance policies will also contain waivers of subrogation, waivers of invalidity, due to acts of the insured and Unit Owners and

waivers of pro-rata reduction of liability of the insurer due to other insurance carried by individual Unit Owners.

8. In the event of the dissolution or liquidation of the Sponsor or the transfer of ten or more Units or twenty percent 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.

9. Sponsor shall have the obligation to build and complete the Condominium in accordance with applicable codes and the Building Plans and specifications identified in this Offering Plan. The Sponsor has not obtained any construction financing with respect to the construction of the Condominium building.

(i) Sponsor shall have the right to substitute equipment or materials of Equal or Better Quality and design as those originally specified.

(ii) Sponsor may modify the layout or design of the Building but Sponsor may not change the size, or location of the Units 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. The Sponsor's obligation to build and complete the Condominium in accordance with the Building Plans and specifications identified in the Plan and Sponsor's right to substitute equipment or materials and make modifications of layout or design, provided however, that Sponsor may not:

(i) substitute equipment or materials of lesser quality or design; or

(ii) change the size, location of Building 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.

10. The Sponsor will obtain a permanent or temporary Certificate of Occupancy and any other certificate or permit required by law for the Building or Residential Unit before the Closing of Title to a Residential Unit and will, at its own cost, perform any work and supply any materials necessary to obtain the Certificates or permits. In the event a permanent Certificate of Occupancy is not issued as of the Date of Closing of a Residential Unit, Sponsor anticipates obtaining the permanent Certificate of Occupancy within two (2) years of the Closing of the Residential Unit. However, Sponsor and its principals make no representation or guarantee that the New York City Department of Buildings will issue the permanent Certificate of Occupancy within such two (2) year period. Sponsor will obtain the permanent Certificate of Occupancy prior to the expiration of any temporary Certificate of Occupancy, unless the temporary Certificate of Occupancy is extended.

In the event a permanent Certificate of Occupancy for the Building or an individual Residential Unit has not been issued as of the Date of Closing for said Residential Unit, the Sponsor will continue to hold all deposits and funds in the special escrow account required pursuant to Section 352-e (2-b) and 352-h as described in Section XII of the Offering Plan unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy. Any sum of money exceeding the amount certified by the Sponsor's engineer or architect will be released to the Sponsor. Upon the issuance of the permanent Certificate of Occupancy, such escrow deposit will be released to Sponsor without the consent of any other party. Alternatively, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount certified by Sponsor's engineer or architect. In such event, it will disclose such fact by duly filed amendment to the Plan.

Residential Unit Owners will not be permitted to make any changes, additions or alterations to their Residential Unit prior to the issuance of a permanent Certificate of Occupancy for the Residential Unit and/or Building. Unit Owners are responsible for obtaining all necessary permits from the City of New York and any other required municipal agencies for any changes the Unit Owner makes to their Unit subsequent to the Closing of Title with the Sponsor.

SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FINAL CERTIFICATE OF OCCUPANCY WITHIN TWO YEARS OF THE FIRST CLOSING WHILE KEEPING THE TEMPORARY CERTIFICATE OF OCCUPANCY CURRENT.

11. The common areas and public portions of the Building will be completed before the Closing of title to the first Unit.

12. Sponsor may not close Units without a Temporary Certificate of Occupancy or Final Certificate of Occupancy.

13. In view of the fact the Condominium will consist of a Building containing five (5) stories the Housing Merchant Implied Warranty Law contained in Article 36-B of the General Business Law is applicable. General Business Law §777, the Housing Merchant Implied Warranty Law is applicable to Condominium Units in buildings which are five stories and less. The Housing Merchant Implied Warranty Law applies, however, Sponsor elects to exclude the Housing Merchant Implied Warranty in favor of a Limited Warranty as set forth in this Offering Plan.

Certain of the limitations contained in the Limited Warranty are noted as follows: the Limited Warranty provides coverage for the first residential Unit buyer only; Sponsor's liability with regard to items set forth in the Limited Warranty only is limited to ten percent (10%) of the purchase price, exclusive of all options; incidental, special, indirect consequential or other similar damages are excluded; and detailed procedures must be followed for giving notice of a warranty claim to the Sponsor, and for commencing a lawsuit against Sponsor. Despite the 10% limitation, the Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, is to construct the premises in

accordance with all applicable codes, filed Plans and specifications, and any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter..

Purchaser should note that:

(a) No steps taken by Sponsor or Sponsor's contractors to correct a defect shall act to extend the warranty period.

(b) Sponsor accepts no responsibility for any warranty obligation for incidental or consequential damage caused by any defect.

(c) The Limited Warranty is extended to Purchaser and is not extended to any subsequent Purchaser, tenant, or mortgage lender who takes possession of a Residential Unit.

(d) The Limited Warranty shall be void if Purchaser, tenant or occupant, misuses, abuses or otherwise interferes with or changes Sponsor's original construction or installations, or if Purchaser, tenant or occupant hires any outside contractor to do any work during the warranty period.

(e) Sponsor is not responsible for any work or material ordered directly by Purchasers from Sponsor's contractors or suppliers, or other outside suppliers and contractors

In no event will Sponsor be liable for consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations under the Plan will be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), subject to the terms and conditions (and within the time limits) set forth in this paragraph. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications.

In no event will Sponsor be responsible for any condition in the Residential Unit or the Common Elements resulting from (i) normal wear and tear or natural deterioration or from the normal movement, settlement and/or shrinkage of the Building and/or Building materials; (ii) defects of an insubstantial nature, such as, without limitation, partial or total loss of any trees, shrubs, bushes or other Landscape improvements that may abut the Building, nail pops, protruding dry wall fastenings, ridging on gypsum Board, lumber shrinkage, door or window sticking, door warpage including, without limitation, warpage of the main entrance door within reasonable tolerances of doors of similar size and weight, scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel or porcelain surfaces; bathroom finish grouting; adjustment of doors; walls not square; electrical plates not straight; discoloration or shrinkage; slight separation between base and floors; (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in roof ballast, or concrete cracks which do not reduce the structural integrity of the Building; (iv) deviations in the level of ceilings,

and imperfections in ceiling finishes; (v) imperfections in painting finishes; (vi) deviations in the level of a floor or failure of finished floors and walls to be straight or on plane or at less than 90° from each other; (vii) alignment of bathroom finishes and variation in grouting thickness; (viii) air infiltration and water infiltration from windows in accordance with customary practice and professional standards; (ix) noise from normal plumbing and the HVAC system; (x) normal floor noises and creaking; (xi) carpet or floor discoloring or stretching; (xii) scratches and imperfections or variations in width, length, thickness, finish or color range of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood; (xiii) repair of chips, scratches, mars, breaks, dents, cracks or other defects in: exterior stone; windows, window glass, frames and hardware; insulation attached to the curtain wall; sliding glass doors, frames, door glass and hardware; louvers; shower doors; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, water closets; kitchen cabinets, back splashes and countertops; vanity tops and cabinets; all tile or natural stone floors and walls; saddles; all appliances; woodwork, millwork and doors; mirrors and after the Residential Unit Closing, paint touch-ups, repair of dented appliances, or replacement of light bulbs; (xiv) cracks or variations in tone or color of natural stone or variations in tone or color of vanity tops or variations in veining of any natural stone surfaces; (xv) leaching or color variation in color mortar and colored brick, and dimensional variations in brick joints, and mortar droppings on bricks; (xvi) ponding and/or controlled drainage on the roof surface; (xvii) cracks in pressure-treated lumber used or intended for use outside the Building; (xviii) cracks or discoloration in concrete and/or paving; (xix) discoloration to hardware and plumbing finishes; (xx) stains, runs, lumps, shags or imperfections in weave in fabric panels; (xxi) scratched, dirty or cracked lenses in light fixtures; or (xxii) terrace or balcony tiles not laid flat, or color variation in tiles or mortar, or stained tiles; (xxiii) subsequent to the Residential Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, or (xxiv) salting or color variation in exterior colored mortar and deep colored brick; (xxv) remove mold from the Building or any Residential Unit therein, or (xxvi) or normal water penetration in frameless shower doors. Sponsor will be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair will be made by filling the stone or formica or refinishing the porcelain, but Sponsor will not be obligated to replace such stone, formica or porcelain surfaces. THE ITEMS AND CONDITIONS DESCRIBED IN THIS PARAGRAPH ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING OR RESIDENTIAL UNIT. PURCHASERS WHO PURCHASE A RESIDENTIAL UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR RESIDENTIAL UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING OR RESIDENTIAL UNIT. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF THESE ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE BOARD OF MANAGERS THEREOF. IF PURCHASERS OR ANY BOARD OF MANAGERS DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAQUEENS ASSIGNED TO THEM BY SPONSOR.

The Sponsor has no obligation to make any repair to the Common Elements except as expressly set forth in the Offering Plan.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of (i) any insubstantial variations from the plans and specifications or the description of any portion of the Building or a Residential Unit set forth in the Plan or (ii) variations from the Plans and Specifications or the description of any portion of the Building or a Residential 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 are of substantially similar or better quality than as set forth in the Plans and Specifications or description in this Plan as solely determined by Sponsor's architect. Any such variation affecting the Building or a Residential Unit which is material will be disclosed in a duly filed amendment to the Plan.

All personal property located within the Residential Unit on the date the Purchase Agreement is executed or that is located within the Common Elements on the date the Declaration is filed, that is owned by the Sponsor or anyone else, will be included in the conveyance to Purchaser of their Residential Unit unless specifically excepted in the Plan or Purchase Agreement.

(14) Upon the Closing of title, Sponsor will assign to the Purchaser, and to the Board of Managers upon the recording of the Declaration, all applicable warranties, if any, of manufacturers and subcontractors relating to heating, electrical work, plumbing, and appliances, as well as bonds relating to the Purchasers Unit or the Common Elements, if any. Sponsor undertakes to supply warranties only to the extent that warranties are actually made by such manufacturers and subcontractors and only to the extent that such warranties and bonds are assignable.

(15) Sponsor will pay the cost of all authorized and proper work involved in the construction, establishment and sale of the Condominium property that Sponsor is obligated to complete under the Plan and to cause all mechanics liens filed with respect to the construction of the Building to be promptly discharged or bonded.

(16) Sponsor will deliver a set of "as built" Plans to the Board of Managers.

(17) Except as specifically set forth in this Plan, no bond or other security has been furnished to secure Sponsor's obligations to complete construction after Closing title to the first Unit and obtain a Final Certificate of Occupancy and all necessary permits.

(18) The Sponsor has a right of access to complete construction of the Condominium. The Sponsor is obligated to repair any damages caused by Sponsor or Sponsor's contractors to any Condominium Unit and the common areas as a result of the work performed in accordance with gaining access to Condominium Units and/or the common areas. The Sponsor may not interfere with the Unit Owner's use and may only gain access to sold Units during normal business hours, from 8AM to 5PM, Monday through Friday.

(19) Sponsor is reserving the unconditional right to rent rather than sell Units after consummation in the event that the building does not qualify for section 421-a

tax exemption beneifts. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. Sponsor will endeavor in good faith to sell Units rather than rent. If Sponsor makes a bulk sale of all or some of its unsold Units, the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell Units.

(20) Effective November 5, 2004, owners of Class A multiple dwellings in New York City, which include Condominium Units, must install carbon monoxide detectors. The Sponsor will install a smoke detector and a carbon monoxide detector in each Residential Unit. The law requires the owners of the Residential Units to maintain the carbon monoxide detectors.

(21) There is no minimum release price set by any lender for the lender to release its lien from the Unit being sold.

(22) All representations under the Plan, all obligations pursuant to the General Business Law Section 352-e, and such additional obligations under the Plan which are to be performed subsequent to the Closing Date shall survive delivery of the deed.

Obligations of the Sponsor under the Plan with respect to the Building shall be enforceable by the Condominium Board on behalf of all Unit Owners. Obligations of the Sponsor shall be enforceable by the individual Unit Owners if either (i) the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of notice of such claim by any Unit Owner to the Condominium Board or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid ninety (90) day period.

Obligations of the Sponsor under the Plan shall inure solely to the benefit of Purchasers of Units directly from Sponsor and shall not inure to the benefit of any Purchaser or tenant upon the resale, assignment or subletting of a Unit.

CONTROL BY SPONSOR

Prior to the first annual meeting the initial Board of Managers will consist of three (3) Sponsor appointed Members. At the first annual meeting of the Residential Unit Owners and thereafter the Board of Managers shall consist of a total of three (3) elected and/or Sponsor designated Members to the Board of Managers. The Sponsor, as the owner of Units, will be entitled to designate a majority of the Members of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to Residential Unit Owners other than the Sponsor, its principals, successors, assignees and/or designees or until three (3) years after the first closing, whichever occurs sooner. A meeting will be held to elect the new Members of the Board of Managers unrelated to Sponsor on or about thirty (30) days after the expiration of the control period. Notwithstanding, the Sponsor shall have the right but not the obligation to voluntarily relinquish control before said date.

As a result of the above the Sponsor will have voting control of the Board of Managers during this period. As a result of the fact Sponsor may retain a majority of the Members of the Board of Managers for said period, Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Offering Plan and the Unit Owners will have no representation on the Board during this period. Purchasers individually, or as a group, may take legal or administrative action to enforce the Sponsor's obligations to the Condominium. However, they will be unable to do so in the name of the Condominium. In addition the funds utilized for such actions will either have to be obtained by a Special Assessment of all Residential Unit Owners excluding the Sponsor or obtained through independent funds of the Residential Unit Owners. The Sponsor will also, during this indeterminate period, have control of maintenance, facilities and services to be provided to the Condominium and will determine the Common Expenses to be paid by all Residential Unit Owners, including the Sponsor and will also be responsible for the enforcement of the Sponsor's obligations through the Board of Managers. Sponsor may exercise such power for a period ending not more than five years after the closing of the first unit or whenever the unsold units constitute less than 25 percent of the common interest, whichever occurs sooner. Purchasers should further note that the By-Laws do not contain any provision that provides that after the Sponsor relinquishes control of the Board a majority of the Members of the Board of Managers must be owner occupants who are unrelated to the Sponsor or its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed as a result of their different reasons for purchasing, i.e. purchasing as a Residential Unit to live in as opposed to purchasing as an investment.

The initial Members of the Board of Managers of the Condominium will consist of Andrew Magriples, James Magriples who are principles of the Sponsor and Maria Magriples who is the spouse of James Magriples. The Sponsor shall retain the right to substitute other persons in the place of the above-named individuals until the resignation of the first Board as set forth below. Thereafter the Sponsor shall have the right to substitute Members of the Board it has appointed as Sponsor so determines. As a result of the fact Sponsor will be selling and Closing Units during the first year and a number of the Residential Units under Purchase Agreements may not close during the first year, the first annual meeting of the Residential Unit Owners may not be

held until at least one (1) year after the date of the Closing of Title to the first Residential Unit in the Condominium. At the first annual meeting, the Residential Unit Owners will elect and Sponsor, if entitled, will designate a new Board of Managers. Said Board will consist of three (3) Members. Until such time as the Sponsor relinquishes control of the Board of Managers as provided herein, the Sponsor shall appoint a majority of the Members of the Board of Managers. The first meeting of unit owners will be held at least one year after the date of the Closing of title to the first Residential unit.

Sponsor will continue to hold annual meetings during the period it controls the Board of Managers. Subsequent to the Sponsor relinquishing a majority of the Members of the Board of Managers, Sponsor will be entitled to designate one (1) Member to the Board of Managers as long as Sponsor retains at least one (1) Unit. The Commercial Unit Owners and the Community Facility may not designate any members of the Board of Managers after the Sponsor control period. At such time as all of the Residential Units are Closed, Sponsor will not be entitled to any representation of the Members on the Board of Managers. Upon the election and designation of the new Board of Managers at the first annual meeting, the Members of the first Board will resign. Members of the Board of Managers shall not be compensated for their services. Members of the Board of Managers, other than Sponsor designees, may be removed for cause by an affirmative vote of sixty-six and two thirds percent (66 2/3rds%) of the Residential Unit Owners. Sponsor designees can only be removed by the Sponsor. Officers of the Residential Condominium may be removed with or without cause, at anytime, by the affirmative vote of a majority of the whole Board of Managers.

This Offering Plan provides 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 per cent (25%) of the common interest, whichever is sooner, the Board of Managers may not, without the Sponsor's prior written consent prior to the transfer of title to the last Residential Unit (i) make any additions, alterations or improvements to the Common Elements or to any Unit costing cumulatively more than $25,000.00, the foregoing not to include necessary repairs and maintenance work; or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of the reserve for contingencies provided in Schedule B; or (iii) hire any employee in addition to the employees referred to in the Plan; or (iv) enter into any contracts not in existence on the date of the first Closing of Title to a Residential Unit; or (v) borrow money on behalf of the Condominium; or (vi) reduce the services or maintenance set forth in Schedule B; (vii) charge any Special Assessment for a non-Budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium; or (viii) increase the Common Charges of the Condominium more than ten (10%) from the prior year's Budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Condominium funds or assess the Sponsor for the purpose of commencing a lawsuit against the Sponsor or any of its principals. Sponsor may exercise such power for a period ending not more than five years after the closing of the first unit or whenever the unsold units constitute less than 25 percent of the common interest, whichever occurs sooner.

As noted above, the Sponsor has the right to retain control over certain expenditures and fiscal actions of the Board of Managers. Notwithstanding said fact,

Sponsor may not exercise veto power over expenses described in Schedule B (the proposed first year Budget), or over expenses required:

(i) to comply with applicable laws or regulations; or

(ii) to remedy any notice of violation; or

(iii) to remedy any work order by an insurer; or

(iv) necessary for the preservation or safety of the Condominium or for the safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

The above provisions provide that during said period, significant financial decisions of the Board of Managers will be decided by the Sponsor. Examples of such decisions are, in part, the ability to borrow money, as provided in The Condominium Act (Article 9-B of the Real Property Law, §339-jj), for a capital improvement all Residential Unit Owners are in favor of, or the ability to enter into a contract with a lawyer and fund legal fees if the Sponsor fails to comply with provisions in the offering.

The detailed provisions for the management of the Condominium are set forth in the By-Laws contained in Schedule J of Part II of the Offering Plan. The By-Laws contain provisions, among others, dealing with the election of the Board of Managers, and Condominium officers, powers of the Board of Managers, voting rights of Residential Unit Owners, assessment of Common Charges, foreclosure of liens for non-payment of Common Charges, management of the Condominium and the use of the Units. The By-Laws provide that the Condominium shall be governed by the Board of Managers, but that the Board of Managers shall have the right to designate committees or a managing agent to carry out such function.

BOARD OF MANAGERS

Board of Managers

The affairs of the Condominium shall be governed by a Board of Managers (the "Board"). Until the first annual meeting, the first Board of Managers shall consist of three (3) Members designated by the Sponsor. Thereafter the Board of Managers shall continue to consist of a total of three (3) members who shall be elected or designated for staggered terms. See Section XVIII of the Offering Plan as to Sponsor's right to designate a majority of the Members of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to Residential Unit Owners other than the Sponsor, its principals, successors, assignees and/or designees or until three years after the first closing, whichever occurs sooner.. Purchasers should further note that the By-Laws do not contain any provisions that provide that after the Sponsor relinquishes control of the Board a majority of the Members of the Board of Managers must be owner-occupants who are unrelated to the Sponsor or its principals.

Every Residential Unit Owner shall be entitled to cast one (1) vote on each ballot for each Member to be elected for each Residential Unit owned. As a result of the fact Sponsor will be selling and Closing Units during the first year and a number of the Residential Units under Purchase Agreements may not close during the first year, the first annual meeting of the Residential Unit Owners may not be held until at least one (1) year after the date of the Closing of Title to the first Residential Unit in the Condominium. Subsequent to the Sponsor relinquishing a majority of the Members of the Board of Managers, Sponsor will be entitled to designate one (1) Member to the Board of Managers as long as Sponsor retains at least one (1) Unit. All members of the Board of Managers, other than designees or nominees of the Sponsor, shall be Residential Unit Owners. At the first annual meeting two (2) Members of the Board of Managers shall be elected for a three (3) year term and one (1) member of the Board of Mangers shall be elected for a one (1) year term. At the expiration of the initial term of office of each respective Member, the Member's successor shall be elected to serve a term of two (2) years. Elections are to be held annually. See Section XVIII of the Offering Plan for details concerning Sponsor control of the Board of Managers.

Thereafter, annual meetings shall be held on the anniversary date of each succeeding year, unless such date is changed by the Board of Managers.

In addition to the Members of the Board of Managers designated by the Sponsor, Sponsor may vote as Sponsor so determines for any other Members of the Board of Managers, so long as the Residential Members of the Board of Managers Sponsor votes for are Residential Unit Owners and are not on Sponsor's Members of the Board, Sponsor's payroll or as long as they did not receive other financial backing from the Sponsor other than a Sponsor held mortgage, if applicable. Offering Plan as to Sponsor's right to designate a majority of the Members of the Board of Managers until all of the Residential Units have Closed. Purchasers should further note that the By-Laws do not contain any provision that provides that after the Sponsor relinquishes control of the Board of Managers a majority of the Members of the Board of Managers must be owner occupants who are unrelated to the Sponsor or its principals.

In the event Sponsor is entitled to designate a majority of the Members to the Board of Managers at the first annual meeting, all Members so designated by the Sponsor shall serve for a one (1) year term. Sponsor Members shall thereafter be appointed to the same length of term until such time as Sponsor is required to relinquish the seat or Sponsor voluntarily resigns. At such time as a Sponsor Members of the Board of Managers are required to relinquish or resigns a position on the Board of Managers a special meeting of the Residential Unit Owners shall be held to elect a Residential Unit Owner to fulfill the balance of the term.

As a result of the fact Sponsor will be selling and Closing Units during the first year and a number of the Residential Units under Purchase Agreements may not close during the first year, the first annual meeting of the Residential Unit Owners will not be held until one (1) year after the date of the Closing of Title to the first Unit in the Condominium. Thereafter, annual meetings shall be held on the anniversary date of each succeeding year, unless such date is changed by the Board of Managers.

It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by a majority of the Residential Unit Owners. 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 to each Residential Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request unless a later date is agreed to in writing by the Residential Unit Owners of the Condominium or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Residential Unit Owners of the Condominium are present in person or by proxy. See Article II, Section 10 of the By-Laws of the Condominium.

Members and Officers of the Board of Managers, as such, shall receive no compensation for their services.

Removal of Members of the Board of Managers

Members, other than Sponsor designees, may be removed with or without cause by an affirmative vote of sixty-six and two-thirds percent ($66^{2}/_{3}^{rds}$) in number of the Residential Unit Owners entitled to vote at a special meeting called pursuant to Article II, Section 10 of the By-Laws. No Member other than a Member of the Board of Managers designated by the Sponsor shall continue to serve on the Board of Managers if, during their term of office, they shall cease to be a Unit Owner. Any Member of the Board of Managers in default of the payment of Common Charges, Special Assessments, late fees, penalties and/or interest shall be suspended from the Board of Managers until such time as all Common Charges, Special Assessments, late fees, penalties and/or interest are paid in full to the Condominium.

Powers and Duties of Board of Managers

The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration or by the By-Laws, directed or required

to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses. The Common Charges are payable in advance as determined by the Board of Managers. The Board of Managers may increase the monthly Common Charges or vote a Special Assessment in excess of the Common Charges, if required, to meet any additional necessary Common Expenses, but said increases can only be assessed among the Unit Owners pro-rata according to their respective Percentage of Common Interest as reflected in Schedule B of the Declaration of Condominium or in such other manner as provided in Article VI, Section 9 of the By-Laws.

2. To determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and to revise the amount of such fees as the Board of Managers so determines.

3. To determine and impose move in and move out fees and to revise said fees in its good faith discretion.

4. To collect, use, and expend the Common Charges collected to maintain, care for and preserve the General Common Elements and any Individual Residential Unit's Limited Common Elements for which the Condominium is responsible to repair, replace and maintain and any other Common Expenses of the Condominium.

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

6. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care, and preservation of the property, including any inspection or repairs necessitated by mold. No prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium. Any repairs required as the result of negligence of a Unit Owner will be at the expense of the Unit Owner.

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

8. To insure and keep insured the Common Elements and Units in accordance with Article VII of the By-Laws.

9. To collect delinquent Common Charges, Special Assessments, late fees, penalties and/or interest by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the Condominium for violations of the Declaration, By-Laws or the Rules and Regulations of the Condominium.

10. To make reasonable Rules and Regulations pursuant to Article VIII of the By-

Laws applicable to all Units and all Unit Owners and to amend the same from time to time, and such Rules and Regulations and amendments shall be binding upon all the Unit Owners when the Board of Managers has approved them in writing. A copy of such Rules and Regulations and all amendments shall be delivered to each Unit Owner. Notwithstanding the above, the Board of Managers shall not be able to pass or adopt any Rule or Regulation affecting the Sponsor without the written consent of the Sponsor.

11. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and Generally to have the powers of a manager in connection with the matters herein above set forth.

12. To bring and defend actions by or against one or more Unit Owner and pertinent to the operation of the Condominium and to levy Special Assessments to pay for the cost of such litigation, subject to the provisions regarding the Sponsor as contained in Article III, Section 7 (c) of the By-Laws.

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

14. To make additions, alterations, or improvements to the General Common Elements and Individual Residential Unit's Limited Common Elements that are the obligation of the. Condominium to maintain, repair and/or replace as provided for in the Declaration and/or the By-Laws. To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the General Common Elements, and Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium to maintain, repair and/or replace as provided for in the Declaration and/or the By-Laws. Notwithstanding, no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant Percentage of Common Interest in the Common Elements without the written consent of the Owners of said Unit.

15. To act as an agent for one (1) or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such event, the Board of Managers could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro-rata share of expenses, disbursements and legal fees, based upon the Unit's Percentage of Common Interest as reflected in Schedule B of the Declaration of Condominium, the payment for which would be secured by a lien on each Unit. The Board of Managers is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners it will perform such service for.

16. To determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and/or Special

Assessments in violation of the Rules and Regulations and to revise the amount of such fees as the Board of Managers so determines.

17. To enter into revocable license agreements for the use of space within the General Common Elements, as long as the license agreement does not hinder or encroach upon the rights of Unit Owners to use the General Common Elements and/or Individual Residential Unit's Limited Common Elements.

18. To enter into contracts, settlement agreements and/or other matters on behalf of the Condominium.

19. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any Mortgagee (except that if the granting of such easement impairs the ability of one or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted).

Liability and Indemnification of Board of Managers. Officers and Unit Owners

No Member of the Board of Managers or Officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in a Unit Owner's capacity as a Member of the Board of Managers or Officer, provided that this provision does not eliminate or limit the liability of a Member of the Board of Managers or Officer if a judgment or other final adjudication adverse to the Member establishes (a) that the Member's acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that the Member personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board of Managers or Officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that the Member, the Member's testator or intestate, was a Member of the Board of Managers or Officer or the joint venture, trust, employee benefit plan or other enterprise in any capacity; provided that no indemnification may be made to or on behalf of any Member of the Board of Managers or Officer if a judgment establishes that the Member's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that the Member or Officer personally gained in fact a financial profit or the advantage to which the Member was not legally entitled.

The Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers and Officers of the Condominium 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 the By-Laws. It is intended that the Members of the Board of Managers and Officers of the Condominium shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the original Board of Managers, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the Member of the Board of Managers shall be limited to such proportion of the total liability thereunder as the Unit Owner's Percentage of Common Interest in the Common Elements bears to the Percentage of Common Interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by a Member of the Board of Managers or on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the Member of the Board of Managers, as the case may be, are acting only as agent for the Unit Owners and the Condominium and shall have no personal liability thereunder (except as Unit Owners).

Each Unit Owner's liability pursuant to this Section shall be limited to such proportion of the total liability thereunder as the Unit Owner's Percentage of Common Interest in the Common Elements bears to the Unit Owner's Percentage of Common Interest of all Unit Owners in the Common Elements.

Officers

The Officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one (1) or more Assistant Secretaries and Assistant Treasurers and such other Officers as in their judgment may be necessary. All Officers must be Residential Unit Owners or Members of the Board of Managers except any Assistant Secretaries or Assistant Treasurers. In addition, the President must be both a Residential Unit Owner and a Member of the Board of Managers. Two (2) or more offices may be held by the same person, except the President, who can only hold the office of President.

The names of the anticipated first officers and members of the Board of Managers are:

James Magriples – President

Who is the Trustee of the sole member of the Sponsor and

Andrew Magriples – Vice President
Maria Magriples – Secretary and Treasurer

The President shall be the Chief Executive Officer of the Condominium, shall preside at all meetings, shall have General and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect.

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

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

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

The Treasurer shall disburse the funds of the Condominium.

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

Repairs. Alterations and Improvements to Common Elements

Except as hereinafter provided, all maintenance, painting, repairs and replacement of the General Common Elements as described in the Declaration of Condominium shall be the responsibility of the Board of Managers on behalf of the Condominium and contracted for by the Board of Managers on behalf of the Condominium. The cost thereof shall be a Common Expense of the Condominium and paid for by all Unit Owners as provided in Article VI of the By-laws. Notwithstanding, if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner.

All maintenance and repairs to the interior portion of the Units, other than to any General Common Elements are the responsibility of the respective Unit Owners at their sole expense. All structural changes shall comply with the provisions of Article VIII, Section 1(f) of the By-Laws.

All maintenance (including electrical repairs and plumbing stoppages and repairs in the Residential Units, cleaning of interior of windows and painting and decorating of the interior of the Residential Units), repairs and replacements to the Residential Units including doors which open from a Residential Unit for which painting, if required, is performed by the Board of Managers, and repairs to pipes, wires and conduits located in and servicing an individual Residential Unit, other than as set forth above shall be made by the respective Residential Unit Owner at the Residential Unit Owner's expense. This would include but not be limited to all painting and decorating to the interior of the Residential Units, maintenance, repair and replacement of individual appliances, individual heating and cooling systems for the Residential Units and the interior side of all entrance doors.

All maintenance and repair to the interior portion of the window area and doors which open from a Residential Unit are the responsibility of the Residential Unit Owner. All maintenance, repair and any replacement to the external portion of the window area, the actual window and external portion of the doors (including painting, if necessary) which open from a Residential

Unit will be the responsibility of the Condominium and the cost thereof shall be a Common Expense of the Condominium and paid for by all Residential Unit Owners as provided in Article VI of the By-Laws. Notwithstanding the above, should the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from a Residential Unit be caused as a direct result of the negligence or act of a Residential Unit Owner, occupant, tenant, guest or any other person residing in, visiting or doing work in the Residential Unit, the Condominium will repair or replace the external portion of the window, the window or the external portion of the doors which open from a Residential Unit and the cost of such repair or replacement shall be charged to the responsible Residential Unit Owner as an additional Common Charge or Special Assessment.

All structural repairs and replacements to any balcony and/or terrace that is an Individual Residential Unit's Limited Common Element will be the responsibility of the Condominium and a Common Expense. All General maintenance and repairs of a balcony and/or terrace that is an Individual Residential Unit's Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, (including the repair of leaks and the repair or replacement of the surface of the balcony and/or terrace), shall be the responsibility of the Residential Unit Owner whose balcony and/or terrace is appurtenant to their Residential Unit and is an Individual Residential Unit's Limited Common Element of their Residential Unit. The balconies and terraces are not permitted to be used for storage and are not permitted to be enclosed and are not permitted to be used for any type of occupancy including but not limited to dining, sleeping, living room, recreation, office or similar use. All drains located on a balcony and/or terrace must be kept open at all times. Residential Unit Owners will not be permitted to store any combustible material or other items in or on a balcony and/or terrace. Neither the Condominium nor any Residential Unit Owner will be permitted to enclose or make any structural changes to a balcony and/or terrace except as required for repair or replacement.

All repairs, maintenance and any replacement and all costs associated therewith of any hot water tank, gas boiler, air conditioning compressor and/or condenser, air handler or any other heating, cooling or other mechanical system servicing an individual Residential Unit that is located in the Residential Unit or is an Individual Residential Unit's Limited Common Element located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit a Residential Unit exclusively shall be the sole responsibility of the Residential Unit Owner for such equipment, services, etc.

All repairs and replacement of windows, and any snow removal from the General Common Elements shall be contracted for by the Board of Managers on behalf of the Condominium and the cost thereof shall be a Common Expense of the Condominium payable by all Unit Owners as provided in Article VI of the By-Laws.

The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements and the cost thereof shall be a Common Expense payable by all the Unit Owners based upon their Percentage of Common Interest as provided in Article VI of the By-Laws. Notwithstanding the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of a Unit Owner, occupant, tenant, guest or any other person residing in, visiting or doing work in the Residential Unit, or caused by

any prior alteration of a Residential Unit shall be assessed to and paid by the applicable Residential Unit Owner.

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

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of Managers, to the doors, windows, or the exterior surface of the Building or to any Generally visible portion of the General Common Elements or Individual Residential Unit's Limited Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor, unless varied by the Board of Managers.

In the event that a Unit Owner fails to maintain, repair or replace its Unit or any Individual Residential Unit's Limited Common Element which maintenance, repair or replacement is necessary to protect any of the General Common Elements, any other portions of the Building or any other Unit or other Individual Residential Unit's Limited Common Element, the Board of Managers shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Residential Unit Owner to do so after reasonable time provided by written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge said Unit Owner for the cost of all such repairs and/or maintenance and/or replacement. In the event that the Board of Managers charges a Unit Owner for repairs, maintenance and/or replacement to their Unit or for repairs to any Common Elements restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Residential Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

Restoration or Reconstruction After Fire or Other Casualty

In the event of damage to or destruction of the Building as a result of fire or other casualty (unless seventy-five [75%] percent or more of the Units are destroyed or substantially damaged and seventy-five [75%] percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Unit, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and

the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the above paragraph, 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 the their respective Percentage of Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

Insurance

The Board of Managers shall be required to obtain and maintain, to the extent obtainable from Generally acceptable insurance carriers, the following insurance: blanket property insurance, liability insurance as provided below, flood insurance (if applicable), fidelity bond coverage and worker's compensation, insuring all of the Common Elements no matter how classified, and the Units in the Building of the Condominium (except Land, foundations, excavation and other items normally excluded from coverage) including fixtures, to the extent they are part of the Common Elements of the Condominium, Building service equipment and supplies, and other common personal property belonging to the Condominium. In addition, any fixtures, equipment or other property within the Units which are to be financed by a mortgage (regardless of whether or not such property is part of the Common Elements, but not including wall, ceiling or floor decoration, furniture, furnishings or other personal property supplied or installed by the Unit Owners), contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their Mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building, exclusive of Land, foundation, excavation and other items normally excluded from coverage. Each of such policies shall be in favor of the Condominium, and shall contain a New York standard Mortgagee clause in favor of each Mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee as defined below, hereinafter set forth; and such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee and that the net proceeds thereof, if $40,000 or less, shall be payable to the Board of Managers, and if more than $40,000 shall be payable to the Insurance Trustee. Each Unit Owner and each Unit Owner's Mortgagee, if any, shall be beneficiaries of the policy in the percentage of common ownership applicable to said Unit.

The blanket property insurance as provided above will commence with the Closing of Title to the first Unit.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all Mortgagees of a Unit. Duplicate originals of all policies of physical damage insurance and of all renewals thereof together with proof of payment of premiums, shall be delivered to all Mortgagees of a Unit at least ten (10) days prior to expiration of the current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, Including all of the Common Elements appurtenant thereto for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

All policies must also provide for the following: recognition of any, Insurance Trust Agreement; a waiver of the right of subrogation against Unit Owners individually; that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Unit Owners collectively; and that the policy is primary in the event the Unit Owner has other insurance covering the same loss. All policies shall include the standard form of a "Special Condominium Endorsement" or its equivalent. All policies shall include an "Agreed Amount Endorsement" and, if available, an "Inflation Guard Endorsement'.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering the Common Elements, each Member and Officer of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall be a minimum of $1,000,000 covering all claims for bodily injury, deaths and property damage arising out of one occurrence in connection with the operation, maintenance or use of the Common Elements, and legal liability arising out of lawsuits related to employment contracts of the Condominium. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Condominium and to each holder of a first mortgage on any Unit in the Condominium which is listed as a scheduled holder of a first mortgage in the insurance policy. Such coverage may also include protection against such other risks as are customarily covered with respect to Condominiums similar in construction, location and use, including, but not limited to, host liquor liability, employers liability insurance, contractual and all-written contract insurance, and comprehensive automobile liability insurance. Such public liability insurance shall commence on the Closing of title to the first Unit.

In addition to the above, blanket fidelity bonds shall be required to be maintained by the Condominium for all officers, directors and employees of the Condominium and all other persons handling or responsible for, funds of or administered by the Condominium. In the event a management agent has the responsibility for handling or administering funds of the Condominium, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Condominium. Such fidelity bonds shall name the Condominium as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody

of the Condominium or the management agent, as the case may be, at any given time during the term of each bond. In no event may the aggregate amount of such bonds be less than a sum equal to three (3) months aggregate assessments on all Residential Units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Condominium as a Common Expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Condominium or Insurance Trustee. Such bonds shall also provide that, if applicable, the Federal National Mortgage Association, ("Fannie Mae") Servicers on behalf of Fannie Mae, also receive such notice of cancellation or modification.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit.

Reports to Unit Owners

All Unit Owners will receive within four (4) months of the end of each fiscal year, copies of an annual report of the Condominium including a balance sheet and profit and loss statement prepared by an independent public accountant, a statement regarding any taxable income attributable to the Unit Owners, and a notice of the holding of the annual Residential Unit Owners meeting. During such time as the Sponsor retains a majority of the Board of Managers, the Board of Managers shall provide audited annual financial statements at the cost of the Condominium.

Amendments

The provisions of the Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds percent (66 2/3rds%) of the Residential Unit Owners in number held at a duly-called meeting of the Residential Unit Owners, provided however, that:

1. No amendment altering a Residential Unit Owner's Percentage of Common Interest shall be made without the consent of all the Residential Unit Owners affected.

2. No amendment shall be passed which shall affect, impair or prejudice the validity, interest, rights and priorities of Mortgagees.

3. No amendment, modification, addition or deletion of, to or from the Declaration, the By-Laws or any Rules and Regulations shall be effective in any way against Sponsor or Its successors, assigns or designees or against any Unsold Unit, as long as the Sponsor, its successors, assigns, and/or designees owns an Unsold Unit in the Condominium unless the Sponsor, its successors, assigns and/or designees has given its prior written consent thereto. This provision is not subject to amendment.

4. The Board of Managers and the Sponsor, as long as the Sponsor owns

an Unsold Unit in the Condominium, shall have the right to amend the Declaration without the vote or consent of the Residential Unit Owners or the holders of any Residential Unit mortgages and to execute and record in the New York City Registrar's Office such amendment as may be required to reflect (i) changes in the Declaration (including Schedule B), As-Built Floor Plans and Condominium or Unit Designation Map that are corrective in nature or (ii) to resolve or clarify any inconsistency or which is patently a mistake or a scrivener's error, or (iii) technical corrections, or (iv) to comply with any federal, state or city law or regulation that may affect the Condominium.

Purchaser or Residential Unit Owner who purchases or owns two (2) adjoining Residential Units and is desirous of consolidating the two (2) Residential Units into one (1) Residential Unit may do so subject to obtaining all approvals required by the New York City Department of Buildings, New York City Department of Finance and any other required municipal approvals and obtaining whatever insurance and/or surety is required by the Board of Managers to do whatever work is necessary to consolidate the two (2) Units. The Board of Managers shall be required to cooperate with the Purchaser in amending Schedule B to the Declaration to reflect the consolidation and to change the appurtenant Percentage of Common Interest so long as the new Percentage of Common Interest equals the Percentage of Common Interest of the Residential Units that were consolidated and the Board of Managers shall have the right to amend said Schedule B without the vote or approval of the Residential Unit Owners. All approvals, revisions, amendments to Schedule B of the Declaration and any other requirements including any legal, engineering, architectural or otherwise necessary to consolidate the Residential Units shall be at the Purchaser's or Residential Unit Owner's sole cost and expense.

In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Residential Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of Common Elements; responsibility for maintenance and repairs; reallocation of interests in the General or Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Residential Units contained in Article XI of the By-Laws ; imposition of any restrictions on a Unit Owner's right to sell or transfer a Unit Owner's Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the Declaration shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

Amendments to By-Laws

The By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (a) that the notice of the meeting shall contain a full statement of the proposed amendment; (b) that the amendment shall be approved by sixty-six and two-thirds percent (66 2/3rds%) of the Unit Owners in number and Percentage of Common Interest and (c) said amendment shall be set forth in a duly recorded amendment to the Declaration. In addition the following shall apply to amendments to the By-Laws:

(i) No amendment shall be passed which will affect or impair the validity of the Unit Owners' interest in a Unit.

(ii) No amendment, modification, addition or deletion of, to or from the By-Laws or any Rules and Regulations shall be effective in any way against Sponsor or its designee, assignee and/or successor or any Unsold Unit, as long as the Sponsor, its designee, assignee and/or successor owns an Unsold Unit in the Condominium unless Sponsor, its designee, assignee and/or successor has given its prior written consent thereto. This provision is not subject to amendment.

(iii) The Board of Managers shall have the right to amend the By-Laws without the consent of the Unit Owners to make corrections to the By-Laws that are patent errors, inconsistencies, scrivener's errors and technical errors.

(iv) No amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights and priorities of a Mortgagee.

(v) For so long as the Sponsor owns an Unsold unit, the Sponsor shall have the right to amend the By-Laws without the consent of the Unit Owners or the Board of Managers to (a) make corrections that are patent errors, inconsistencies, scrivener's errors or technical errors, to conform to other documents, or (b) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies, or (c) to reduce the Sponsor control period of the Board of Managers, or (d) to comply with any federal, state or local law or regulation that may affect the Condominium.

(vi) In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one percent (51 %) of the votes of Units that are subject to first mortgages. A change to any of the following would be

considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of common elements; responsibility for maintenance and repairs; reallocation of interests in the General or Individual Residential Unit's Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI of the By-Laws; imposition of any restrictions on a Unit Owner's right to sell or transfer the Unit Owner's Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the By-Laws shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

Units Acquired by the Board of Managers

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

Termination of Condominium

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

Covenant Against Partition of Common Elements

The Common Elements are not subject to partition nor are the form of the Declaration of Condominium and the By-Laws referred to in the Plan appears in Part II.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sale or Lease of Units

FOR THE PROPOSED RESALE OF A CONDOMINIUM UNIT:

Any Unit Owner shall have the right to sell his or her Unit under the following terms and conditions:

A. The Unit Owner shall first give the Board of Managers thirty (30) days prior written notice of the terms of any bona fide sale, together with a copy of any proposed sales agreement, together with a fully executed, original counterpart of the sales agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser. Written notice with a copy of the contract of sale shall be sent to the managing agent, if any, or to the President of the Condominium by Certified Mail or overnight mail by via a nationally recognized overnight courier service with proof of delivery being retained by the Unit Owner,

B. The Board of Managers may require the prospective Purchaser to complete an application and/or questionnaire for consideration by the Board of Managers or Sponsor of the proposed transaction. (The 30 day period as discussed above shall commence from the time that the managing agent or the President of the Condominium receives a fully completed application in the event that the Condominium requires applications to be completed by prospective Purchasers). The Board of Managers shall require photo identification of all persons who are prospective Purchasers and who may reside in the Condominium Unit; the names, addresses and social security numbers of all proposed occupants shall be provided to the Board of Managers with the proposed contract of sale. Any prospective Purchaser of any Condominium Unit consents to the Board of Managers obtaining a criminal background check on the proposed Purchasers. The Board of Managers may not discriminate against any proposed Purchaser or proposed occupant on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

If the Board of Managers fails to act within such thirty (30) day period, it shall be deemed to have consented to the proposed transaction;

Any such deed to convey any Condominium Unit shall provide that the 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.

C. If the Board of Managers refuses to consent to the transaction, it shall, within the thirty (30) day period, either:

(i) Produce a Purchaser who will purchase the Unit upon the same terms as stated in the Unit Owner's notice to the Board of Managers and the contract of sale executed by the proposed Purchaser, or

(ii) Agree to purchase the Unit on behalf of all other Unit Owners on the same terms stated in the contract of sale submitted to the Board of Managers.

If the Board of Managers desires to purchase the Condominium Unit from a Unit Owner, at the closing, the Unit Owner shall convey the Unit (and Appurtenant Interests) 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, with all transfer stamps affixed, and shall pay all transfer and other taxes arising out of such sale. Real estate taxes, mortgage interest and common charges and expenses shall be apportioned between the Unit Owner and the Board of Managers, or its designee, as of the closing date. The closing shall occur within 45 days from the date that the Board of Manager exercises its right of first refusal to purchase the Condominium Unit. The closing shall occur at the offices of the attorney for the Condominium.

In connection with the foregoing, the Board of Managers may not purchase a Unit without the approval of a majority of the Unit Owners (as such term "majority" is defined in the By-Laws). In the event that the Board of Managers does not have sufficient funds on hand for the purchase of a Unit which has been approved by the majority of the Unit Owners, the Board of Managers may borrow such funds or may assess the Unit Owners in proportion to their respective common interests to the extent of the purchase price amount. In the event that the Board of Managers exercises its right to purchase the Condominium Unit, it may do so on the same terms and conditions (including but not limited to the mortgage contingency provisions and closing date provisions set forth in the contract executed by the proposed Purchaser). In the event that the Board of Managers does not either produce a Purchaser for the Unit or agree to purchase the Unit on behalf of all of the Unit Owners as set forth above within the stated thirty (30) day period, the Unit Owner shall have the right to consummate the sale on the terms submitted to the Board of Managers and in accordance with the terms set forth in the contract of sale executed by the proposed Purchaser. The proposed Purchaser must comply with the requirements set forth in the Declaration and By-Laws.

The restrictions upon the sale of Units, set forth in this Section shall not apply to the Sponsor, or its designee, or to a mortgagee (including the holder of a construction loan, if any) acquiring title in foreclosure or by deed in lieu of foreclosure. The foregoing persons shall be free to sell without first notifying or obtaining the consent of the Board of Managers or Sponsor. The Board of Managers and the Sponsor, as the case may be, shall be required to cooperate in providing appropriate physical access to any such Unit and the Common Elements, as well as all financial information regarding same.

A Unit acquired by the Board of Managers pursuant to the Right of First Refusal described herein may be sold, leased, mortgaged or otherwise dealt with in the discretion of the Board of Managers. The proceeds of such disposition will be received by the Board of Managers on behalf of all Unit Owners in proportion to their respective common interests.

FOR THE PROPOSED LEASING OF A CONDOMINIUM UNIT BY A UNIT OWNER:

Any Residential Unit may be leased subject to the leasing requirements contained in Section 2 of Article XI of the By-Laws. In addition, any Residential Unit

Owner who wishes to enter into a lease for the Residential Unit Owner's Residential Unit shall be required to provide the Board of Managers of the Condominium with a copy of the lease at least thirty (30) days prior to its execution. All Residential Unit Owners who wish to enter into a new lease for the Residential Unit Owner's Residential Unit shall be required to submit all documentation required by the Board of Managers as set forth in Section 2 of Article XI of the By-Laws to the Managing Agent or the Board of Managers in the absence of a Managing Agent. All leases must comply with all the requirements contained in said Section 2. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium.

The provisions contained herein shall not apply to the acquisition or sale of a Residential Unit by a Mortgagee who shall acquire title to such Residential Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any Purchaser from such Mortgagees.

Any sale or lease of any Unit in violation of the above shall be voidable at the election of the Board of Managers.

Except as noted below, every lease on every Residential Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

(o) No later than thirty (30) days prior to execution of a lease, the Residential Unit Owner must provide the Board of Managers of the Condominium with a copy of the lease, name of the proposed tenant and terms of the lease;

(p) the lease must be in writing;

(q) the lease must be for the entire Residential Unit;

(r) the lease must have a minimum term of twelve (12) months. Renewal leases shall also have a minimum term of twelve (12) months.

(s) the form of the lease and any renewal lease must contain a provision that the tenant has thoroughly read and agrees to be subject to the Declaration, the By-Laws and Rules and Regulations of the Condominium and agrees to accept the power of attorney of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the Rules and Regulations of the Condominium and agrees to be jointly and severally liable with the Residential Unit Owner for any and all fines and costs levied against the tenant for any violation of the provisions of the Rules and Regulations, By-Laws and/or Declaration of Condominium;

(t) the use of the premises is subject to the Declaration, the By-Laws and the Rules and Regulations of the entire Condominium;

(u) within thirty (30) days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the executed lease, must be furnished to the Managing Agent or if no Managing Agent to a Member of the Board of Managers of the Condominium;

(h) within thirty (30) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent to the Board of Managers of the Condominium;

(i) the Residential Unit cannot be used as a motel or hotel or otherwise for transient tenants;

(j) no Residential Unit Owner, Resident or tenant shall be permitted to place any signs for rent in or on the Residential Unit or the Common Elements of the Condominium unless approved in writing by the Board of Managers;(k) all leases and tenants are subject to all municipal requirements applicable to rentals, if any; and

(l) if any Residential Unit Owner (Landlord) or tenant is in violation of any of the provisions of the Declaration or By-Laws, or both, including any Rules and Regulations, the Board of Managers of the Condominium may bring an action in its own name or in the name of the Residential Unit Owner, or both, to have the tenant evicted or to recover damages, or both.

The Board of Managers, in its sole discretion, may add or change any of the criteria above with respect to the requirements of leasing Residential Units.

In order to carry out the provisions of Article XI of the By-Laws and pursuant to the provisions of Article Fourteenth of the Declaration of Condominium each Residential Unit Owner shall upon becoming a Residential Unit Owner grant an irrevocable power of attorney, to nominate, designate, constitute and appoint the Members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Residential Unit Owner's Condominium Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium. The remedy provided herein is not exclusive and is in addition to any other remedy or remedies available to the Board of Managers of the Condominium. If permitted by present or future law, the Condominium may recover all of its costs, including court costs and reasonable attorney's fees, and these costs shall be a continuing lien on the Residential Unit that shall bind the Residential Unit in the hands of the then Residential Unit Owner and the Residential Unit Owner's successors and assigns. The Board of Managers of the Condominium shall give the tenant and the Residential Unit Owner written notice of the nature of the violation of the Rule and Regulation, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Managers of the Condominium may file for eviction.

By becoming a tenant, each tenant will be bound by the Declaration, the By-Laws and the other Rules and Regulations of the Condominium, and recognizes and accepts the right and the power of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the other Rules and Regulations of the Condominium.

To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Residential Units in the Condominium, only subsections (c), (f), (g), (h), (i). (j), (k) and (l) above shall apply to a first mortgage lender who has title to the Residential Unit through (a) foreclosure of its first mortgage on the Residential Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Residential Unit. Any subsequent Purchaser from the first mortgage lender is subject to all the terms of Article XI of the By-Laws. In addition the provisions of Article Twelfth of the Declaration of Condominium regarding an Institutional Mortgage shall be applicable regarding unpaid Common Charges accrued before acquisition of title of a Unit by the Mortgagee.

The foregoing restrictions shall not apply to Sponsor-owned Residential Units. The Sponsor, its successors, assignees and/or designees shall have the right to freely sell an Unsold Unit or to freely lease all or any part thereof without any interference or any restrictions by the Board of Managers as long as the lease and use by a tenant is in compliance with the permitted use of the Unit under applicable zoning and occupancy requirements.

Real Property Law Section 339-kk

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

Restrictions on Occupancy and Use

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

The By-Laws of the Condominium contain the following use restrictions regarding the Residential Units: No immoral, improper, offensive or unlawful use shall be made of the Condominium nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Residential Unit Owners, their families, employees, guests and any permitted pets shall not use or permit the use of the Residential Units and Common Elements in any manner that would be illegal, disturbing or a nuisance to other Residential Unit Owners. No resident shall put any advertisement, poster, or signs, including for-sale signs of any kind in or on a Residential Unit or the Common Elements without the consent of the Board of Managers. It is prohibited to use any of the Common Elements for storage by Unit Owners except in designated storage areas in the Condominium. No Residential Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Residential Unit. All Residential Unit Owners must maintain their thermostat at a minimum of 60 degrees Fahrenheit to avoid pipes from freezing. Any Residential Unit Owner failing to adhere to this provision shall be responsible for any and all damage to the Condominium or any other Unit as a result thereof. Any improvements beyond the interior walls of a Residential Unit will require the approval of the Board of Managers.

All vendors, contractors, sub-contractors and other personal transporting any equipment, appliances, furniture, plants or other fixtures to a Residential Unit must utilize the elevator at times designated for such purpose by the Board of Managers. All Residential Unit Owners, tenants or other residents of the Building moving in or out or transporting any equipment, appliances, furniture or plants or other fixtures must utilize the elevator at times designated for such purpose by the Board of Managers. Unit Owners should refer to Article VIII of the By-Laws as to the Rules and Regulations applicable to the Unit Owners.

Restrictions on Pets

No animals or reptiles of any kind shall be raised, bred, or kept in any Residential Unit or in the Common Elements or Limited Common Elements, except that dogs, cats or other common household pets may be kept in Residential Units, subject to the Rules and Regulations adopted by the Board of Managers, including those prohibiting any animals being kept or maintained for any commercial purpose; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property upon fifteen (15) days written notice to the Residential Unit Owner by certified mail or other means evidencing receipt by the Residential Unit Owner from the Board of Managers. All Residential Unit Owners shall advise the Board of Managers of any household pet intended to be kept in their Residential Unit prior to the household pet residing therein. The Board of Managers shall have the right to limit the number, size and type of pet permitted to be kept in a Residential Unit. Residential Unit Owners will be permitted to keep dogs, cats or other common household pets in their Residential Unit subject to the conditions of this provision. The foregoing notwithstanding, no breed or mix of dog, including American Pit Bulls, Terrier or Rottweiler, deemed to be dangerous to the safety of the residents of the Condominium shall be permitted to be kept or harbored in the Condominium or any Residential Unit. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium. All dogs, cats, and other pets must be leashed and shall not be permitted to run loose within the Building. In no event shall any animal be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash and in compliance with the local and municipal rules and regulations regarding pets. All Residential Unit Owners shall be responsible for picking up and disposing of their pets' waste and for any damage caused by their pets to any Common Elements of the Condominium.

Smoking

Smoking shall be prohibited in all indoor locations of the condominium, including common areas and dwelling units, as well as all outdoor areas of the premises, including but not limited to courtyards, rooftops, balconies and patios and any other outdoor areas connected to the dwelling units. No owner shall smoke, or permit smoking by any occupant, agent, tenant, invitee, guest, friend, or family member anywhere on the property. Smoking shall include carrying, burning, or otherwise handling or controlling any lit or smoldering product containing tobacco or cloves, including but not limited to cigarettes, cigars or pipes.

Notwithstanding the said prohibition against smoking, the Board may designate (or remove from designation) an outdoor area for smoking, provided the smoking area(s) shall not cause secondhand smoke to drift into indoor common areas, exclusive use areas or individual units.

Mortgage of Units by Unit Owners

A Unit Owner may mortgage the Unit Owner's Unit at any time after the Unit Owner acquires title to the Unit in whatever amount and under whatever terms the Unit Owner can obtain provided the Unit Owner first notifies the Board of Managers. Any Unit Owner may,

upon the resale of their Unit, grant a purchase money mortgage to a Purchaser of their Unit. A Unit Owner may mortgage their Unit only if all arrears for Common Charges, if any, are provided for at the Closing of the mortgage.

Common Charges Assessment and Collection

The Board of Managers shall, from time to time, but at least annually, fix and determine the Budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the Budget and supplement to the Budget to every Unit Owner. The Board of Managers shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the General Common Elements, Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium and other Common Expenses including but not limited to the Common Expenses provided in Article VI, Section 3 of the By-Laws, as well as charges to cover any deficits from prior years.

The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the provisions of Section 9 of Article VI of the By-Laws.

Said assessments shall be payable monthly or in such other manner as determined by the Board of Managers and shall be referred to as Common Charges.

The Board of Managers may also charge additional assessments in excess of the Common Charges for expenses not contemplated, foreseen or which exceed the amount Budgeted. Said assessments shall be known as Special Assessments. The Board of Managers shall be entitled to charge a Special Assessment as a single sum or over a period of time as it may determine. Unit Owners shall pay their portion of any Special Assessments in accordance with Section 9 of Article VI of the By-Laws.

The Unit Owner agrees to pay promptly when due the monthly Common Charges and all Special Assessments assessed against the Unit. In the event any Unit Owner fails to make payment of the Unit Owner's Common Charge payment, the Unit Owner who owns such Unit shall be obligated to pay (a) a late fee" of $.15 for each $1.00 of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) all expenses, including, without limitation, attorneys' fees paid or incurred by the Board of Managers or by any Managing Agent in any proceeding brought to collect such unpaid Common Charges and/or Special Assessments or in an action to foreclose the lien on such Unit Owner's Unit arising from said unpaid Common Charges and/or Special Assessments in the manner permitted by applicable law. All such "late fees," interest and expenses shall be cumulative and shall be added to and shall constitute Common Charges payable by such Unit Owner.

In addition, in the event of a default in payment of Common Charges by any Unit Owner, the Board of Managers, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board of Managers shall send notice to the delinquent Unit Owner and the Mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make the late payment.

The Board of Managers may place a lien and take action to collect any past due Common Charges from any Unit Owner which remains unpaid as provided in Article IX of the By-Laws from its due date.

No Unit Owner shall be liable for any Common Charges which accrue against the Unit Owner's Unit subsequent to a sale, transfer or other conveyance of the Unit Owner in accordance with the By-Laws and the Declaration. A Purchaser of a Unit shall be liable for the payment of all future Common Charges assessed against the Unit, as well as unpaid Common Charges assessed against the Unit at the time of the purchase.

Notwithstanding any other provision in the Declaration or the By-Laws any Mortgagee of an Institutional Mortgage as defined in the Declaration of Condominium who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid Common Charges accrued before acquisition of the title to the Unit by the Mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges and/or Special Assessments, the Mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges and/or Special Assessments. The unpaid balance of such Common Charges and/or Special Assessments that may be waived will be charged to all other Unit Owners as a Common Expense. Upon acquisition of title the Institutional Mortgagee shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable. The term Institutional Mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor to a Purchaser of a Unit or in which the Sponsor participates with one of the above.

No Unit Owner shall be liable for any Common Charges which accrue against the Unit Owner's Unit subsequent to a sale, transfer or other conveyance of the Unit Owner in accordance with the By-Laws and the Declaration. A Purchaser of a Unit shall be liable for the payment of all future Common Charges assessed against the Unit, as well as unpaid Common Charges assessed against the Unit at the time of the purchase.

Notwithstanding any other provision in the Declaration or the By-Laws any Mortgagee of an Institutional Mortgage as defined in the Declaration of Condominium who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid Common Charges accrued before acquisition of the title to the Unit by the Mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges and/or Special Assessments, the Mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges and/or Special Assessments. The unpaid balance of such Common Charges and/or Special Assessments that may be waived will be charged to all other Unit Owners as a Common Expense. Upon acquisition of title the Institutional Mortgagee shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable. The estimate of Condominium expenditures in Schedules A and B were made by the Sponsor and passed upon by Elite Management Inc. Although the Sponsor is of the opinion that such estimates are accurate and reasonable, they are not intended and cannot be construed as an assurance of the actual

expenses and are merely based upon information available at this time. Actual costs may be lesser or greater than as set forth herein.

It is presently anticipated that the Common Charges are to be used primarily to pay for the expenses detailed in Schedule B of the Offering Plan. The Common Charges do not include maintenance, repairs or decoration of interior of the Residential Units or portions thereof, payments required pursuant to the terms of Unit Owners' mortgages or real estate taxes covering the individual Units.

The Common Charges which may be collected monthly by the Board of Managers and other costs of maintenance of the Units are set forth on Schedule A. However, additional services which the Unit Owners may desire or other factors can increase these charges. See Schedule C for estimated utility costs applicable to an individual Unit.
As long as the Sponsor retains control of the Board of Managers, the Board of Managers retains the right to delay the commencement of the collection of Common Charges. During any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders. Upon the commencement of the collection of Common Charges, there will be no assessment of Unit Owners for prior expenses of the Budget during the period Sponsor was paying the Common Expenses of the Condominium. Sponsor shall remain obligated to update the Budget for the Condominium as provided for in the governing regulations. In the event Sponsor elects to delay collection of Common Charges, it will disclose such fact in the Closing notice to Purchasers and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to commencing collection of Common Charges and will disclose such fact in the following Amendment to the Offering Plan.Where a Unit is damaged by casualty and the proceeds of insurance are not sufficient to cover the repair of the damage, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Units will be a Common Charge to all Unit Owners. In order to protect the Unit Owner against the possibility of such Common Charges, the Board of Managers determines the amount of blanket casualty insurance covering all Units (the cost of such insurance is part of the Common Charges) and reviews the amount of such coverage annually. Once title has passed to a Purchaser, the Purchaser will be responsible for all costs, including all Common Charges, in the event the collection of Common Charges has commenced, and all individual expenses associated with the Unit, as well as any costs associated with the individual Residential Unit's Limited Common Elements that pertain to the Purchaser's Residential Unit.

Liens for the Non-Payment of Common Charges

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

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

Upon a resale, the Purchaser of a Unit shall be liable for the payment of unpaid Common Charges and Special Assessments assessed against such Unit prior to the acquisition of such Unit by the Purchaser. Notwithstanding any other provision in the Declaration or the By-Laws any Mortgagee of an Institutional Mortgage who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid Common Charges accrued before acquisition of the title to the Unit by the Mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges the Mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges. The unpaid balance of such Common Charges and/or Special Assessments that may be waived will be charged to all other Unit Owners as a Common Expense. Upon acquisition of title the Institutional Mortgagee shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable.

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

Insurance

(i) The Board of Managers will be obligated to obtain and maintain, to the extent obtainable:

Items covered:	Coverage amounts:
All risks, Building stipulated value	$2,500,000.00
Loss deductible	$5,000.00
Loss of rents/common charge income	$Actual Loss Sustained

General liability	$1,000,000.00
General liability aggregate	$2,000,000.00
Director and officer liability	$NONE
Boiler and machinery	Included

(ii) Proceeds of all policies of physical damage insurance will be payable to the Board of Managers to be applied for the purpose of repairing, restoring or rebuilding the building unless otherwise determined by the Unit Owners as set forth below. No portion of the insurance proceeds shall be applied to the payment of the mortgage indebtedness of any Unit Owner unless 75% of the Unit Owners determine not to repair, restore or rebuild.

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

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

All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on coinsurance or of pro rate reduction of liability or of invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled by the insurance carrier or substantially modified without at least ten days, prior written notice to all of the insured, including all mortgagees of Units. Certificates of insurance 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 at least ten days prior to expiration of the then current policies and each Unit Owner shall receive a certificate of such insurance.

The cost of all such insurance shall be paid by the Board of Managers and shall constitute a common expense.

For details regarding insurance coverage see Footnotes to Schedule B.

Each Unit Owner will be an additional insured on the Condominium insurance policy. Unit Owners shall not be prohibited from carrying other insurance for their own benefit at their own expense (covering items not included or included only to a limited extent in the policy of the Board of Managers), providing 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 affected or diminished by reason of any Unit Owner's other insurance. Examples of items not included in the policy of the Board of Managers is Additional Living Expense coverage.

Unit Owners are strongly urged to consider the advisability of obtaining insurance to cover items not included in the policy of the Board of Managers.

Purchasers should refer to the Offering Plan and the footnotes to the Budget for a complete description of the insurance applicable to the Condominium.

THE CONDOMINIUM INSURANCE COVERAGE DOES NOT COVER FIRE AND LIABILITY INSURANCE FOR A RESIDENTIAL UNIT OWNER'S PERSONAL EFFECTS OR THE INTERIOR OF THE RESIDENTIAL UNIT. PURCHASER'S ARE ADVISED TO SECURE SUCH COVERAGE WHEN THEY PURCHASE A RESIDENTIAL UNIT IN THE CONDOMINIUM.

Access by Board of Managers

The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under the Declaration and By-Laws.

Compliance with terms of the Declaration. By-Laws and Rules and Regulations

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

The provisions of the By-Laws which require Members of the Residential Unit Owners' representatives to the Board of Managers to be Residential Unit Owners will not apply to the first Board of Managers or any Sponsor designees to the Board of Managers.

Easements

All pipes, sewers and/or drainage lines and wires, conduits and public utility lines located within each Unit and for the exclusive use of the Unit shall be maintained by such Unit Owner. Any portion of such pipes, sewers and/or drainage lines and wires, conduits and public utility lines located in the Common Elements or in a Limited Common Element and servicing one or more other Units will be a General Common Element and all repairs and maintenance thereto shall be the responsibility of the Condominium. Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in other Units and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other

Units to maintain and use the pipes, sewers and/or drainage lines, wires, conduits and public utility lines servicing such other Units located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in any Unit and servicing any other Unit or causing damage to any other Unit or any pipe, sewer and/or drainage line, wires, conduits and public utility lines, no matter how designated that causes or is in imminent danger of causing damage to another Unit or the Common Elements. The cost of such repairs shall be a Common Expense unless the damage is the result of the negligence of a Unit Owner or tenant, occupant, employee or other person a Unit Owner may be responsible for, in which case the cost of such repairs shall be the responsibility of the Unit Owner who is responsible or whose tenant, occupant, employee or other person the Unit Owner is responsible for causing such damage. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

The Board of Managers and their agents, employees and contractors shall have an easement for access through all the Common Elements and the Units for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any Unit or any other Common Element no matter how classified, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of Condominium or for the health and safety of the Condominium. Such right of access to a Unit shall be exercised in such a manner as is required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the health and safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Each respective utility and cable company shall have a right of access to the Common Elements and each Unit for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, wires, conduits, and public utility lines located in the Common Elements and any Unit. Any utility or cable company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

The Board of Managers shall have the right to grant such additional electric, gas, water, sewer, drainage or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Managers shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

The Board of Managers shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Condominium.

The Sponsor, its successors, assigns, and/or designees and Purchasers of undeveloped or Unsold Units, reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across all of the Property and the Building comprising the Condominium for the purpose of completing construction, sale and rental of Units and facilities in the Condominium and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across all of the Property and the Building comprising the Condominium for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television and other utilities and for any other materials or services necessary for the completion of the work. The Sponsor, its successors, assigns, and/or designees and Purchasers of undeveloped or Unsold Units, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Property and Building comprising the Condominium. The Sponsor, its successors, assigns, and/or designees and Purchasers of undeveloped or Unsold Units, shall have an easement to erect and maintain General sales, leasing, business or administration offices and/or model Units, to erect, maintain, repair and replace from time to time one or more free-standing and other selling, directional and informational signs in/or on the Property and the Building comprising the Condominium as it deems necessary for the purposes of advertising the sale or lease of Units, and for the purpose of showing the Units to prospective Purchasers or lessees and for access to Units and Common Elements consistent with the purposes of the Declaration, as the same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units, together with their Percentage of Common Interest in the Common Elements. The Sponsor, its successors, assigns and/or designees and Purchasers reserve the right to continue to use the Common Elements and any facilities, sales offices, model Units and signs located on the Common Elements, in its efforts to sell and/or lease Units constructed in the Condominium and to complete construction of the Condominium. This paragraph shall not be amended without the consent of the Sponsor.

Each Unit Owner hereby grants a right of access to and through their Unit to Sponsor or its designee, and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Sponsor with respect to the Common Elements and/or the Units pursuant to approved plans and applicable law.

The Sponsor and the Board of Managers and their respective designees shall have an easement of access to all Residential Units for the purpose of maintenance, repair and replacement of recessed exterior lighting and to install, repair and maintain all pipes, conduits, ducts and other facilities servicing the exterior lighting without the consent of the respective Residential Unit Owner upon reasonable notice to the Residential Unit Owner.

Each Unit Owner grants an easement of ingress and egress in, over and through any hallway that may be part of their Unit to any other Unit Owner, tenant, resident or other persons needing ingress or egress to their respective Unit that may be necessary for said purpose.

The Board of Managers will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements and Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium to repair, maintain and replace, located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, re-building, restoration or replacement of the General Common Elements or Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium to repair, maintain and replace.

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

Each Unit will have an easement for lateral and vertical support among all adjoining Units and Common Elements.

Any easements granted to Sponsor, the Board of Managers, any Unit or any Unit Owner under the Declaration and the By-Laws may be exercised by such Sponsor's, Board of Managers or Unit Owner's employees, agents, contractors, suppliers, customers, guests, invitees, licensees, servants, tenants, subtenants, members, and visitors, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by the Sponsor, the Unit Owner or Board of Managers.

Each Unit Owner will have a right and easement to use its Unit and the Limited Common Elements appurtenant to such Unit or Units, and the General Common Elements, subject to and in accordance with the terms and conditions of the Declaration and By-Laws.

All Unit Owners, residents, guests, tenants and anyone else needing access to a Unit shall have an easement of ingress and egress, in, through and over the Property of the Condominium, including the Common Elements regardless of how classified for access to their Unit.

The Board of Managers will have an easement and unlimited access to any Limited Common Elements for the purpose of making inspections, repairs or rebuilding of the Condominium.

All emergency vehicles and personnel, including, but not limited to, police, fire and medical vehicles and personnel shall be granted an easement of ingress and egress over, upon and through the Property. This Paragraph may not be amended by the Unit Owners in the Condominium.

Allocation of Common Interest

The Percentage of Common Interest of the Condominium establishes the Unit Owners percentage of ownership in the Common Elements of the Condominium and percentage of liability for the payment of Common Charges subject to the rights under Section 339-m of the Real Property Law of the State of New York. Each Residential Unit Owner has the Percentage of Common Interest in the Condominium set forth on Schedule A. Such allocation has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Residential Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to the provisions of Section 339-i(1)(iv) of the Real Property Law of the State of New York.

The Percentage of Common Interest in the Common Elements shall not be changed except with the consent of all Unit Owners affected expressed in a duly recorded amendment to the Declaration. However, based upon final specifications, construction conditions and/or "as-built" Plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of the Percentage of Common Interest may justify a minor increase or decrease in the aggregate Percentage of Common Interest appurtenant to Units. In such event, the Percentage Interest of Common Interest appurtenant to each individual Unit would be adjusted pro rata. Sponsor expressly reserves the right, from time to time, prior to the first Closing, to effect such a change in the Percentage of Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Percentage of Common Interest of any Unit be increased or decreased as a result of any of the foregoing a material amount.

Repairs. Alterations and Improvements to Common Elements

Except as hereinafter provided, all maintenance, painting, repairs and replacement of the General Common Elements as described in the Declaration of Condominium shall be the responsibility of the Board of Managers on behalf of the Condominium and contracted for by the Board of Managers on behalf of the Condominium. The cost thereof shall be a Common Expense of the Condominium and paid for by all Unit Owners as provided in Article VI of the By-laws. Notwithstanding, if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner.

All maintenance and repairs to the interior portion of the Units, other than to any General Common Elements are the responsibility of the respective Unit Owners at their sole expense. All structural changes shall comply with the provisions of Article VIII, Section 1(f) of the By-Laws.

All maintenance (including electrical repairs and plumbing stoppages and repairs in the Residential Units, cleaning of interior of windows and painting and decorating of the interior of the Residential Units), repairs and replacements to the Residential Units including doors which open from a Residential Unit for which painting, if required, is performed by the Board of Managers, and repairs to pipes, wires and conduits located in and servicing an individual Residential Unit, other than as set forth above shall be made by the respective Residential Unit Owner at the Residential Unit Owner's expense. This would include but not be limited to all painting and

decorating to the interior of the Residential Units, maintenance, repair and replacement of individual appliances, individual heating and cooling systems for the Residential Units and the interior side of all entrance doors.

All maintenance and repair to the interior portion of the window area and doors which open from a Residential Unit are the responsibility of the Residential Unit Owner. All maintenance, repair and any replacement to the external portion of the window area, the actual window and external portion of the doors (including painting, if necessary) which open from a Residential Unit will be the responsibility of the Condominium and the cost thereof shall be a Common Expense of the Condominium and paid for by all Residential Unit Owners as provided in Article VI of the By-Laws. Notwithstanding the above, should the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from a Residential Unit be caused as a direct result of the negligence or act of a Residential Unit Owner, occupant, tenant, guest or any other person residing in, visiting or doing work in the Residential Unit, the Condominium will repair or replace the external portion of the window, the window or the external portion of the doors which open from a Residential Unit and the cost of such repair or replacement shall be charged to the responsible Residential Unit Owner as an additional Common Charge or Special Assessment.

All structural repairs and replacements to any balcony and/or terrace that is an Individual Residential Unit's Limited Common Element will be the responsibility of the Condominium and a Common Expense. All general maintenance and repairs of a balcony and/or terrace that is an Individual Residential Unit's Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, (including the repair of leaks and the repair or replacement of the surface of the balcony and/or terrace), shall be the responsibility of the Residential Unit Owner whose balcony and/or terrace is appurtenant to their Residential Unit and is an Individual Residential Unit's Limited Common Element of their Residential Unit. The balconies and terraces are not permitted to be used for storage and are not permitted to be enclosed and are not permitted to be used for any type of occupancy including but not limited to dining, sleeping, living room, recreation, office or similar use. All drains located on a balcony and/or terrace must be kept open at all times. Residential Unit Owners will not be permitted to store any combustible material or other items in or on a balcony and/or terrace. Neither the Condominium nor any Residential Unit Owner will be permitted to enclose or make any structural changes to a balcony and/or terrace except as required for repair or replacement.

All repairs, maintenance and any replacement and all costs associated therewith of any hot water tank, gas boiler, air conditioning compressor and/or condenser, air handler or any other heating, cooling or other mechanical system servicing an individual Residential Unit that is located in the Residential Unit or is an Individual Residential Unit's Limited Common Element located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit a Residential Unit exclusively shall be the sole responsibility of the Residential Unit Owner for such equipment, services, etc.

All repairs and replacement of windows, and any snow removal from the General Common Elements shall be contracted for by the Board of Managers on behalf of the Condominium and the cost thereof shall be a Common Expense of the Condominium payable by all Unit Owners as provided in Article VI of the By-Laws.

The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements and the cost thereof shall be a Common Expense payable by all the Unit Owners based upon their Percentage of Common Interest as provided in Article VI of the By-Laws. Notwithstanding the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of a Unit Owner, occupant, tenant, guest or any other person residing in, visiting or doing work in the Residential Unit, or caused by any prior alteration of a Residential Unit shall be assessed to and paid by the applicable Residential Unit Owner.

The Board of Managers and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any Common Elements no matter how classified contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or any other Common Element no matter how classified, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its

obligations under the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of Managers, to the doors, windows, or the exterior surface of the Building or to any generally visible portion of the General Common Elements or Individual Residential Unit's Limited Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor, unless varied by the Board of Managers.

In the event that a Unit Owner fails to maintain, repair or replace its Unit or any Individual Residential Unit's Limited Common Element which maintenance, repair or replacement is necessary to protect any of the General Common Elements, any other portions of the Building or any other Unit or other Individual Residential Unit's Limited Common Element, the Board of Managers shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Residential Unit Owner to do so after reasonable time provided by written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge said Unit Owner for the cost of all such repairs and/or maintenance and/or replacement. In the event that the Board of Managers charges a Unit Owner for repairs, maintenance and/or replacement to their Unit or for repairs to any Common Elements restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Residential Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

REAL ESTATE TAXES

Prospective Purchasers are advised to review Footnote (vi) of "Schedule A – Purchase Prices of Units and Related Information" for details concerning real estate taxes for the First Year of Condominium Operation. The information contained therein is based on the real estate tax projection opinion prepared by Astro Realty Brokerage LLC, set forth in Part I of the Plan.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single 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 Register's Office. For purposes of Schedule A, the projected real estate taxes for the Units were based on Common Interest Percentages. It is possible that the apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages.

The Sponsor anticipates that the Condominium Units will be separate assessments by the tax assessor's office, and the separate assessments should be implemented at the time of the Closings or up to six months thereafter. Purchasers should note that if, as of the date of Closing, the Units are not separately assessed and the Unit owner is required to deposit monies with the Board so that the Board can pay the real estate taxes that in addition to a Unit owners' deposit of funds with the Board, the Unit owner's lender, if any, may also require an escrow for real estate taxes.

The real estate taxes of the Units for the First Year of Operation and for the first post 100% completion of construction tax year are projected by the Sponsor to be as follows:

At the projected tax rate of 12.473% the total amount of taxes for all Units for the first year of 100% completion of construction assessment without any Section 421-a benefits based upon the projections of Astro Realty Brokerage LLC, would be approximately as follows:

Tax Year	Assessed Valuation	Rate	Taxes Payable
2020/2021	$531,505	12.473%	$59,276.00

If section 421-a tax exemptions benefits are granted to the building, at the projected tax rate of 12.473% the total amount of taxes for all Units for the first year of assessment after completion of construction based upon the projections of Astro Realty Brokerage LLC, would be approximately as follows:

Tax Year	Assessed Valuation	Rate	Taxes Payable
2020/2021	$59,276.00	12.473%	$7,393.00

Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate 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 Sponsor, Tax Counsel or Real Estate Tax Consultant be liable to any Purchaser nor will any Purchaser shave the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that predicted 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 Unit Owners and Tax Status of the Condominium" for more details.

If Units have not been separately assessed for real estate tax purposes prior to the Closing of title to the first Unit, Sponsor shall place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first Closing. Alternatively, the Sponsor shall place in escrow, in the name of the Board of Managers, an amount equal to the real estate taxes attributable to the unsold Units for such six month period and may collect at each Unit Closing the estimated amount of taxes attributable to such Unit for the balance of the six month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from, or obligated to pay any deficit to, the Board of Managers to the extent of the actual assessment. No escrow will be required if the Condominium By-Laws include as part of the Common Expenses, real estate taxes on the property until the Units are separately assessed and after assessment Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment.

The amount of the escrow that the Sponsor Deposits with the Board of managers for unsold Units will be disclosed in the initial post-first Closing amendment to the Plan.

After the Units have been separately assessed, each unit will be taxed as a separate tax lot for real estate tax purposes, and real estate tax bills will be issued by the New York City taxing authorities to each Unit Owner. 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 subjected to any lien arising from the non-payment of real estate taxes on any other Units.

In the event section 421-a tax exemption benefits are granted, Sponsor will keep all records required by HPD and will make them available to HPD whenever requested to do so. Purchasers should note that HPD routinely conducts audits, the result of which can be either the reduction or revocation of benefits if proper documentation is not provided. Upon Closing,

Sponsor will make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits and it will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

Article III., Section 7(a)(16) of the By-Laws grants the Board of Managers the right to act as agent for one (1) or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such event, the Board of Managers could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro-rata share of expenses, disbursements and legal fees, based upon the Unit's Percentage of Common Interest as reflected in Schedule B of the Declaration of Condominium, the payment for which would be secured by a lien on each Unit. The Board of Managers is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners it will perform such service.

As of the Filing Date of the Plan, there are no tax certiorari proceedings pending for the reduction of real estate taxes with respect to the Property.

ANTICIPATED REAL ESTATE TAX EXEMPTION BENEFITS (421-a)

As more fully explained in the Tax Exemption Benefits Opinion Letter of Sponsor's Real Estate Tax Consultant set forth in Part I of the Plan, the Units of the Property are expected to qualify for partial real estate exemption and abatement benefits under Section 421-a 16 of the Real Property Tax Law of the State of New York ("421-a Benefits"). Upon completion of the Residential Units, Sponsor will apply to HPD for final approval. Sponsor shall not be obligated to incur any extraordinary expenses (beyond the customary expenses associated with such approvals) or commence any litigation to obtain such approval. Sponsor anticipates but does not represent or guarantee that such final approval will be obtained. If such approval is not obtained, Purchasers will have no right to rescind their Purchase Agreement even though 421-a benefits would not be available to the Units. In connection with HPD's enforcement of the 421-a program, all prospective Purchasers are advised that HPD may conduct an audit from time-to-time which may result in a subsequent revocation of 421-a benefits if all documents required to be filed with HPD are not so filed.

The condominium may qualify for a tax exemption under 421-a if one hundred (100%) percent of the units in the condominium when completed have an average assessed valuation of less than $65,000.00. Based upon the opinion of the Sponsor's tax expert the average assessed value may be $53,150.00. If the average assessed value of the units upon completion is in excess of $65,000.00 then in that event the condominium building will not qualify for 421-a tax exemption benefits and each unit owner would be required to pay the full non-exempted taxes.

It is anticipated that the assessed valuation cap will not apply to the units. Purchasers should note that even if the average assessed valuation of 100% percent of the units in the building each unit is is less than $65,000.00, there are many additional requirements that may make it extremely difficult or impossible to obtain 421-a benefits. The requirements are that the 421-a application must be filed 1) after the first assessment following the Completion Date (determined to be the date that a Temporary and/or Permanent Certificate of Occupancy is issued for the building); upon execution of Purchase Agreements for each of the units at the building; and 3) within one (1) year following completion of construction. ALL OWNERS OF DWELLING UNITS IN THE BUILDING SHALL BE REQUIRED TO EXECUTE A RESTRICTIVE DECLARATION WHICH SHALL BE RECORDED AGAINST THE PREMISES AGREEING TO MAINTAIN THE UNIT AS HIS OR HER PRIMARY RESIDENCE FOR AT LEAST THE FIRST FIVE (5) YEARS OF OWNERSHIP.

If the condominium is eligible for 421-a 16 benefits, each unit will be subject to an assessed valuation cap. This means that only a portion of a unit's billable exempt assessed value is eligible for the 421-a tax exemption. The assessed value of a unit above this assessed valuation cap is ineligible to receive benefits. The assessed valuation cap is $65,000.00. It is anticipated that the assessed valuation cap will not apply to the units since their assessed valuation is projected to be below $65,000.00. This

shall result in their full billable exempt assessed value is eligible for the 421-a tax exemption.

The 421-a exemption, if granted, will be for a limited period of 20 years and will decrease progressively during such period. Neither Sponsor, Attorney for Sponsor, Sponsor's Counsel, Sponsor's Real Estate Tax Counsel, Selling Agent, Managing Agent or any other person makes any representation or guaranty that the partial exemption from real estate taxes under 421-a will be granted or as to the amount, if any, of the minimum tax that will be assessed against the Units or the amount of real estate taxes payable at the time by any Unit Owner.

Purchasers should note that the real estate tax estimates contained in Schedule A reflect anticipated real estate taxes with and without any 421-a tax exemption benefits.

The Sponsor will use best efforts to sell the units in order to qualify for the 421-a benefits.

If Unit Owners pay a higher rate for the first year of the ownership before the partial tax abatement is implemented, then Unit Owners would be entitled to a refund or credit from the City of New York for any overpayment in real estate taxes. Because there could be a lag in time between the application to the New York City Department of Housing Preservation and Development for partial exemption of real estate taxes under Section 421-a of the Real Property Tax Law and the implementation of the benefits by the New York City Department of Finance, it is possible that Unit Owners will have to pay the cost of real estate taxes without any partial tax exemption, unless and until tax exemption benefits are granted and implemented by the City of New York.

PURCHASERS ARE STRONGLY ADVISED TO READ THE TAX OPINION LETTER INCLUDED IN THIS OFFERING PLAN AND TO CONSULT WITH THEIR OWN COUNSEL REGARING THE PROJECT'S POTENTIAL ELIGIBILITY FOR 421-A TAX EXEMPTION BENEFITS .

If all the conditions required to obtain the Section 421- a tax abatement are met and a Final Certificate of Eligibility is granted each Unit should obtain its applicable portion of the Section 421-a real estate tax abatement. If approved the Section 421-a tax benefits may not be reflected on a Unit Owner's tax bill for a substantial period of time from the date of approval. As a result a Purchaser will most likely be required to pay real estate taxes for a period of time without the Section 421-a tax benefits. Purchasers should note that if approved it has been the policy of the Department of Finance of the City of New York to make any Section 421-a tax benefits retroactive and a Unit Owner would therefore be entitled to either a reimbursement for the amount overpaid or a credit against future real estate taxes. Sponsor makes no representation that this policy will continue or be applicable to this Condominium. Counsel to Sponsor has issued an opinion letter indicating that the Units should be eligible to receive these benefits based on certain assumptions and conditions set forth therein. This opinion letter is reproduced in Part II of the Offering Plan. In addition, no warranty is made that the actual assessed valuation

or the assessed valuation for the Property with Section 421-a benefits will be as projected herein, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation, or that real estate taxes will be allocated among Residential Units in proportion to their Percentage of Common Interest. In no event will Sponsor, Sponsor's Counsel, or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their Purchase Agreement, in the event the amount of such exemption and the resulting taxes differ from those projected.

The Section 421-a tax exemption program provides that while the taxes on the Property may not be less than those assessed in prior years, real estate taxes on newly constructed buildings are exempted one hundred (100%) percent for fourteen (14) years (plus the period of construction) and twenty-five percent (25%) for years fifteen *15) through twenty (20). At the end of the twenty (20) year period, the Units will be subject to real estate taxes without any abatement in accordance with the rates then if effect in the City of New York.

If the section 421-a benefits are granted, Sponsor will keep all records required by HPD and will make them available to HPD whenever requested to do so. Purchasers should note that HPD routinely conducts audits, the result of which can be either the reduction or revocation of benefits if proper documentation is not provided. Upon Closing, Sponsor will make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits and it will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

Real estate tax estimates are based upon information received from Astro Realty Brokerage LLC, 92-35 Queens Boulevard, Rego Park, NY 11374. The figures are based upon a projected tax rate of 12.473% per $100 of assessed valuation for the Units. Taxes will increase in subsequent years as the amount of applicable tax abatement benefits decrease and/or if tax rates increase.

The total assessed value of the property (i.e. the aggregate assessment of all Units) following completion of construction is estimated to be approximately $408,850.00. Using the foregoing estimate of assessed value upon completion and assuming the tax rate remains the same as used for the estimate (i.e. 12.473% per $100 of assessed value) during the twenty (20) year abatement period and upon completion of construction, then upon completion of the twenty (20) year tax abatement the real estate taxes will be approximately $7,393.00. Purchasers are advised that this projection is an estimate as it is unlikely that the post construction assessed value or tax rate will remain constant for the full Section 421-a tax exemption period. Thus, the actual assessment and real estate tax for each Unit may be more or less than the Unit's proportionate share of the total assessment and tax amount shown.

Schedule A reflects the estimated Real Estate Taxes reflecting the estimated taxes both with and without any Section 421-a tax benefit.

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

The estimate of real estate taxes for each Unit for the first year of Condominium operation further assumes that the amount of real estate taxes payable with respect to each Unit will be calculated by dividing the total tax liability among the Units in proportion to their Percentage of Common Interest as reflected in Schedule A. There is no assurance that the City of New York will allocate taxes between Units in this manner. If they do not, Unit Owners of Units with similar Percentages of Common Interest may pay different amounts of real estate taxes.

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

Since the New York State Condominium Act provides that real estate taxes will be separately assessed against each individual Unit Owner, the result of the tax exemption program will be to give each individual Unit Owner the full benefit of the tax exemption program.

The effect of Section 421-a tax exemption program can be illustrated by the following example. Based on an overall assessed valuation of the Building upon completion of approximately $531,505 as per the opinion of Astro Realty Brokerage, LLC, the real estate taxes payable on the Building for the first year, without the benefit of the tax exemption program, would amount to approximately $66,295.00 based upon a tax rate of $12.473 per $100 of assessed valuation. Under the tax exemption program, the taxes would amount to approximately $7,393.00 during each of the fourteen (14) years of 75% for years fifteen (15) through twenty (20) assuming the aforementioned tax rate remains constant. Prospective Purchasers are cautioned that the foregoing example is offered solely to illustrate how the Section 421-a tax exemption program functions. The above example assumes the equalization assessment and tax rate will be constant during said period. In the event the equalization assessment and tax rate increases during said period the taxes will increase accordingly. A copy of Astro Realty Brokerage LLC's opinion letter is contained in Part II of the Offering Plan. In the event the Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the Units in the Condominium for the six (6) month period following the first Closing. Thereafter, at each Closing during said period, each Purchaser will reimburse the Sponsor for the pro-rata amount paid on behalf of said Unit. Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the Unsold Units for such six (6) month period and may collect at each Closing the estimated

amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable. After the Units are separately assessed, the funder of the escrow account or the Unit Owner will be reimbursed for any overpayment of taxes or assessed for an underpayment.

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

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

The Sponsor anticipates that the real estate tax rate will vary in future years rather than remain constant. The estimates of projected real estate taxes in this Offering Plan have been prepared by the Sponsor and cannot be construed as an assurance of the final tax costs, but are merely estimates based upon information available to the Sponsor at this time. In no event will the Sponsor or Sponsor's Counsel be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their Purchase Agreement, in the event the amount of the taxes differ from those projected or if a Final Certificate of Occupancy is not issued and there is no Section 421-a tax abatement.

Upon Closing Sponsor will (a) make all tax benefit documents available to the Board of managers for inspection and copying for the life of the benefits; and (b) It will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

NO WARRANTY, GUARANTY OR ASSURANCE IS GIVEN AS TO:

Any projected or estimated amount set forth above including, without limitation, the estimates of the Property's assessed valuations, tax rates or tax amounts during the first year of Condominium operations, the estimates of the portions of such assessed valuations that will be allocable to the Condominium Units and the projections of the average real estate tax rate will be in effect during such first or subsequent year of Condominium Operation and/or the rate of construction progress of the Condominium Building;

The accuracy of any of the projections or estimates made in this offering plan and in Schedule A;

If the City of New York does not subdivide or apportion the real estate taxes prior to the first Closing, then the real estate taxes for the Condominium Units, prior to subdivision into Condominium Unit tax lots (one for each Condominium Unit) will be determined by multiplying the total real estate tax for the applicable tax year by the percentage of Common Interest of each particular Condominium Unit. Each Unit Owner will be required to pay their proportionate share of the real estate taxes based on the

foregoing until such time as the real estate taxes have been apportioned to each individual Condominium Unit by the City of New York. The Unit Owner shall pay to the Sponsor or to the Condominium Board, its proportionate share if the Sponsor or the Condominium Board has or will advance any sums for real estate taxes on behalf of all Unit Owners, with such sums due from the date of the Closing of title by a Unit Owner to the end of the period of time which the Sponsor or Condominium Board will or has paid the appropriate real estate taxes.

If and when any real estate tax abatement is approved by the City of New York, each Condominium Unit owner will be entitled to a rebate in real estate taxes paid, if the proportionate share of real estate taxes paid exceeds the amount of real estate taxes that should have been paid with the tax abatement in place. If the City of New York does not credit each particular Condominium tax lot with a refund, then the Condominium Board will file the necessary documents to obtain a refund of overpaid real estate taxes and the Condominium Board will receive the refund and then pay to each Condominium Unit owner the proportionate share of the rebate of real estate taxes.

It should be noted that if the Condominium does not become eligible for 421-a Benefits or when the Benefits period expires, Unit Owners will be subject to substantially higher real estate taxes resulting from an increased assessed valuation on the Building from the New York City Department of Finance.

Sponsor, Sponsor's counsel, Sponsor's special tax counsel, Sponsor's Real Estate Tax Consultant, Selling Agent, or any Offeror hereunder will not be liable to any Purchaser or person, in the event the date of implementation or amount or duration of such Section 421-a benefit and the resulting taxes differ from those projected herein, unless critical facts presented by Sponsor and Sponsor's experts were or prove incorrect. Sponsor, Sponsor's counsel, Sponsor's special tax counsel, Sponsor's Real Estate Tax Consultant, Selling Agent, or any Offeror hereunder will not be liable for changes in the applicable law and regulations, decisional law or Internal Revenue Service rulings which may adversely affect the Unit Owner. The opinions rendered by Sponsor's experts and attorneys are only attorneys' opinions, and are not guarantees.

Purchasers may obtain more information about the Section 421-a application process, tax benefits, and requirements associated therewith at http://www.nyc.gov/html/hpd/html/developers/421a.shtml.

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

The following discussion of certain income tax consequences of the ownership of a Residential Unit as a personal Unit was prepared by Sponsor, based in part, upon the income tax opinion of Tsoromokos & Papadopoulos, PLLC, tax counsel to Sponsor ("Tax Counsel"), a copy of which is set forth in Part I of the Plan.

TAX COUNSEL IS COUNSEL TO SPONSOR AND NOT THE RESIDENTIAL UNIT OWNERS. EACH PURCHASER SHOULD CONSULT PURCHASER'S OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF THE UNIT OWNERSHIP UNDER THE PLAN.

Income Tax Deductions to Residential Unit Owners

A Residential Unit Owner will own the Condominium Unit which he or she purchases and its appurtenant Common Elements in fee simple absolute and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. H.R.1, commonly referred to as the Tax Cuts and Jobs Act there is a newly passed limitation of a $10,000.00 cap on the itemized deduction of state and local income and real estate property taxes for federal purposes. The $10,000.00 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000.00 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000.00 In case of New York City residents, New York City income tax purposes, real estate taxes assessed against the Unit and paid by such owner as well as interest paid by the Unit Owner on certain mortgages made against the Unit of up to Seven Hundred and Fifty Thousand ($750,000.00) Dollars. Generally, an individual Unit Owner may only deduct interest on debt incurred to acquire his principal residence or a designated secondary residence subject to certain limitations. Each Purchaser should consult with his or her own tax counsel, accountant or other financial advisor as to the tax consequences of the ownership of a condominium unit.

It is the opinion of Tax Counsel that 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 Attorney's Income Tax Opinion. Purchasers should note that deductions, if applicable, may vary in the future 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 assess value, the tax rate or the method of assessing the real property. Purchasers who are individuals should note that mortgage interest is deductible generally only with respect to

(1) secured debt used to acquire, construct or substantially improve a principal or second residence (or which constitutes a refinancing of such debt) (up to a total indebtedness of $750,000.00,) plus (2) other debt (not in excess of $100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of these limitations would not be deductible. In addition, Residential Unit Owners should note that special limitations may apply to the deductibility of points and prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions. Purchasers should discuss the Alternative Minimum Tax ("AMT") with their accountant to understand the impact by AMT on their deductions.

No opinion is rendered with respect to the deductibility of any payments by the Non-Residential Unit Owners.

Tax Status of the Condominium

As discussed in the Attorney's Income Tax Opinion, the Condominium should meet the requirements for qualification as a "homeowner's association," under Internal Revenue Code Section 528 and accordingly, may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Unit Owners.

If such election is made, the Condominium will remain liable for Federal Income Tax on any taxable income it may have from other sources such as interest earned on any reserve fund (less expenses directly connected with the production of such income).

If the Condominium does not qualify as a "homeowner's association," or if it does but chooses not to make the necessary election, it will be taxable as a partnership or corporation for Federal and New York State income tax purposes. Tax Counsel recommends that the Condominium file Form 8832 within 75 days of its formation so it will be taxable as a corporation for federal income tax purposes.

The qualification of an organization as a "homeowners association" is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations and rulings issued thereunder, or any judicial interpretation thereof upon which Tax Counsel bases its opinion, will not change. In addition, none of the aforesaid give any warranties with respect to the tax consequences of the Plan or the tax consequences of ownership of any Residential Units offered under the Plan, and no one has been authorized to give any warranties.

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July 21, 2020

NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC
271 42ND STREET
BROOKLYN, NEW YORK 11232

Re: URBAN GARDEN MANOR Condominium
14-11 31ST AVENUE, New York 11102

RE: Real Estate Tax Benefits

Gentlemen:

You have requested our opinion concerning whether the condominium may qualify for a tax exemption under 421-a. If one hundred (100%) percent of the units in the condominium when completed have an average assessed valuation of less than $65,000.00. Based upon the opinion of the Sponsor's tax expert the average assessed value may be $53,150.00. If the average assessed value of the units upon completion is in excess of $65,000.00 then in that event the condominium building will not qualify for 421-a tax exemption benefits and each unit owner would be required to pay the full non-exempted taxes.

It is anticipated that the assessed valuation cap will not apply to the units. Purchasers should note that even if the average assessed valuation of 100% percent of the units in the building each unit is less than $65,000.00, there are many additional requirements that may make it extremely difficult or impossible to obtain 421-a benefits. The requirements are that the 421-a application must be filed 1) after the first assessment following the Completion Date (determined to be the date that a Temporary and/or Permanent Certificate of Occupancy is issued for the building); upon execution of Purchase Agreements for each of the units at the building; and 3) within one (1) year following completion of construction. ALL OWNERS OF DWELLING UNITS IN THE BUILDING SHALL BE REQUIRED TO EXECUTE A RESTRICTIVE DECLARATION WHICH SHALL BE RECORDED AGAINST THE PREMISES AGREEING TO MAINTAIN THE UNIT AS HIS OR HER PRIMARY RESIDENCE FOR AT LEAST THE FIRST FIVE (5) YEARS OF OWNERSHIP.

If the condominium is eligible for 421-a 16 benefits, each unit will be subject to an assessed valuation cap. This means that only a portion of a unit's billable exempt assessed value is eligible for the 421-a tax exemption. The assessed value of a unit above this assessed valuation cap is ineligible to receive benefits. The assessed valuation cap is $65,000.00. It is anticipated that the assessed valuation cap will not apply to the units since their assessed valuation is projected to be below $65,000.00. This

shall result in their full billable exempt assessed value is eligible for the 421-a tax exemption.
The 421-a exemption, if granted, will be for a limited period of 20 years and will decrease progressively during such period. Neither Sponsor, Attorney for Sponsor, Sponsor's Counsel, Sponsor's Real Estate Tax Counsel, Selling Agent, Managing Agent or any other person makes any representation or guaranty that the partial exemption from real estate taxes under 421-a will be granted or as to the amount, if any, of the minimum tax that will be assessed against the Units or the amount of real estate taxes payable at the time by any Unit Owner.

If Unit Owners pay a higher rate for the first year of the ownership before the partial tax abatement is implemented, then Unit Owners would be entitled to a refund or credit from the City of New York for any overpayment in real estate taxes. Because there could be a lag in time between the application to the New York City Department of Housing Preservation and Development for partial exemption of real estate taxes under Section 421-a of the Real Property Tax Law and the implementation of the benefits by the New York City Department of Finance, it is possible that Unit Owners will have to pay the cost of real estate taxes without any partial tax exemption, unless and until tax exemption benefits are granted and implemented by the City of New York.

If all the conditions required to obtain the Section 421- a tax abatement are met and a Final Certificate of Eligibility is granted each Unit should obtain its applicable portion of the Section 421-a real estate tax abatement. If approved the Section 421-a tax benefits may not be reflected on a Unit Owner's tax bill for a substantial period of time from the date of approval. As a result a Purchaser will most likely be required to pay real estate taxes for a period of time without the Section 421-a tax benefits. Purchasers should note that if approved it has been the policy of the Department of Finance of the City of New York to make any Section 421-a tax benefits retroactive and a Unit Owner would therefore be entitled to either a reimbursement for the amount overpaid or a credit against future real estate taxes. In addition, no warranty is made that the actual assessed valuation or the assessed valuation for the Property with Section 421-a benefits will be as projected herein, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation, or that real estate taxes will be allocated among Residential Units in proportion to their Percentage of Common Interest.

The Section 421-a tax exemption program provides that while the taxes on the Property may not be less than those assessed in prior years, real estate taxes on newly constructed buildings are exempted one hundred (100%) percent for fourteen (14) years (plus the period of construction) and twenty-five percent (25%) for years fifteen *15) through twenty (20). At the end of the twenty (20) year period, the Units will be subject to real estate taxes without any abatement in accordance with the rates then if effect in the City of New York.

Real estate tax estimates were based upon information received from Astro Realty Brokerage LLC, 92-35 Queens Boulevard, Rego Park, NY 11374. The figures are based upon a projected tax rate of 12.473% per $100 of assessed valuation for the Units. Taxes

will increase in subsequent years as the amount of applicable tax abatement benefits decrease and/or if tax rates increase.
The total assessed value of the property (i.e. the aggregate assessment of all Units) following completion of construction is estimated to be approximately $408,850.00. Using the foregoing estimate of assessed value upon completion and assuming the tax rate remains the same as used for the estimate (i.e. 12.473% per $100 of assessed value) during the twenty (20) year abatement period and upon completion of construction, then upon completion of the twenty (20) year tax abatement the real estate taxes will be approximately $7,393.00. Purchasers are advised that this projection is an estimate as it is unlikely that the post construction assessed value or tax rate will remain constant for the full Section 421-a tax exemption period. Thus, the actual assessment and real estate tax for each Unit may be more or less than the Unit's proportionate share of the total assessment and tax amount shown.

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

The estimate of real estate taxes for each Unit for the first year of Condominium operation further assumes that the amount of real estate taxes payable with respect to each Unit will be calculated by dividing the total tax liability among the Units in proportion to their Percentage of Common Interest as reflected in Schedule A. There is no assurance that the City of New York will allocate taxes between Units in this manner. If they do not, Unit Owners of Units with similar Percentages of Common Interest may pay different amounts of real estate taxes.

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

Since the New York State Condominium Act provides that real estate taxes will be separately assessed against each individual Unit Owner, the result of the tax exemption program will be to give each individual Unit Owner the full benefit of the tax exemption program.

The effect of Section 421-a tax exemption program can be illustrated by the following example. Based on an overall assessed valuation of the Building upon completion of approximately $531,505 as per the opinion of Astro Realty Brokerage, LLC, the real estate taxes payable on the Building for the first year, without the benefit of the tax exemption program, would amount to approximately $66,295.00 based upon a tax rate of $12.473 per $100 of assessed valuation. Under the tax exemption program, the taxes would amount to approximately $7,393.00 during each of the fourteen (14) years of 75% for years fifteen (15) through twenty (20) assuming the aforementioned tax rate remains constant. Prospective Purchasers are cautioned that the foregoing example is offered

solely to illustrate how the Section 421-a tax exemption program functions. The above example assumes the equalization assessment and tax rate will be constant during said period. In the event the equalization assessment and tax rate increases during said period the taxes will increase accordingly.

NO WARRANTY, GUARANTY OR ASSURANCE IS GIVEN AS TO:

Any projected or estimated amount set forth above including, without limitation, the estimates of the Property's assessed valuations, tax rates or tax amounts during the first year of Condominium operations, the estimates of the portions of such assessed valuations that will be allocable to the Condominium Units and the projections of the average real estate tax rate will be in effect during such first or subsequent year of Condominium Operation and/or the rate of construction progress of the Condominium Building;

If the City of New York does not subdivide or apportion the real estate taxes prior to the first Closing, then the real estate taxes for the Condominium Units, prior to subdivision into Condominium Unit tax lots (one for each Condominium Unit) will be determined by multiplying the total real estate tax for the applicable tax year by the percentage of Common Interest of each particular Condominium Unit. Each Unit Owner will be required to pay their proportionate share of the real estate taxes based on the foregoing until such time as the real estate taxes have been apportioned to each individual Condominium Unit by the City of New York. The Unit Owner shall pay to the Sponsor or to the Condominium Board, its proportionate share if the Sponsor or the Condominium Board has or will advance any sums for real estate taxes on behalf of all Unit Owners, with such sums due from the date of the Closing of title by a Unit Owner to the end of the period of time which the Sponsor or Condominium Board will or has paid the appropriate real estate taxes.

If and when any real estate tax abatement is approved by the City of New York, each Condominium Unit owner will be entitled to a rebate in real estate taxes paid, if the proportionate share of real estate taxes paid exceeds the amount of real estate taxes that should have been paid with the tax abatement in place. If the City of New York does not credit each particular Condominium tax lot with a refund, then the Condominium Board will file the necessary documents to obtain a refund of overpaid real estate taxes and the Condominium Board will receive the refund and then pay to each Condominium Unit owner the proportionate share of the rebate of real estate taxes.

It should be noted that if the Condominium does not become eligible for 421-a Benefits or when the Benefits period expires, Unit Owners will be subject to substantially higher real estate taxes resulting from an increased assessed valuation on the Building from the New York City Department of Finance.

Sponsor, Sponsor's counsel, Sponsor's special tax counsel, Sponsor's Real Estate Tax Consultant, Selling Agent, or any Offeror hereunder will not be liable to any Purchaser or person, in the event the date of implementation or amount or duration of such Section 421-a benefit and the resulting taxes differ from those projected herein, unless critical

facts presented by Sponsor and Sponsor's experts were or prove incorrect. Sponsor, Sponsor's counsel, Sponsor's special tax counsel, Sponsor's Real Estate Tax Consultant, Selling Agent, or any Offeror hereunder will not be liable for changes in the applicable law and regulations, decisional law or Internal Revenue Service rulings which may adversely affect the Unit Owner. The opinions rendered by Sponsor's experts and attorneys are only attorneys' opinions, and are not guarantees.

Purchasers may obtain more information about the Section 421-a application process, tax benefits, and requirements associated therewith at http://www.nyc.gov/html/hpd/html/developers/421a.shtml.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

NICK TSOROMOKOS, ESQ.

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July 21, 2020

NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC
271 42ND STREET
BROOKLYN, NEW YORK 11232

Re: URBAN GARDEN MANOR Condominium
14-11 31ST AVENUE, New York 11102

RE: INCOME TAX OPINION LETTER

Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal and New York State income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the offered Residential Units for their own residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of the ownership of Residential Units by limited liability companies, other entities or foreign persons. Furthermore, this opinion does not address the tax consequences of (i) ownership of any Unsold Residential Units, any Residential Unit that is used for commercial or mixed residential/commercial purposes, or any Units other than the Residential Units (such as the Commercial Units), or (ii) any rebates or other payments that may be made, or benefits provided, to owners of Residential Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Residential Units will acquire their Residential Units and that the relevant facts are as set forth therein.

Pursuant to the Plan, the Purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such Purchaser will have the right to place an individual mortgage on his or her separate

Residential Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a Residential Unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Accordingly, based on the foregoing, it is our opinion that an owner of a Residential Unit who itemizes deductions and who uses his or her Residential Unit as a personal residence will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

Purchasers are advised that an exemption from real estate taxes may be available for veterans and other Purchasers under the New York State Real Property Tax Law, as amended, and/or various codes, rules and regulations of the City of New York. Prospective Purchasers are advised to consult with their own attorneys or other advisers to determine whether the prospective Purchaser qualifies for any exemption from real estate taxes.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $750,000.00 for any period ($750,000 in the case of a married individual filing a separate return),. H.R.1, commonly referred to as the Tax Cuts and Jobs Act there is a newly passed limitation of a $10,000.00 cap on the itemized deduction of state and local income and real estate property taxes for federal purposes. The $10,000.00 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000.00 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000.00 In case of New York City residents, New York City income tax purposes, real estate taxes assessed against the Unit and paid by such owner as well as interest paid by the Unit Owner on certain mortgages made against the Unit of up to Seven Hundred and Fifty Thousand ($750,000.00) Dollars. Since the rules and limitations regarding the deductibility of home mortgage interest are complex, Purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative

minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and any overall limitation on the allowance of itemized deductions.

Each owner of a Residential Unit who uses his or her Residential Unit as a residence will Generally be entitled deduct up to Ten Thousand ($10,000.00) Dollars for Federal, New York State and in case of New York City residents, New York City income tax purposes, real estate taxes assessed against the Unit and paid by such owner as well as interest paid by the Unit Owner on certain mortgages made against the Unit of up to Seven Hundred and Fifty Thousand ($750,000.00) Dollars. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Furthermore, Purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve or Working Capital funds and possibly income from assessments from the Commercial Unit Owners (in each case, less expenses directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes for purposes of Treasury Regulation § 1.528-4(b). Accordingly, assuming the Plan becomes effective during the taxable year ending December 31, 2018 (the "208 Taxable Year") and there are no changes in the facts and/or the relevant provisions of current law, the Condominium will be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2018 Taxable Year.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to Condominiums. Because the By-Laws of the Condominium provide that the Boards will act as the agent of the Unit Owners represented by each such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include, among other things, interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Residential Common Charges should not be considered income earned by the Condominium with respect to the Residential Unit Owners. If, however, the Condominium is considered a separate entity it is unclear whether the Condominium would be taxable as a limited liability company or treated as a partnership for Federal income tax purposes. If the Condominium is taxable as a limited liability company, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would Generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of Condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a limited liability company for Federal income tax purposes, it appears likely that the Condominium would not be subject to the New York State Limited liability company Franchise Tax and the New York City General Limited liability company Tax. If the Condominium does not constitute an association that is taxable as a limited liability company for Federal income tax purposes, it is still possible, although not certain, that the Condominium might be subject to the New York State Limited liability company Franchise Tax. Further, in such event, the Condominium likely would be subject to the New York City Unincorporated

Business Tax, unless it were eligible for and elected treatment under Code Section 528 as a homeowners association.

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Tsoromokos & Papadopoulos, PLLC, any of the Boards, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decision, law or IRS rulings on which we have relied which cause the owners of Residential Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

NICK TSOROMOKOS, ESQ.

July 21, 2020

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

RE: URBAN GARDEN MANOR Condominium
14-11 31ST AVENUE
Astoria, New York 11102 ("Property")

Gentlemen:

You have requested our opinion regarding the allocation of Common Interests to the Units at the Property as required by NYCRR Section 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 we have reviewed the allocation of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is also based upon the factual determinations made by Nick Tsoromokos in his opinion contained in the Plan as required by NYCRR Section 20.4(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Nick Tsoromokos. Accordingly, in the event that facts presented by Nick Tsoromokos were or prove incorrect in no event will Tsoromokos & Papadopoulos, PLLC be liable.

Based upon our review of the foregoing, we have determined that the method selected by Nick Tsoromokos to calculate the percentage of Common Interests is permissible under Real Property Law ("RPL") Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other spaces 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 or law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will Sponsor, Tsoromokos & Papadopoulos, PLLC, Managing Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable Law.

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

Very Truly Yours,

Tsoromokos & Papadopoulos, PLLC

By: Nick Tsoromokos, Esq.

RESERVE FUND

FNMA and FHA have certain guidelines for new construction Condominiums for which they seek evidence of compliance as a condition of approving financing for loans to individual Purchasers that are insured by or assigned to them. To facilitate Purchasers obtaining such financing, beginning on the date that Common Charges are first collected, a special capital assessment of $5,057.00 will be imposed to be contributed to a replacement reserve fund to be used for capital repairs and replacements of the General Common Elements such as roofs, sidewalks and the like. This amount constitutes 11.50% of the projected operating expenses for the Budget year. This amount may change based on the results of a reserve fund study conducted by the Condominium, changes in FNMA or FHA guidelines, or Board action.

While the Sponsor is in control of the Board of Managers, the Reserve Fund or Working Capital Fund may not be used to reduce projected Common Charges in the Offering Plan.

Neither the New York State Department of Law nor any other governmental agency has passed upon the adequacy of the Reserve Fund.

In the opinion of the Sponsor's Budget expert, Daxs, LLC, 45-02 Ditmars Blvd., Suite 1000, Astoria, NY 11105, the projected income for the Condominium is adequate to meet the estimated expenses for the First Year of Operation. However, the Budget is not intended, and should not be taken, as a guarantee by anyone that the annual Common Charges or Common Expenses for the first or any subsequent year or operation of the Property by the Board will be as set forth in the Budget. In fact, it is likely that the actual income and expenses for the First Year of Condominium Operation will vary from the amounts shown in the Budget.

WORKING CAPITAL FUND AND APPORTIONMENTS

In addition to the payment of the first month of Common Charges, pro-rated for the remaining number of days in the month from the date of Closing, each Unit Owner will also pay an amount equal to two months' Common Charges then in effect for the Unit pursuant to the Budget in accordance with Schedule A hereto, as the same may be amended from time to time at the Closing of title to his or her Unit for a working capital fund of the Condominium.

The Working Capital Fund will depend on the timing of the Closing of title to individual Condominium Units and any expenditure made by the Condominium Board from such fund. The contribution is not refundable or transferable if Purchaser sells his or her Condominium Unit.

The initial working capital will be used for working capital and to pay for insurance premiums and other items in the Budget which will be payable prior to the time that sufficient monthly Common Charges and assessments have accrued to pay these items. While the Sponsor is in control of the Condominium Board of the Condominium, the working capital fund may be used to pay common expenses of the Condominium. The working capital fund shall be created by each Purchaser, by making a contribution equal to two months' Common Charges then in effect for the Unit pursuant to the Budget in accordance with Schedule A hereto, as the same may be amended from time to time. This fund shall provide initial funds to the Condominium so that the Condominium will have funds to operate.

The Sponsor will be responsible for all of the required operating expenses of the Property prior to the date of the Closing of title to the first Unit pursuant to the Plan. Except where the Sponsor elects to delay the collection of common charges the Condominium shall be required to pay all of the operating expenses of the Property accruing on or after the date of the Closing of title to the first Unit pursuant to the Plan.

The following items shall be apportioned between the Sponsor and the Condominium Board and further allocated by the Condominium Board as follows: a) water charges and sewer rents (unless separately assessed to Units) based on the fiscal year therefore, or, if there be water meters on the Property, the Sponsor shall furnish readings to a date not more than thirty (30) days prior to the date of the Closing of title to the first Unit pursuant to the Plan and the unfixed water charges and the unfixed sewer rents, if any, based thereon for the interim shall be apportioned on the basis of such last reading; b) Deposits, fees, charges or payments in connection with all permits, licenses, utilities, service and maintenance agreements which are assigned by the Sponsor to the Condominium; c) the cost of fuel on hand, if any, as estimated by the Sponsor's supplier and any other supplies on hand; d) insurance premiums for transferable policies, if any, which Sponsor transfers to the Condominium; e) employees' wages (vacation and severance pay, pension and welfare benefits) and any other payments or obligations relative to employees, if any; f) charges for electricity for the Common Elements; and g) operating expenses and any other prepaid items (including, without limitation, charges for

oil and electricity for the Building, virtual doorman security system, if applicable). In addition, the Sponsor shall pay all installments for assessments due prior of Closing of title to the first Unit pursuant to the Plan and the Condominium shall pay all such installments due after such date.

If the net Closing adjustments are in favor of the Sponsor, then the amount of such net Closing adjustments shall be paid to the Sponsor in twelve (12) equal monthly installments commencing one month after the date of Closing of the first Unit, in accordance with a promissory note of the Condominium to be delivered to Sponsor on the Closing Date pursuant to the Plan. The note shall mature on the first anniversary of the date of Closing of the first Unit at which time all unpaid principal shall be due and payable. The note shall not provide for interest, except that from and after the maturity, whether by acceleration or otherwise, the note shall bear interest at the lesser of (i) 18% per annum or (ii) the highest rate permitted by law. It is noted that net Closing adjustments in favor of Sponsor, if any, generally represent costs for which the Condominium is responsible that have been prepared by Sponsor for a period covering part or all of the first year of Condominium operation, and as such, the amount thereof is reflected in Schedule B – Budget for First Year of Condominium Operation. The Condominium Board shall include in the Common Charges payable by the Unit owners in their respective share of such Note, allocated as set forth above.

Except as expressly provided in this Section of the Plan, Sponsor shall have no obligation to establish or make any contributions to a working capital fund or reserve fund of any kind with respect to the Condominium or the Property.

So long as a majority of the members of the Board and the Sponsor's representatives, the Sponsor's representatives shall not use the Working Capital Fund to reduce or decrease the monthly Common Charges projected in Schedule A, however, the Working Capital Fund may be used for Building improvements.

No representation is made by Sponsor that the Working Capital Fund will be adequate to cover current or future expenses, including repairs or replacements. If additional funds are required over and above the Working Capital Fund for the payment of items not covered by Sponsor's obligations, it may be necessary to increase Common Charges.

Neither the Department of Law nor any other governmental agency has passed on the adequacy of the Working Capital Fund.

While the Sponsor is in control of the Condominium Board, the Working Capital Fund may not be used to reduce projected Common Charges in the plan.

The Condominium Board could vote to obtain loans for required expenditures as provided by the New York Real Property Law.

MANAGEMENT AGREEMENT

The Condominium will managed by the Sponsor at Sponsor's sole cost and expense for the first year of operation of the Condominium. Thereafter, the Condominium will be self managed by Unit Owners.

The Sponsor for the first year and then the Board of Managers or a Managing Agent will be responsible for issuing monthly common charge invoices to the Unit Owners, collecting the monthly common charges, paying bills of the Condominium, and overseeing the employees of the Condominium.

It should be noted that in the event it becomes necessary to hire a managing agent, common charges will increase to cover such cost for management fees.

The Board of Managers and the Managing Agent as directed by the Board of Managers will be responsible for, among others:

(a) Cause the Common Elements to be operated and maintained as required by the Condominium;

(b) Cause to be hired, paid and supervised, all persons needed for the proper operation and maintenance of the Common Elements;

(c) Do all things necessary to comply with laws, rules and orders applicable to the Common Elements;

(d) Enter into contracts for maintenance services and the purchase of supplies;

(e) Effect insurance coverage required by the Condominium;

(f) Cause prompt payment by the Condominium of accounts payable, real estate and other taxes and mortgage debt service applicable to any property owned by the Condominium, etc.;

(g) Maintain an operating bank account for the Condominium;

(h) Upon request by the Board of Managers, sell and lease reacquired Units of the Condominium;

(i) Supervise the collection of common charges and assessments from Unit Owners;

(j) Consider and, when reasonable, attend to complaints of Unit Owners, tenants and subtenants, provided that if it shall deem any complaint unreasonable it shall so advise the Board of Managers and give reasons for its opinion;

(k) Set up and keep in good order the minute books, records and files of the Condominium;

(l) Prepare and file employee reports, forms, etc.;

(m) Cooperate with the accountants and auditors engaged by the Board of Managers in regard to the preparation of all tax returns and annual statements;

(n) Prepare, for consideration by the Board of Managers, proposed annual operating budgets;

(o) Send all notices, reports, etc. to the Board of Managers and Unit Owners;

(p) Supervise the moving in and out of Unit Owners, tenants and subtenants;

(q) Submit monthly statements to the designated officers of the Condominium showing collections, disbursements and amounts necessary to reserve or withhold, if any, to meet the obligations of the Condominium;

(r) Send to each Unit Owner each year a statement furnished by the accountant of the Condominium, showing tax data relevant to the Unit Owners;

(s) Make all arrangements necessary for the holding of the meetings of the Unit Owners and the Board of Managers of the Condominium;

(t) At the direction of the Board of Managers carry out required procedures and give required notifications as set forth in the Condominium Declaration and By-Laws, in connection with the exercise of right of first refusal on proposed sale or lease of Units; and

(u) Generally, do all things reasonably deemed necessary or desirable by the Board of Managers of the Condominium for the proper management of the Property.

In the event that the Board of Managers controlled by the Unit Owners decides to hire a management agent, the common charges can be expected to increase by at least ten percent.

The Condominium will only be bound by further contracts made by the Condominium Board.

There are presently no leases binding on the Condominium.

IDENTITY OF PARTIES

Sponsor.

The Sponsor of the Offering Plan and the Selling Agent is, NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC.

The Sponsor's address is 271 42ND STREET, BROOKLYN, NEW YORK 11232.

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The Sponsor is a New York Limited Liability Company organized on October 30, 2015.

The sole member of the Sponsor NEMA-1 Realty LLC is Andrew Magriples. The sole member of the Sponsor Magnum 1 Realty LLC is James Magriples. Each have a business address is 271 42ND STREET, BROOKLYN, NEW YORK 11232.

The Sponsor has no prior experience as a selling agent of Condominium Units.

Andrew Magriples and James Magriples, principals of Sponsor each have over 30 years of experience in commercial and residential real estate helping to manage and finance residential and commercial real estate in Brazil but has no experience in the State of New York.

There are no other cooperatives, Condominiums or homeowners associations in New York State filed within the past five years where the Sponsor or a principal of Sponsor or an affiliate of Sponsor is an owner or Principal or the owner of shares or Units therein and where in the aggregate such owner owns more than 10% of the shares or Units, other than:

The term "Principal" as used herein shall mean a "Principal" as presently defined under the regulations of the Department of Law of the State of New York".

There are no other members in the Sponsor entity and only Andrew Magriples and James Magriples have participated in the Planning or consummation of the Condominium Plan.

Only Andrew Magriples and James Magriples are principals pursuant to 13 NYCRR §20.1(c)(2)

There have been no prior bankruptcy filings or felony convictions of Sponsor, or any principals of Sponsor or any affiliate of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principals or affiliates of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to submission of this Plan.

Attorneys.

Tsoromokos & Papadopoulos, PLLC, 45-02 Ditmars Blvd., Suite 1000, Astoria, New York 11105 represents the Sponsor in connection with all legal matters pertaining to this Offering Plan and will act as Escrow Agent and will represent the Sponsor in connection with the individual Unit Closings. Nick Tsoromokos, Esq. is the attorney who prepared this Offering Plan.

Real Estate Tax Consultant.

Sponsor has engaged Astro Realty Brokerage LLC with offices located at 30-05 30th Avenue, Long Island City, New York as Sponsor's Real Estate Tax Expert. The Real Estate Tax expert has rendered an opinion letter as to the real estate taxes payable by the unit owners both with and without 421-A tax abatement benefits.

Selling Agent.

The Sponsor is also the Selling Agent of the Condominium Units. The Sponsor has had no experience as the Selling Agent of any other Condominium project.

Architect.

The design architect for the Building is Gerald J. Caliendo, R.A., A.I.A. Architect, P.C., 138-72 Queens Blvd., Briarwood, NY 11435. The Architect prepared the Floor Plans of Units set forth in Part II of the Plan and the Floor Plans which will be filed with the New York City Real Property Assessment Department required in order to create the Condominium. Architect has been providing architectural services for many years and has been the architect of many similar Buildings. Architect has also examined the physical condition of the Building and has rendered its report and a Certification which is set forth in Part II of the Plan.

Condominium Budget Expert.

Sponsor has engaged Daxs LLC, Licensed Real Estate Broker, 45-02 Ditmars Blvd., Suite 1000, Astoria, New York 11105, as Sponsor's Budget Expert. The Budget Expert estimated all amounts of income and expenses in "Schedule B – First Year's Budget for Projected First Year of Condominium Operation" in consultation with Sponsor. The Budget Expert has rendered a Certification as to the adequacy of the First Year's Budget which may be found in Part II of the Plan.

Insurance.

The estimated insurance rates have been proposed by S K Streisand Agency Ltd, 1670 Old Country Road, Plainview, NY 11803. The insurance estimate has been included in this Offering Plan in reliance upon the opinions of said broker and upon its authority as an expert. Sponsor has no knowledge that this estimate is not correct.

Title Company.

Intercounty Abstract Corp., 199 Jericho Tpke., Floral Park, New York 11001 has reviewed the Offering Plan and the Condominium Documents and has committed to insure that a valid Condominium will be created pursuant to the Condominium Act. The Title Company is prepared to issue fee and/or mortgage title insurance policies to those Purchasers who request them. Purchasers may select any title company that they choose to utilize for the Purchase of Condominium Units.

Relationships.

There are no relationships between the Sponsor or its principal and the project architect, Attorneys or any person or firm who will provide services to the Condominium subsequent to the First Closing, the Managing Agent, or the Experts relied upon by Sponsor, Insurance Broker or Title Company. Neither the project architect, Attorneys nor Experts relied upon by Sponsor, Insurance Broker nor does Title Company have any financial interests in the Property, the Units, the Condominium, or this Offering, except for their fees for services rendered.

REPORTS TO THE UNIT OWNERS

It is the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

(1) A financial statement of the Condominium prepared by a certified public accountant or public accountant within approximately five months after the end of each fiscal year of the Condominium. Such statement shall be audited while the Sponsor is in control of the Board of Managers;

(2) At least thirty days prior notice of the annual Unit Owners' meeting; and

(3) A copy of the proposed annual Budget of the Condominium at least thirty days prior to the date set for adoption thereof by the Board of Managers.

While the Sponsor is in control of the Board of Managers such Budget shall be certified in compliance with 20.4(d) of Part 20 of Title 13 NYCRR.

DOCUMENTS ON FILE

Pursuant to Section 352-e of the New York General Business Law, the Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at 23-68 26th Street, Astoria, New York 11105 for six (6) years from the date of first Closing. In addition, the Sponsor shall deliver to the Condominium Board a copy of all documents filed with the appropriate recording office at the time of the Closing of the first Unit.

The Declaration and the By-Laws will be recorded in the City Register's Office in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be recorded in the Register's Office.

GENERAL

Pending Litigation

There are no lawsuits, administrative proceedings or other proceedings the outcome of which may materially affect the offering, the property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium.

Prior Offerings

To the Sponsor's knowledge, the property has not been the subject of any prior cooperative or Condominium offerings. There have been no preliminary binding agreements entered into and no money has been collected from prospective Purchasers. No contracts or agreements have been entered into by the Sponsor and no Deposits or advances have been accepted as of the date this Offering Plan was accepted for filing with the Department of Law.

Sponsor has not tested the market pursuant to Cooperative Policy Statement No. 1. No reservations or Deposits for Condominium Units were taken by the Sponsor during any market test period.

Non-Discrimination

The Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, sexual orientation, marital status or other grounds prohibited by law.

Right of Rescission

A Purchaser shall have the right to rescind Purchase Agreements following a substantive or material revision to the Offering Plan that adversely affects the Purchaser. If an amendment materially adversely affects the rights, obligations or liabilities of then existing Purchasers, or substantially and materially reduces the undertaking or obligations of the Sponsor, Purchasers shall have the right to rescind their Purchase Agreements by notice personally delivered or sent by certified mail to the Sponsor not less than (15) days after the date of service of the amendment, and the Sponsor shall refund any payments made by such Purchaser pursuant to his Purchase Agreement with interest earned thereon, if any, within thirty (30) days of receipt of such notice of rescission. However, such rescission, as to Purchasers who are then tenants of the Building, shall be conditioned on the cancellation of any interim or other lease and surrender of possession of their Unit.

The Sponsor anticipates that the first Closing of a Unit will occur by August 1, 2020. Purchasers will be offered a right of rescission if: (1) the actual date of Closing of title to the first Unit; or (2) the projected date of Closing of title to the first Unit occurs later than July 31, 2021, twelve months after the projected date for the first Closing. If the Plan is

amended to provide for a later projected date for the first Closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than 12 months beyond that amended later date. Purchasers will have at least 15 days from presentation of an offer to rescission within which to elect to rescind.

However, if the first Unit Closing occurs before July 31, 2021, the Sponsor may schedule the Closings of title to other Units significantly later than such date. Unless your Purchaser Agreement contains an outside Closing date, the Sponsor is not obligated to schedule your Closing within any specified time frame or to ensure that Closing of title to your Unit will occur by any date certain.

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

No Circumstances Existing Which May Affect Use or Enjoyment of Property

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

No Contracts Entered Into For Sale of Any Unit

No contracts or Agreement have been entered into and no Deposits or advances of funds have been accepted as of the date of this Offering Plan for the purchase of any Condominium Unit.

All Units Are Vacant

All Units are vacant and not occupied by any tenants as of the date of this Offering Plan for any Condominium Unit.

This Plan As Fair Summary

This Plan contains a fair summary of the material provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents.

No person has been authorized to make any representation which is not contained herein. Information, data or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. This Plan may not be changed or modified orally.

The documents and reports contained in Part II of this Plan are an integral part of the Plan and should be considered carefully by prospective Purchasers. Merely reviewing the summaries of documents set forth in Part I of the Plan is no substitute for a careful

review of the actual documents, some of which are set forth in Part II of the Plan and others of which are available for inspection by all prospective Purchasers at the office of the Sponsor. Therefore, prospective Purchasers and their attorneys and other, financial advisors should read the entire Plan, which consists of Part I and Part II, and should review all documents in connection with the Plan.

Inconsistencies

In the event of any inconsistency between the provisions of this Plan and the provisions of the Purchase Agreement, the provisions of the Plan shall govern. In any event, any such documents shall not abrogate any Purchaser or Unit Owner's rights under applicable law.

SPONSOR'S STATEMENT OF SPECIFICATIONS OF BUILDING CONDITION

Sponsor hereby adopts the "Description of Property and Improvements" set forth in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the property except as set forth in the Description of Property and Improvements or as contemplated to be made as described therein. As more fully described above, and subject to the matters described therein, Sponsor anticipates that construction of the Building will be sufficiently completed to allow the First Closing to occur as projected in Schedule B.

PART II

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

"THE URBAN GARDEN MANOR CONDOMINIUM"
14-11 31ST AVENUE, ASTORIA, QUEENS, NY 11232
ARCHITECT'S REPORT
DESCRIPTION OF PROPERTY AND SPECIFICATIONS

Dated: = July 10, 2020

Part I. Special Risks, Description of Property and Improvements

Special Risks:

1. There will be no roof bond furnished other than the (1) year warranty from the contractor for the construction materials and workmanship commencing on November, 2019. Only the roofing materials will have a (5) year warranty from the manufacturer commencing on November, 2019. The sponsor is not providing a No Dollar Limit manufacturer's warranty for the new roof.

2. Unit Owners will be responsible for purchasing laundry equipment. The equipment is to be of residential type, stacked to fit on closet provided. All equipment needs to be powered by electricity and the dryer needs to be vent-less.

3. The building is located in a Flood Zone AE Flood Hazard Areas with a 0.2% Annual Chance Flood Hazard, Area of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile. Mandatory flood insurance purchase requirements apply.

Schedule A:
Limited common elements are as follows:
OSP – Open Space – two (2) accessory parking spaces
OSP – Open Space – outdoor recreation area (282.45 sf) to be used by building tenants only; no public use is allowed.

Part II. Description of Property and Specifications or Building Conditions

§ 20.7 (a) <u>Location and Use of Property:</u>

1. Address:
14-11 31st Avenue, Queens, New York 11106
Located between 14th and 21st Streets.

2. Block and lot number:
The condominium is located in:
Block 534 Lot 20, Astoria, Queens, New York.

3. Zoning:
The building lies in a R6B general residence district recorded from Map _9a_ of the New York City Zoning Resolution dated 12/6/84.

4. Permissible Use(s):
The New York City Zoning Resolution, as per Section 22-12, permits Use Group _1, 2, 3, 4, 6C_ Residential Use and Community Facilities as a matter of right.

This property and proposed use complies with all zoning and use requirements at closing. The project is approved at the NYC Department of Buildings and contains ten (10) residential units located between the First and Fifth Floors and accessory uses on Roof.

There are no Restrictive Declarations in the Property Deed as recorded in CRFN# 2016000229144.

5. Handicapped Access:
This project is designed within the requirements of all applicable federal, state, and local codes and regulations governing accessibility to the disabled including the ADAAG standard and Local Law 58/87.

6. Other:
The building is developed pursuant to NYC Building Code 2014.

Quality Housing Zoning Regulations have been applied as per Article II: Chapter 8 of the NYC Zoning Resolution. The building, as approved by the NYC Department of Buildings, complies with the following requirements:
Size of Dwelling Unit - Minimum floor area of a Dwelling Unit shall be 680 sf. As per table on 23-22 Z.R.

28-10 Building Interior:
Section 28-12 Z.R.: Refuse Storage & Disposal – For Developments with nine or more dwelling units: 2.9 cu.ft. to be provided per dwelling unit within an enclosed area on the zoning lot for storage of refuse. A refuse disposal room not less than 12sf is required on each floor.

28-20 Recreational Space:
Section 28-21 Z.R.: Required Recreation Space – As per table: 3.3% of residential floor area. Recreation Space is provided at rear yard.

Section 28-22 Z.R.: Standards for Recreation Space - The minimum dimension of any recreation space shall be 15 ft. The minimum size of any outdoor recreation space shall be 225 square feet.

28-30 Safety and Security:
Section 28-31 Z.R.: Density per Corridor – 11 dwelling units served by a corridor per story.

28-40 Parking for Quality Housing: Accessory off-street parking shall be provided as set forth in the applicable underlying district regulations, see article II, chapter 5.

§ 20.7 (b) <u>Status of Construction</u>:

1. **Year Built:**
   Construction Period 2018 – 2020
   There is one (1) building constructed in the site, the punch list work is in progress and it is expected to be substantially completed in May 2020.

   The project consist of a _5__ story building with _10__ dwelling units and accessory uses on the First Floor. The Residential Units are located from first floor through fifth floor with two dwelling units on each floor and on the outdoor recreation space is located on the roof. See NYC Department of Buildings Schedule 'A'.

   All Residential Units are Class "A" apartment units as defined by NYS Multiple Dwelling Law of 1929. The number of dwelling units is in compliance with the requirements of the New York City Zoning Resolution. Building Plans are approved by the New York City Department of Buildings and designed as per NYC Building Code 2014. Elevations and floor plans are provided.

2. **Class of Construction:**
   This building complies with Section 27-276 of the New York City Building Code for Type [I-B] Construction.

   Assemblies Fire-ratings are as follows: Bearing walls: 2 hr / Exterior non-bearing walls: as per table 602 are 2 hr / Interior non-bearing walls: 0 hr / Columns: 2 hr / Roof Construction: 1 hr / Floor Construction: 2 hr / Stair Enclosure: 2 hr.

3. **Certificate of Occupancy:**
   The Sponsor will apply for a Certificate of Occupancy for the building from the New York City Department of Buildings (NYC-DOB) when the building construction is at substantial completion and expects to receive it at final completion. Prior to the final closing the Sponsor will obtain final Certificate of Occupancy for all the units to be closed. Gerald J. Caliendo is responsible for obtaining Temporary and Final Certificates of Completion. The building will be classified as Class "A" Multiple dwelling. All the issues related to certificate of occupancy will be resolved in accordance with all applicable laws, codes, rules and regulations.

4. **Filings:**
   One (1) New Building application was filed and approved by the NYC Department of Buildings (NYC-DOB) under application # 421401824 on May 31, 2017. The application included plumbing and mechanical work under subsequent document 02 and foundation and structural work under subsequent document 03.

One (1) Alteration III application was filed and approved by NYC-DOB for builders' pavement under application # 421470991.
One (1) Alteration II application was filed and approved by NYC-DOB for installation of sprinkler and standpipe under application # 421434914.
One (1) Alteration II application was filed and approved by NYC-DOB for installation of automatic smoke/heat/carbon monoxide detection sprinkler alarm with central office connection under application # 421457569.

5. **Permits Required:**
Before starting any work, the builder obtained work permits from the Department of Buildings, City of New York. Permits for the entire work have been issued since August 10, 2018 and are periodically renewed with a current permit until August 29, 2020 and will be renewed if necessary until the construction tasks are finished.

6. Builder retained the service of an architect or engineer for controlled inspection for flood zone compliance, borings, soil percolation tests, subgrade, excavations, underpinning, concrete, concrete test cylinders, concrete design mix, footing and foundation, masonry units, structural steel, sprinkler, mechanical systems, ventilation, heating systems, sprinkler systems, firestopping and energy code compliance, all in accordance with the requirements of the New York City Building Code.

7. **Materials, Appliances, Equipment and Fixtures:**
Where materials, appliances, equipment and fixtures and another construction and design detail are specified in this report, Sponsor has reserved the right to substitute in their place similar materials, appliances, equipment and fixtures of equal or better quality.

§ 20.7 (c). <u>The Site</u>:
The land and building consists of an interior lot having frontage on 31st Avenue and located on the northeasterly side of the street, Queens, New York.

1. **Lot Size:**
The size of the property is as follows:

BEGINNING at the point of the northerly side of 31st Avenue distant 100 feet 2-1/2 inches easterly from the corner formed by the intersection of the northerly side of 31st Avenue and the easterly side of 14th Street;

RUNNING THENCE Northerly and at an exterior angle of 90 degrees 28 minutes 35 seconds to 31st Avenue, 147 feet six inches to the southerly side of alley;

THENCE Easterly along the southerly side of such alley, 25 feet (deed) (25 feet ¼ inch actual);

THENCE Southerly and parallel with the first mentioned course, 147 feet 3-1/2 inches to the northerly side of 31st Avenue;

THENCE Westerly along the northerly side of 31st Avenue, 25 feet (deed) (25 feet ¼ inch actual) to the point or place of BEGINNING.

The lot frontage is 25' and the lot area is 3,687.70 SF or approximately 0.085 acre as per survey by Leonard J. Strandberg and Associates, Consulting Engineers and Land Surveyors, P.C.

2. **Number of Buildings and Use:**
There is one five floors building of exclusively residential use.

3. **Streets owned or maintained by the project:**
There are no streets owned or maintained by the project. 31st avenue is a city owned street.
   i. Paving: The street known as 31st Avenue (40' wide roadway) is paved with an asphaltic topping and in good condition.
   ii. Curbing: The street is pitched to drain into the New York City storm water draining system.
   iii. Catch basins, drainage:
   iv. Street lighting: The street lighting is provided by the City of New York.

4. **Drives, Sidewalks and Ramps:**
   i. Paving: The sidewalk in front of the subject building on 31st Avenue providing access to the building is new poured concrete, free of tripping hazard and ponding.
   ii. Curbing: The sidewalk slopes away from the building providing positive drainage without ponding. Under current approved plans, this site will be graded to conduct storm water away from the building. The sidewalk complies with NYDOT's / Local Law and ADA requirements.
   iii. Catch basins, drainage: The sidewalk drains into the street. Catch basins are located in the roadway to drain the storm water run-off into the existing New York City Sewer System. All these items will be repaired or replaced as directed by NYC Department of Transportation when construction is completed.
   iv. Street lighting: Street lighting is provided by the City of New York. Street lamps are located in front of the building and provide sufficient illumination to meet public safety. is new, In front of the building on 31st Street there is the Residential entrance that provides Handicapped Access with a ramp and will be used for all residents to enter the building. The condominium will be responsible for maintaining the sidewalk in Accordance with the requirements of the Authority Having Jurisdiction (AHU).
   v. The aforesaid items are in conformity with local fire district, town or municipal building codes.

§ 20.7 (d). <u>Utilities</u>:

1. **Water:**
Water and Sewer are furnished by the City of New York Department of Environmental Protection (NYC-DEP). There will be one water meter for the entire building and water

charges are the obligation of the condominium owners in common. The cost of the water and sewer will be divided between 10 residential units. The sanitary waste will be discharged from the building to an existing 60" x 60" combined sewer system in 31st Avenue. The entire storm water drainage will be controlled flow by means of roof detention and control flow devices and discharged from the building to the existing 60" x 60" combined sewer.

2. **Gas:**
   Natural gas service is provided by National Grid a regulated company. Natural Gas service is metered to each condominium unit for cooking purposes, domestic hot water, heating and air conditioning. There will be separate gas meters for every unit located in the mechanical room on the first floor of the building. The gas consumed by each unit in the building will be responsibility of each unit owner. The gas piping is to be threaded black iron.

3. **Electricity:**
   Electric service is provided by the Consolidated Edison Company of New York (Con Edison), a regulated company, and is individually metered to each residential unit. The electrical service provided to each unit is adequate for a full complement of modern appliances. A separate electric meter will be the obligation of the condominium owners in common, which will service the public areas, the meter room, and all other non-occupied spaces.

4. **Telephone:**
   Telephone service is provided on an individual basis to each unit by Verizon, a regulated company, or other Telephone Company. Each unit will be billed directly by the Telephone Company. Units will be pre-wired with telephone jacks.

5. **Cable:**
   Cable will be provided by Verizon or other cable company on an individual basis.

§ 20.7 (e). <u>Sub-soil conditions</u>:

1. There has been no uneven foundation movement or settling at the premises. No land subsidence or expansive soils are found at the premises.
   Soil test was performed by Brian E. Flynn, PE, PC and documented on 01/23/17. The subsurface conditions encountered in test consist of uncontrolled fill silty sand and debris, medium dense brown m-f silty sand (SM) at a depth of about 2' to 4' feet. No ground water was found.
   The soil was classified as nominally satisfactory bearing material (SM), Class 3b or 6, accordance with the foundation system is accurately sized to support the calculated load.
2. There is no evidence of moisture or seepage or ground water infiltration.
3. There is a 1% annual risk of flooding with an average depth of less than 1 foot, which is not a high risk. The property has not been flooded in the last ten years.

The FEMA Flood zone is _AE11 _. The property is in a 1-percent-annual-chance flood event within Flood Hazard Areas.

4. There are no environmental restrictions in the property such as little E or RD or any other.
5. No hazardous materials are present in the property. No further investigations or monitoring is required.

§ 20.7 (f). <u>Landscaping and Enclosures</u>:

1. **Grass cover:** There will be no grass cover on the premises.

2. **Plantings:** There will be a planting area at the front of the premises except street trees as required by the City of New York.

3. **Trees:** There will be no trees planted in the property. The owner paid for one (1) tree to be planted off-site.

4. **Fencing:** N/A

5. **Gates:** There will be no gates at the premises.

5. **Garden walls:** There will be no garden walls at the premises.

6. **Garden walls:** There are no garden walls in this building.

7. **Retaining walls:** There is no retaining walls at these premises.

8. **Display pools and fountains:** There are no display pools or fountains at the premises.

§ 20.7 (g). <u>Building size:</u>

1. The building will consist of first through fifth floor and the approximate total height from ground level to highest part of roof is 50'-0"in height above the curb line (base plane) at the roofline and 59'-0" to the top of the stairs bulkhead and the footprint is 25'-0" wide x 68"-0" long

2. There are no crawl space(s) in this building.

3. There are no cellars and/or sub-cellars in this building. There is only the elevator pit below the grade line.

4. The building has five (5) floors with dwelling units and stairs and elevator bulkheads above the roof line. The floor to ceiling height of the units is approximately 8'-8".

5. There are utility and mechanical rooms in the first floor of the building.

6. Roof parapets are a minimum of 3'6" above the roof and are built of metal framing with face brick on the outside and stucco finish on the inside and metal coping on top.

§ 20.7 (h). <u>Structural System:</u>

1. <u>Exterior of building</u>:

i. **Walls:** As per the approved plans, the foundation walls are supported on continuous footing 12" deep of reinforced concrete. First floor slab and foundation walls are poured reinforced concrete. All the below-grade foundation walls as per plan are waterproofed with a wall suited self-adhering rubberized asphalt sheet membrane. Sub-grade drainage Underpinning was required only at the base of the elevator pit, 11'-6" long. The structure is constructed of steel frame supporting concrete slabs on corrugated metal. The roof is steel frame with insulated concrete on corrugated metal.

i. Exterior walls on two sides, front and rear of building consist of steel studs framing with R-19 batt insulation in between, windows and exterior doors set within the wall steel frame and an exterior cladding system with face brick attached to the steel frame and surrounding the windows and exterior doors; these walls are two (2) hour fire rated. The two side walls are 8" concrete CMU wall with stucco finish at the exterior and provided with R-12 rigid insulation at the interior. Exterior walls are finished with a layer of 5/8" type "X" painted gypsum board at the interior; these walls are two (2) hour fire rated
Interior partition walls consist of painted gypsum board and metal studs framing. All unit ceilings are drop ceiling with two layers of painted 5/8" type "X" gypsum board applied to the bottom of structural steel beams.

First floor slab is 4" reinforced concrete with smooth finish on top provided with standard type vapor barrier below and supported on a 6" compacted gravel throughout for slab support and sub-grade drainage.
Typical intermediate floor construction consists of 2-1/2" concrete slab on corrugated metal supported by 12" deep steel joists and finished underneath with two layers of 5/8" gypsum board. This floor-ceiling assembly provides an STC rating higher than 50 IIC as required by BC 1207.3.The roof is insulated with R/30 rigid insulation above roof slab complying with the New York Energy Conservation Construction Code.

The lateral support for seismic forces is resisted by steel joists supported on shear walls at perimeter.

Wall treatment to prevent intrusion in the building: All windows and doors installed in the walls have flashing details. All the mechanical and plumbing penetrations

through walls are effectively sealed against water and wind intrusion. All the exterior drained cavity walls have through-wall flashings to prevent bulk rainwater penetration.

ii. **Windows:** The windows at all floors are fixed and sliding, "Thermopane" type aluminum windows with double pane insulated glass, low E as manufactured by Crystal Window and Door Systems, ltd. or equivalent, with thermal breaks in the frame to maintain temperature differences between interior and exterior. Window exterior skin is colored black. Window U-factor is 0.30.
The windows are set within the steel frame of the wall and are caulked to head, jamb and sill. All windows are provided with appropriate gaskets and sealants between components as per system requirements.
Window guard for child protection shall be installed if applicable.

Galvanized steel lintels are installed at every window opening throughout the building. Windows are provided with pre-cast sills. Window heads are flashed as per wall system. Door heads are flashed out over steel loose lintels.

There are no windows on lot lines. Windows comply with minimum requirements of the NYS Energy Code.
Building does not have landmarks status, therefore no municipal approvals are required for the style of windows being used.

The manufactures Crystal window and door systems, ltd. provided the windows with a standard warranty of one (1) year after delivery. Crystal warrants, that at the time of delivery, the goods conform to the specifications and are free from defects in material and workmanship under normal use for a period of one (1) year. If the goods fail to conform to such warranty the repair, replacement or refund of such goods is at Crystal' sole discretion.

iii. **Landmark Status:**
No Landmark status.

2. **<u>Parapets and Copings</u>:**

Roof parapets are 3'-6" high above the roof and of the same construction as the walls below and finished with metal caps.

3. **<u>Chimneys and caps (materials and locations)</u>:**

There are through roof exhaust fans for kitchens and bathrooms. The flues are double metal wall flue. All enclosures flues or of openings through the ceiling have 2 HR rated partitions. There are individual gas furnaces in mechanical closets located on each apartment unit properly vented through roof. There are no proposed fireplaces or resulting chimneys. There is a gas hot water heater properly vented on each unit mechanical closet.

4. Balconies and terraces:

i. **Deck finish:** The deck finish of fifth floor terrace and roof Recreation Area is of adjustable concrete pavers with cavities for roof detention storm drainage system above roofing membrane and 3" tapered insulation over the metal and concrete deck. Pavers are by Hannover and are structurally designed to withstand daily foot traffic. Roof pavers are accepted by the roof manufacturer to retain the roof warranty.
Deck finish of balconies is tile over mortar over metal and concrete deck.

ii. **Balustrade:** There are no balustrades in the building.

iii. **Railings:** Terraces are enclosed with parapet walls with a height of 42" above finish floor except for the front and rear walls that have inserts of tempered frosted glass on three sides aluminum frame above 2'-0" knee high wall. Parapet walls are built as a continuation of the immediate wall below.
Railings at balconies are of tempered frosted glass panes on top and bottom aluminum frame 42" high and butt joints between panes. Railing design does not create "ladder effect".

iv. **Copings:** Parapets are finished at the top with pre-cast coping over metal flashing.

v. **Soffits:** The underside of the balconies is of pvc material.

vi. **Doors to balconies and terraces:** All doors to exterior terraces are aluminum frame swing doors, with tempered insulated double pane glass, low E manufactured by Crystal Window and Door Systems, ltd. (or similar) and with integral weather stripping.

5. Exterior Entrances:

i. **Exterior main door and frame of the residential units:** is a swing door of insulated tempered glass on insulated aluminum frame with keyed lockset by Multi Lock or equivalent. Exterior door is a self-closing type manufactured by Crystal Windows or equivalent.

ii. **Exterior door and frame to rear yard access:** is a swing hollow metal insulated door on an insulated hollow metal frame with keyed lockset by Multi Lock or equivalent. The door is self-closing type manufactured by Crystal Windows or equivalent.

iii. **Vestibule doors and frames:** N/A

iv. **Exterior Stairs:** There are two steps at the entrance and a concrete ramp with 1:12 slope.

v. **Railings:** The ramp has a standard painted steel pipe railing on one side and is set at 42" height above finished floor.

vi. **Mail boxes:** Mail Boxes are U.S. Postal Service approved type made of aluminum.

vii. **Intercom system:** made by Westinghouse Intercom System or equivalent and is provided by the building entrance door.

viii. **Outdoor lighting:** LED type lighting is provided at front and rear entrances.

6. **Service Entrances:**

i. **Doors and frames:** There is one direct entrance to the mechanical room. The service door is a swing hollow metal insulated door on an insulated hollow metal frame with keyed lockset by Multi Lock or equivalent. The door is self-closing type manufactured by Capitol or equivalent.
ii. **Gates:** N/A
iii. **Exterior stairs:** N/A
iv. **Railings:** N/A

7. **Roof and Roof Structures:**

i. **Type roofs for all areas:** The roof is above the fifth floor.
(a) **Material:** The roof is constructed of Tapered Iso 95+ or equal which is standard smooth surface modified bitumen roofing membrane torched applied on top of rigid insulation that is supported by a concrete slab. Roof membrane system manufacturer is Firestone Building Products or equivalent.
(b) **Insulation:** The insulation board has an R-30 factor and a U-factor: 0.026.
(c) **Surface Finish:** Granite stone pavers on top of roofing paper over the roofing membrane. The pavers have non-slip finish suited for daily foot traffic at roof terraces and are accepted by the roof manufacturer to retain the roof warranty. Pavers are by Hannover or equivalent.
(d) **Bond or guarantee:** The expected life span of the roof is ten to fifteen years. There will be no bond furnished other than a one (1) year warranty from the contractor for the roof installation, construction materials and workmanship. The roofing materials will have a fifteen (15) year warranty for roofing system from the roof manufacturer starting the period at the substantial completion date.
The Sponsor is not providing a NDL (No Dollar Limit) manufacturer's warranty for the new roof.
(e) **Flashing materials including counter flashing:** All roof penetrations (eg: vent stacks, vents and fans) are flashed and waterproofed and include aluminum cap or base flashing when necessary.
All other areas have 22 gauge break metal flashing strips field formed for various conditions and set in reglets to vertical walls. Counterflashing is prefabricated sheet metal or formed aluminum. Flashing manufacturer is Iron Men.
(f) The rooftop above the fifth floor is allocated as an accessory to residential space. It is registered as the Outdoor Recreation Space in the Schedule 'A' and will be noted on the C.O. of the building. Roof-terrace on fourth floor will be a limited common element of the building with limited access from the adjacent apartment unit and will be noted on the C.O. of the building as an accessory space to adjacent Studio unit.

ii. **Drains:**
(a) **Location:** There are two (2) drains on each balcony in the front facade, two on the fourth floor terrace and four on the roof. The drains on each balcony or terrace are distributed that one drain is tied to the main storm draining system and the

second designed for the overflow system; and in the roof two drains are in the main storm drainage system and the other two are designed for the overflow system. All roof drains are made of cast iron or metal with adjustable heads and are finished flush with decks. Drains are connected to a surface drainage system or controlled flow roof drains at the roof then directed to the building storm sewer system located in the first floor mechanical room.
Piping: Cast iron.
Sump Pump: N/A
Storm and Sanitary Site Connection: The building is provided with new 6" combined sewer connected to the street 60" x 60" combined sewer.

(b) Gutters and Leaders: There is one draining point for storm water by the entrance landing that is designed as the overflow system. And there are gutters and leaders from the stairs bulkhead roof to roof on fifth floor. The gutter and leader are of painted aluminum.

iii. Skylights: There is one 20 sf Skylight above the stairway, made of aluminum and tempered glass with safety screen as per code requirements.

iv. Bulkheads: There are two (2) bulkheads, one over stairway and one over the elevator and refuse room. The exterior walls are face brick and steel frame with batt insulation on three sides and in the sides of the building is an 8" concrete CMU wall with stucco finish at the exterior as per wall below.
(a) Stairs: Yes, for all residential units to access the outdoor recreation space at roof over fifth floor in compliance with FC chapter 10.
(b) Elevator: One from first floor to roof for outdoor recreation space access by all occupants.
(c) Other: N/A

v. Metal work at Roof levels:
(a) Exterior metal stair: There is one exterior steel stair from the roof to the elevator machine room which is approximately 6'-0" above roof level.
(b) Vertical ladders, including gooseneck: There is one (1) steel gooseneck ladder from the building roof to the roof of the stairwell bulkhead.
(c) Railings: The steel ladder is equipped with a standard3'+/- high steel pipe railing..
(d) Hatches to roof: N/A
(e) Other: There are dunnage work to support HVAC units as per code.

vi. Rooftop Facilities:
There are no antennae, cell phone towers, satellite dishes, lightening protection equipment, noise generating equipment on the rooftop of the building. There is only HVAC condenser units and elevator machine room.
Rooftop access is designed in compliance with 4014 NYC Fire code. Section FC 504.4 (Rooftop Access). Note: applies to buildings 100' or less in height with flat roofs, for each 12 linear feet of street frontage along roof provide 6x6 roof perimeter landing, requires 6' wide and 9' high clear path front to back and side to side, fence

shall have 3' gate secured by lock/chain cut by bolt cutters, if 2 roof levels that are 6' to 16' in height difference provide ladder, 6' clearance at doors and 3' clearance at ladders, bulkhead or penthouse would generally need NOT comply, if path is impracticable then modifications can be pursued.

8. **Fire Escapes:** None

i. Location: N/A
ii. Floors covered: N/A
iii. Drop ladder: N/A
iv. Type: N/A
v. Materials: N/A

9. **Yard and Court:**

i. Paving: Concrete.
ii. Drainage: N/A. Concrete slopes to area drain..
iii. Railings: 42" high standard pipe railing along the ramp for handicapped building entrance.
iv. Stairs: None
v. Fencing: None
vi. Retaining Walls: N/A

10. **Interior Stairs:**

i. **Number of stairs of each type:** There is one interior stairway from first floor to roof (bulkhead). It is a common stair of non-combustible materials as per applicable code(s).
ii. **Enclosure:** The stairs are enclosed with 2 HR rated walls at all sides and provided with a 1-1/2" HR rated hollow metal door at corridors.
iii. **Stair construction:** Public stairs are constructed on three sides with filled cell solid concrete block and 7/8" metal furring hat channels and two layers of 5/8" gypsum board in one side at property line wall and at two sides at dwelling units division. On the fourth side the partition wall is constructed with 3-5/8" steel studs and two layers of 5/8" gypsum board on each side.
iv. **Stringers:** Public stairs have rolled steel channel stringers.
v. **Treads:** Public stairs have concrete filled steel pan treads.
vi. **Risers:** Public stairs have painted steel risers integral with pans.
vii. **Guard rails:** Public stairs have continuous steel picket railing and handrail 3± high with paint finish. Side walls are provided with rails made of steel with paint finish.
viii. **Balustrade:** None

11. Interior doors and frames:

i. Unit Entrance and Interior doors and frames:
Unit entrances are fire rated self-closing hollow steel doors with New York City ID number and MEA number for 1 1/2 hour fire rating. Frame is welded steel and conforms to door ID and MEA numbers.
Each Unit door has a Unit number, interview peephole, chime, deadbolt and lever lock. Knob lock is passive from inside apartment. Deadbolt has a thumb turn type release. All hardware is installed as per local law 58/76 and the Multiple Dwelling Law.

Bathroom and bedroom doors are approximately 1 3/8" solid wood flush doors with wood frames. Doors have a knob lock with panic release from outside and button or thumb turn release inside.
Only bathroom doors have saddle.
Closet doors are solid wood panel doors approximately 1 3/8" hollow wood flush doors on pivot hinges passive from both sides.

The interior doors are solid wood. The door frames are of solid wood for doors inside apartments and metal for all other doors.
All interior doors are painted.

ii. Corridor doors and frames: All corridor doors and frames are fire rated self-closing hollow steel doors with New York City ID number and MEA number for 1 1/2 hour fire rating. Frame is welded steel and conforms to door ID and MEA numbers.
All hardware is installed as per local law 58/76 and the Multiple Dwelling Law.

iii. Stair hall doors and frames:
Stair hall doors are fireproof and self-closing hollow steel doors with New York City ID number and MEA number for 1 1/2 hour fire rating. Frame is welded steel and conforms to door ID and MEA numbers. Knob latch set is passive from both sides.

iv. Roof doors, cellar doors and frames:
Mechanical Room doors are fireproof and self-closing hollow steel doors with New York City ID number and MEA number for 1 1/2 hour fire rating.
Frame is welded steel and conforms to door ID and MEA numbers.
Mechanical room doors are keyed from outside and passive from inside.

12. Elevators:

i. **Number of passenger and service elevators:** There is one passengers' elevator that operates from first floor to the fifth floor. The elevator is ADA compliant.
ii. **Manufacturer, age of each and capacity:** The elevator manufacturer is Kone Elevators. The elevator is brand new and the capacity is approximately 12 passengers.
iii. **Type of operation for each elevator:** The elevator is primarily passengers' elevator for residents access/exit but is also used as freight elevator when necessary.

iv. **Type of controls:** The elevator controls are automatic with fire recall. The call buttons panel is located at standard height in the wall at elevator hall.
v. **Floors served:** All floors with dwelling units from first floor to fifth floor.
vi. **Type:** Hydraulic elevator.
vii. **Doors:** Are sliding at front only and are of brush stainless steel finish.
viii. **Location of machine room:** Elevator machine room is above elevator shaft bulkhead with access through the roof.
ix. **DC motor:** The elevator uses DC motor.
x. **AC motor:** N/A
xi. **Other:** N/A

13. Elevator cabs:

i. **Kind:** standard 3,500 lbs., 12 people capacity.
ii. **Floor:** granite stone tile
iii. **Walls:** three walls are of finished laminated panels and the front wall with the controls panel included is of stainless steel.
iv. Ceiling: is finished stainless steel tile ceiling.
v. **Lighting:** six LED downlights recessed on stainless steel ceiling tiles.
vi. **Alarm, safety system:** it has a standard elevator alarm located in the controls panel and it has one camera located in the ceiling.

§ 20.7 (i). Auxiliary Facilities:

1. **Laundry Rooms:** There is no common laundry room in this building and therefore no communal laundry equipment is provided. Unit Owners are responsible for purchasing laundry equipment for their units. The laundry equipment shall fit within laundry closets, operated by electricity and the dryer is to be vent-less type; no dryer ventilation system is provided in laundry closets.

i. Location and number of rooms: N/A
ii. Clothes washers: N/A
iii. Clothes dryers: N/A
iv. Room ventilation: N/A
v. Dryer ventilation: N/A
vi. Laundry sink: N/A
vii. Laundry countertop: N/A

2. **Refuse Disposal:** There are refuse rooms at each floor with access from hallways.
i. Incinerator(s): There is no incinerator in this building.
ii. Compactor(s): There is one compactor room on the first floor near the elevator.
iii. Approvals by authority having jurisdiction: The disposal system complies with applicable code and approved by the local authority.
iv. Initial storage location: The collection of all disposed garbage is at compactor room.

v. Pick up schedule and whether public or private provider: The collection of the refuse disposal is by New York City Sanitation Department, pick up of recycles is scheduled once a week on Tuesday and pick up of household trash is scheduled twice a week on Tuesday and Friday from 8:00 to 9:00 AM and 6:00 to 7:00 PM..

3. **Bicycle Parking:** None.

4. **Storage:** None.

5. **Mailboxes and Package Room:** Mailboxes for all dwelling units are provided at the entrance hall on the First floor level.

§ 20.7 (j). Plumbing & Drainage:

Domestic hot and cool water piping is "L" copper tubing. Water distribution system piping is of hard temper type "K" copper tube below grade, hard temper type "L" copper tube above grade only. The water main is manufactured by Type K Copper. All piping is insulated pursuant to code with 1/2" thick insulation.

1. **Water Supply:**

i. The building supplies the water from the City of New York's public service via common water main in 31st Avenue. The service line is extended to the water meter located in the mechanical room on first floor. There is a main shut-off valve located in the same room.

ii. Residential units: The domestic hot water is generated from gas fired furnaces and hot water heaters located on each unit mechanical closet. Equipment specifications is as follows:
Gas Fired Furnace
Manufacturer: CARRIER gas-fired
Model #: 59*P5A040E14**10 and 59*P5A060E14**12
Cooling coil model # CNPVP1814ALA and CNPVP2414ALA
Hot water heaters are tankless.
Manufacturer: Bosch
Model: C1210ES or equal. 25,000 BTU/Hr Min. 94% thermal efficiency. 15-year warranty.
Air chambers are provided at the top of all risers and throughout the piping systems to prevent water hammer.

iii. The cold water service is of copper and the fire sprinkler service pipes is of Black steel.

iv. All water risers are provided with valves.

v. The domestic hot water temperature to all fixtures is 120 deg. F.

vi. Flow conservation devices are provided on all water supplies to all showers.

vii. Expansion compensators and loops are provided on hot and hot water circulation piping systems.

2. **Fire Protection System:**

There is a fire sprinkler system in the subject premises as required by and pursuant to the New York City Building Code. The water is supplied by 6" fire water service from NYC water main located on 31st Avenue.

All sprinkler piping to be black steel or copper. Sprinkler system are provided per applicable code requirements. All pipes are black steel standard schedule 40.
Sprinkler system pressure is maintained at 7.6psig at the top most sprinkler head.
Sprinklers are omitted in bathrooms and closets less than 75SF.
The material of the sprinkler main is C.P.V.C.
Standpipes, hose racks, or Siamese connections are as per applicable code requirement.

i. **Standpipes:** N/A
ii. **Hose racks, hoses and nozzles:** N/A
iii. **Sprinkler heads:** Sprinkler heads are pendant or sidewall type as deemed appropriate.
iv. **Siamese connection:** N/A

3. **Water storage tank(s) and enclosures:** None

i. Number, type, location of each: N/A
ii. Material: N/A
iii. Access to tank: N/A
iv. Capacity (total gallons): N/A
v. Capacity (fire reserve): N/A

4. **Water pressure and how is maintained:**

Water supplied from street main is under pressure of 42 psi, enough to maintain the required water pressure at the top plumbing fixtures. No buster pump is required or provided.

5. **Sanitary Sewage System:**

A complete sanitary drainage system conveys all soil and waste from plumbing fixtures, drains and equipment by gravity to the city's public sewer system. The sanitary system above ground level is designed for gravity flow through vented branches, stacks and building drains.

i. **Sewage piping:** The building is provided with new 6" combined building sewer piping connected to the existing street main combined sewer.
Sewer piping material is cast iron, standard weight.
ii. **Sewage pumps:** N/A
iii. **Sewage disposal:** sewage is disposed to the city public system.

6. **Permits Required**:

Permits and approvals were obtained by the developer for: plumbing, sewer, water and gas interior systems and connections to public systems.
Sewer connection authorization was issued on March 08, 2017
Plumbing permit was issued on December 21, 2018 and renewed on February 11, 2020

7. **Storm Drainage System:**

Off-site and on-site drainage comply with the Department of Buildings Code requirements.

i. **Catch basins:** There are two catch basins in the rear yard at opposite sides of a 10 ft diameter drywell.
ii. **Yard and roof drains:** Storm roof water is disposed of by means of roof detention. The roof storm drainage system is adequate to carry runoff without ponding. Roof areas have control flow roof drain type RD-A1 and overflow roof drain type RD-A2; terraced roof area has a promenade deck roof drain; exterior areaways have area drain for concrete areas type AD-A and mechanical rooms have floor drain for concrete areas type FD-B. Drain types manufacturer is Jay R. Smith.
iii. **Piping:** The building provided new 6" combined sewer connection to the street main. The material for storm water lines and fittings is PVC standard weight.
iv. **Eject or sump pumps:** N/A

§ 20.7 (k). Heating:

Heating system is designed for extreme temperature conditions as required by NYC Energy Conservation Code.

1. **Heating and distribution of domestic hot water:** Hot water is provided with Bosch C 1210 ESC series gas tankless water heaters ultra-efficient fully condensing water heaters. The capacity is 225,000 BTU/Hr Max and 25,000 BTU/Hr Min. Thermal efficiency is 94%. Warranty is 15 years. Insulation for the hot water distribution system is 1" to 1.5" mineral fiber, ASJ, SSL, type I with R-value = 3.7 per inch. Heating system is adequate to maintain indoor temperature in the entire building of 72 deg. F. with outside temperature of 15 deg. F. Nine units are provided with furnaces used for heating, manufactured by Carrier, model 59*P5A040E14**10 and 59*P5A060E14**12 with an output of 39 and 58 MBH respectively. The distribution system is through air ducts, the actual energy efficiency is 96%, heating capacity is 440,000 BTU/HR, warranty is 5 or 10 years according to registration; and the smallest unit is provided with a split heat pump system with a capacity of 22,000 BTU/HR. Temperature set points are 72 degrees F in winter and 75 degrees F in summer.
Distribution ducts system are insulated with mineral fiber blanket with FSK jacket, R-6 minimum in compliance with ASTM C 1290, type III.
Entrance and stair hallways are provided with electric heaters Markel and Qmark as per plans.

2. **Number of boilers and description:**
3. **Manufacturer and age of boiler(s):** There are no boilers on this building.
4. **Manufacturer and age of burners:**
5. **Type of controls:** N/A
6. **Radiators, piping, insulation, valves, pumps:** There are no radiators, valves and/or pumps at this premises.
7. **Fuel:** N/A
8. **Location of oil tank, materials, enclosure:** N/A
9. **Capacity of oil tank:** N/A

§ 20.7 (l). <u>Gas Supply</u>:

Fuel:

Natural gas is supplied to each unit and connected to burners via shut-off valves. The gas lines enter into the building in the mechanical room in the first floor.

1. **Type:** Natural gas supplied by National Grid at low pressure.
2. **Meters:** Natural gas is metered through individual meters in the building – one for each condominium unit. Gas meters are located in the mechanical room.
3. **Piping:** Gas distribution piping is black iron with malleable iron fittings.
   The size of the gas service is 2" main and 1-1/4" for each condo.

§ 20.7 (m). <u>Air Conditioning</u>:

1. **Type of system:** Each residential unit is provided with their own Air Conditioning system. Nine units are built with ducted system, with an air handler unit placed in the hvac closet inside the dwelling unit and the condenser in the roof of the building; the cooling capacity of the units is 178,000 BTH/HR. The smallest unit has a split heat pump system with a wall unit and a condenser in the rear yard with a cooling capacity of 18,000 BTU/HR. All the equipment is installed as per manufacturer's instructions, roof units are mounted on steel for support, 1" deflection spring type vibration isolator and louvered hail guard, low sound level and exterior metals corrosion resistant. Rooftop piping is insulated with 1 to 1.5" thick mineral fiber blanket with FSK jacket. Condensing units are by Carrier, model no. 24ACC418A003 and 24ACC424A003 with automatic control, 14 SEER and 10 year parts limited warranty.
   Entrance & Halls: N/A
2. **Central system:** The units with ducted system are one zone system with diffusers at living/dining room and bedroom where applicable.
3. **Cooling towers, condensers:** There is a condenser for seven dwelling units located in the building roof and one condenser.
4. **Individual units covered by the offer:** N/A

§ 20.7 (n). Ventilation:

All interior bathrooms and kitchenettes are ventilated by exhaust fans through galvanized metal vent ducts which shall have a minimum rate of exhaust ventilation of 50 cfm for bathrooms and 125 cfm for kitchenettes as required by the New York City Mechanical Code. Exhaust equipment is New York City MEA or BSA approved.
The manufacturer of fans is Greenheck models no are G-097-VG, 140 CFM, 4.7 SONE rating for bathrooms and G-099-VG, 275 CFM, 5.2 SONE rating for kitchenettes or equal.

§ 20.7 (o). Electrical System:

1. **Service from main service switchgear:** Electrical service is provided by Con Edison Co. at 208V, 3-phase, 3-wire; there are two(1) 400A disconnect service switches and one (1) 600A disconnect service switch located within building's electric service switchboard room. The electrical service is as follows:
   - **i.** There is a separate electrical meter to monitor building common space electricity usage.
   - **i.** Each residential unit will have a 100A rated electrical panel.
   - **ii.** Each residential unit will be provided with a 24-pole circuit breakers panel.
   - **iii.** The electrical system for the building is adequate for modern usage demands.
   - **iv.** Only copper wires are used.
   - **v.** No generator provided.

2. **Service to individual units:** Residential Units
   - **i.** The service to each residential unit is single phase, 2 wire, 60 Hz, 120/208Volt. Electric service is supplied to each residential unit via tenants meter bank at the mechanical room at grade level.
   - **ii.** The main service equipment with circuit breakers are sized by code. The fuses are sized based on the loads.

3. **Compartment switch gear:**
   The main service and unit meters is located in the mechanical room on the first floor.

4. **Unit service:**
   - **i.** All residential units are designed with the proper number of wall receptacles, switches, appliance receptacles, etc. as required by 2011 NYC Electrical Code.
   - **ii.** Switches for lighting fixtures are provided within bathrooms, outside of walk-in closets, at foyers and kitchens. Switched receptacles are provided in bedrooms and living rooms. Fixtures are LED type in the entire building. All lighting and general purpose receptacles are rated at 120V, 20A.
   - **iii.** 120V, 20A circuits are provided in the kitchen area for 120V, single phase kitchen appliances. Each appliance outlet is on its dedicated circuit.
   - **iv.** Receptacles are provided in all rooms (average five (5) per room). Ground fault circuits are provided in bathrooms, kitchens and other wet locations as required by the National Electrical Code and the National Fire Protection Association

5. **Adequacy:**

i. Service:

The 100 amp circuit breaker panel is sufficient to conveniently operate the electrical appliances and equipment inside of each condominium unit.

ii. Lighting and fixtures:

Exterior fixtures are weatherproof type.

The lighting fixtures installed at the premises are as follows:

Exterior lighting:

Location	Type of Fixture	Watts
Front of Building	EcoSmart	13 LED
Rear of Building	EcoSmart	13 LED

Interior lighting:

Location	Type of Fixture	Watts
Hallways	Surface mounted	13 LED
Living Rooms	Surface mounted	13 LED
Dining Rooms	Surface mounted	13 LED
Bedrooms	Surface mounted	13 LED
Kitchens	Surface mounted	13 LED
Bathrooms	Surface mounted	13 LED
Utility Rooms	Rithonia -Downlight	11.8 LED
Public Stairs	Rithonia -Downlight	11.8 LED
	Illuminated Exit Signs	

iii. Convenience outlets, appliance outlets:

The electrical calculations are as follows:
At all Apartment Units
HVAC = 13 amps
Refrigerator = 6 amps, 120V
Microwave oven = 7 amps, 120V
Lighting = 4 amps, 120V

§ 20.7 (p). Intercommunication and/or Door Signal Systems, Security Closed Circuit TV:

1. **Audio/Video Intercom and Buzzer Service:** The building is equipped with an intercom with door release which is an independent system. Manufacturer is Aiphone System with Audio/Video at entrance and at units to control access. Warranty is two-year.

2. **TV Reception Facilities and Telephone Services:**

i. Cable television service will be available to each apartment unit on an individual subscription basis (separate charge). High speed internet access will also be available at a separate charge.
ii. Location of outlets: Living room and one bedroom.
iii. The building is equipped with telephone services. A jack is located within each living room and bedroom.

§ 20.7 (q). <u>Public area lighting</u>:

All interior lighting and exterior lighting at the common area of the buildings are in compliance with the New York State Multiple Dwelling Laws and New York City Housing and Maintenance Code and all applicable codes.

1. Lighting fixtures are circuited and separately metered at exterior and interior common areas. The cost of electricity and maintenance of the common areas system is a common charge allocated to each unit owner based on their share of the common interest.

2. Lighting fixtures are provided at public stairways and hallways on all floors. Fixtures are capable of providing illumination of at least ten (10) watts per twenty five (25) square feet of floor area. Each lighting fixture is provided with one or more lights of a total of not less than thirteen (13) watts LED. Lighting fixture provided is: Lithonia, EVO CYL 35/10 B6AR MW recessed downlight. In addition, lighting fixtures outside of the building and the entrance way are providing an aggregate illumination of fifty (26) watts LED illumination or its equivalent and will be operated by a light sensing device or timer. Lighting fixtures provided at the building mechanical rooms are ceiling mounted LED Troffer by Lithonia or equal. The above requirements are in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws. All the items are provided by specified manufacturers of equal quality.

§ 20.7 (r). <u>Garages and parking areas</u>:

1. Location of garages: There are no garages in the property.
2. Location of parking areas: There are two exterior parking spaces located at the rear yard of the property and from which one space is ADA compliant. The parking is accessed through the alley behind the lot.
   The parking is in compliance with the Zoning and Building Code. The dimensions are 8'-6" x 18'-0" and the ADA has a 5'-0" additional width as per standards, ZR 25-62 and applicable codes.
   The zoning calculations for off-street parking are: provide parking spaces for 50% of the units => 10 units x 0.5 = 5 spaces. However, there is a waver up to 5 spaces, therefore no off-street parking is required.
3. Surfaces: Are concrete floor pitched to area drain with precast 6" concrete bumpers.
4. Parking: Parking is unattended.
5. Garage ventilation: N/A

6. Garage fire protection: N/A
7. Drainage: There is one area drain in the parking area.

§ 20.7 (s). Swimming pool: None

1. Type and location on property: N/A
2. Size including length, width, depth and approximate number of batters permitted at any time: N/A
3. Enclosure: N/A
4. Pumping and filter system: N/A
5. Water heating equipment or usage of building's hot water: N/A
6. If on building roof, specify structural support system: N/A

§ 20.7 (t). Tennis courts, playgrounds and recreation facilities: None

1. Tennis courts. Describe: Type and location on property: N/A
   i. Type: N/A
   ii. Number and size: N/A
   iii. Lighting: N/A
   iv. Fencing or enclosure: N/A
2. Playgrounds: N/A
3. Other recreation facilities: Exterior 282.45 sf located in the rear yard between the first floor rear unit and the parking area.

§ 20.7 (u). Permits and Certificates:

Before starting any work, builder obtained work permits from the Department of Buildings, City of New York.

Permits:

The following is the list of original permits obtained for the project.

TYPE	ISSUED	RENEWED
-NB (New Building)	08/10/18	10/25/19
- PL (Plumbing)	12/21/18	02/11/20
-EW SP (Sprinkler)	05/07/19	02/11/20
-EQ FN (Fence)	08/07/18	08/12/19
-EW FA (Fire Alarm)	To Be Requested	

- Sign-offs from Fire Department and Building Department on installations are required prior to issuance of Temporary Certificate of Occupancy.

Inspections:

Builder to retain the service of an architect or engineer for controlled inspection for borings, soil percolation tests, subgrade, drywell installation, concrete, concrete test

cylinders, concrete design mix, masonry units, structural steel, Sprinkler, mechanical ventilation and firestopping, all in accordance with the requirements of the New York City Building Code.
In the event that certain conditions in the building(s) cannot be adequately evaluated by a visual examination, the Department of Law may, in its discretion, direct that an independent engineer or testing laboratory be retained to perform such tests or monitoring as may be necessary in order to make adequate disclosure. Conditions which may require additional testing or monitoring include, but are not limited to: settlement, masonry cracks, rusting of structural steel, adequacy of concrete cover, fire-stopping, etc. Test results must be reported in the offering plan or in an amendment thereto.
There will be recurring inspections after the building is in operation, including Elevator, Sprinkler and Fire Alarm Systems.

Certificates:
Temporary Certificate of Occupancy and Final Certificate of Occupancy will be provided prior to building occupancy.

§ 20.7 (v). Violations:

There are three DOB open violations issued against the subject premises.
1. V 060617IMEGNCY10850 issued 06/06/2017
2. V 060517CFEU40101FF issued 06/05/2017
3. V061317EGNCY10857 issued 06/13/2017

All violations will be cleared prior to units' contract.

§ 20.7 (w). Unit Information:

Unit #	Floor	Type	Approx. Area	Balcony/Terrace
Unit 1S	1ST	Studio	351.9 SF	
Unit 1N	1ST	Studio	474.6 SF	
Unit 2S	2ND	1-Bedroom /1-Bathroom	654.4 SF	
Unit 2N	2ND	1-Bedroom/1-Bathroom	654.4 SF	
Unit 3S	3RD	1-Bedroom/1-Bathroom	654.4 SF	54.2 SF
Unit 3N	3RD	1-Bedroom/1-Bathroom	654.4 SF	54.2 SF
Unit 4S	4TH	1-Bedroom/1-Bathroom	654.4 SF	54.2 SF
Unit 4N	4TH	1-Bedroom/1-Bathroom	654.4 SF	54.2 SF
Unit 5S	5TH	Studio	532.0 SF	123.3 SF
Unit 5N	5TH	1-Bedroom/1-Bathroom	654.4 SF	54.2 SF

*S= South / N=North
Interior dwelling units ceiling height from finished floor is 9'-0" at all floors.

1. **Finish Schedule for the Apartments** (See item 5 for abbreviation):

Space	Floor	Wall	Base	Ceiling
Living Room	T	GWB/P	WD/P	GWB/P
Bedrooms	T	GWB/P	WD/P	GWB/P
Kitchen	T	GWB/P	CT	GWB/P
Bathroom	CT	GWB/P	CT	GWB/P
Closets	T	GWB/P	GWB/P	GWB/P
Balcony	T	Brick/Rail	N/A	GWB

The units flooring is porcelain wood look planks or similar. All surfaces which are to receive paint as a finish will receive one coat of primer and two coats of paint. The paint for walls and ceiling of the unit is Benjamin Moore.

2. **Bathroom Fixtures**	Make/Model #
Toilet	Kohler, model Wellworth 1.6 GPF Round Two-piece toilet
Lavatory	Kohler under mounted or equal
Shower	Stand up with tempered glass sliding doors. Euphoria System 260 Shower with Thermostat for wall mount, model #26128EN1
Cabinets	Laminated wood
Countertops	Stone

*All bathroom fixtures, accessories and cabinets are new and functioning properly.

3. **Kitchen Appliances**	Model #
Refrigerator	Frigidaire w/ SS finish or equivalent
Range	Range Cuisenaire w/ SS finish or equivalent
Range Hood	Sakura w/ SS finish or equivalent
Dishwasher	N/A
Sink	Finish brush SS under mounted sink.
Sink Faucet	Delta, Trinsic collection, single handle deck mount 2 function Pull-Down Sprayer 9159-DST.
Cabinets	Laminated wood
Countertop	Stone color black

*All appliances and cabinets are new and functioning properly.

*There is no laundry equipment provided by the Sponsor, only hook ups for residential type equipment that shall fit in the designated laundry closets; the equipment shall be electricity operated and the dryer shall be vent-less.

4. **Utility Spaces**

Space	Floor	Wall	Base	Ceiling
Mechanical Room	CONC.	GWB/P	N/A	GWB/CONC.
Compactor Room	CONC.	GWB/P	N/A	GWB/CONC.

Units have not been inspected except for plumbing roughing and gas pressure test.

§ 20.7 (x). Finish Schedule of Spaces Other Than Units:

Space	Floor	Wall	Base	Ceiling
Stairs	CONC.	GWB/P	N/A	GWB
Corridors	T	GWB/P	T	GWB/P

Abbreviations:

CONC. – Concrete	CT – Ceramic Tile
GWB – Gypsum Board	GWB/P – Painted Gypsum Board
SS – Stainless Steel	T – Tile
WD – Wood	WD/P – Painted Wood

§ 20.7 (y). Safety and warning devices:

Fire Alarm: with central station monitoring is installed in the Mechanical Room located in the first floor.
Smoke Detectors: Combination smoke and carbon monoxide detectors, hard-wired with battery back-up or equal are provided on each unit, and installed as per Local Law 62/82, R.S. 17 and Section 28-02 of the New York City Building Code.
The smoke and carbon monoxide detector's manufacturer is Keddle and the model number is KN-COSM-1B or equivalent.

§ 20.7 (z). Additional Information Required:

ECCCNYS Notes: As per the drawings approved by NYC DOB, these plans and specification are in compliance with the 2010 New York Energy Conservation Construction Code, using Table 2.

Plans attached

(1) Site plan attached shows: the street, the outside dimensions of the building and designated common areas.
(2) Floor plan for each line or type of unit drawn to scale, indicating room dimensions and unit boundaries.
(3) Floor to ceiling heights of units are approximately 8'-6".
(4) Approximate total area of each unit is set forth on the unit layout.
(5) A master floor plan showing units, boundaries and the relationship of units to each other.
(6) The sponsor does not intend to add additional units to the building.

§ 20.7 (aa). In the event that certain conditions in the building(s) cannot be adequately evaluated by a visual examination, the Department of Law may, in its discretion, direct that an independent engineer or testing laboratory be retain to perform such tests or monitoring as may be necessary in order to make adequate disclosure. Conditions which

may require additional testing or monitoring include, but are not limited to: settlement, masonry cracks, rusting of structural steel, adequacy of concrete cover, firestopping, etc. Tests results must be reported in the offering plan or in an amendment thereto.

§ 20.7 (bb). Further Development:

No further development is anticipated by the Sponsor. The Development is 100% complete as designed.

§ 20.7 (cc). Asbestos:

This statement is to disclose that there are no asbestos made products, partially or in whole, specified for the construction of this condominium as per approved plans. This building complies with 2014 Building Code.

§ 20.7 (dd). Lead-based Paint:

This statement is to disclose that there are no lead-based paint used in this condominium as per approved plans.

Construction Notes:

The building and site are constructed in accordance with the New York City Building Code, the Multiple Dwelling Code, the New York City Zoning Resolution and all other applicable authorities and in accordance with plans and applications on file with the Department of Buildings of the City of New York. With reference to the preparation of plans and specifications, the sponsor has retained the services of a professional engineer who prepared the same. The sponsor represents to the best of its knowledge that the plans accurately describe the building units, common elements and equipment as the same which will be delivered upon the completion of construction.
Any permits or inspections required by the City of New York will be furnished and updated prior to the first closing or building occupancy.

As of the date of the first closing, the sponsor represents that it will have a Temporary Certificate of Occupancy for the building prior to the first closing, and deliver title without violations or liens on the premises and in accordance with the sponsor's undertakings elsewhere as set forth in this offering.

Light and Air:

Is provided in each unit in compliance with all applicable codes.
The calculations of light and air are as follows:

A minimum of 10% of a habitable room area is for light;
A minimum of 5% of a habitable room area is for air.

Controlled Inspections:

The name and contact information of the person who is and was responsible for the controlled inspections of the construction of the condominium building is:

Name:	Michael Karantinidis /International Geotechnical
Address:	34-01 Broadway_
	Astoria, NY 11106
Telephone:	718-726-1527__

Name:	Raman Kumar /Superior Inspections and Consulting
Address:	63 Flushing Avenue, Suite 346_
	Brooklyn, NY 11205
Telephone:	718-625-5828__

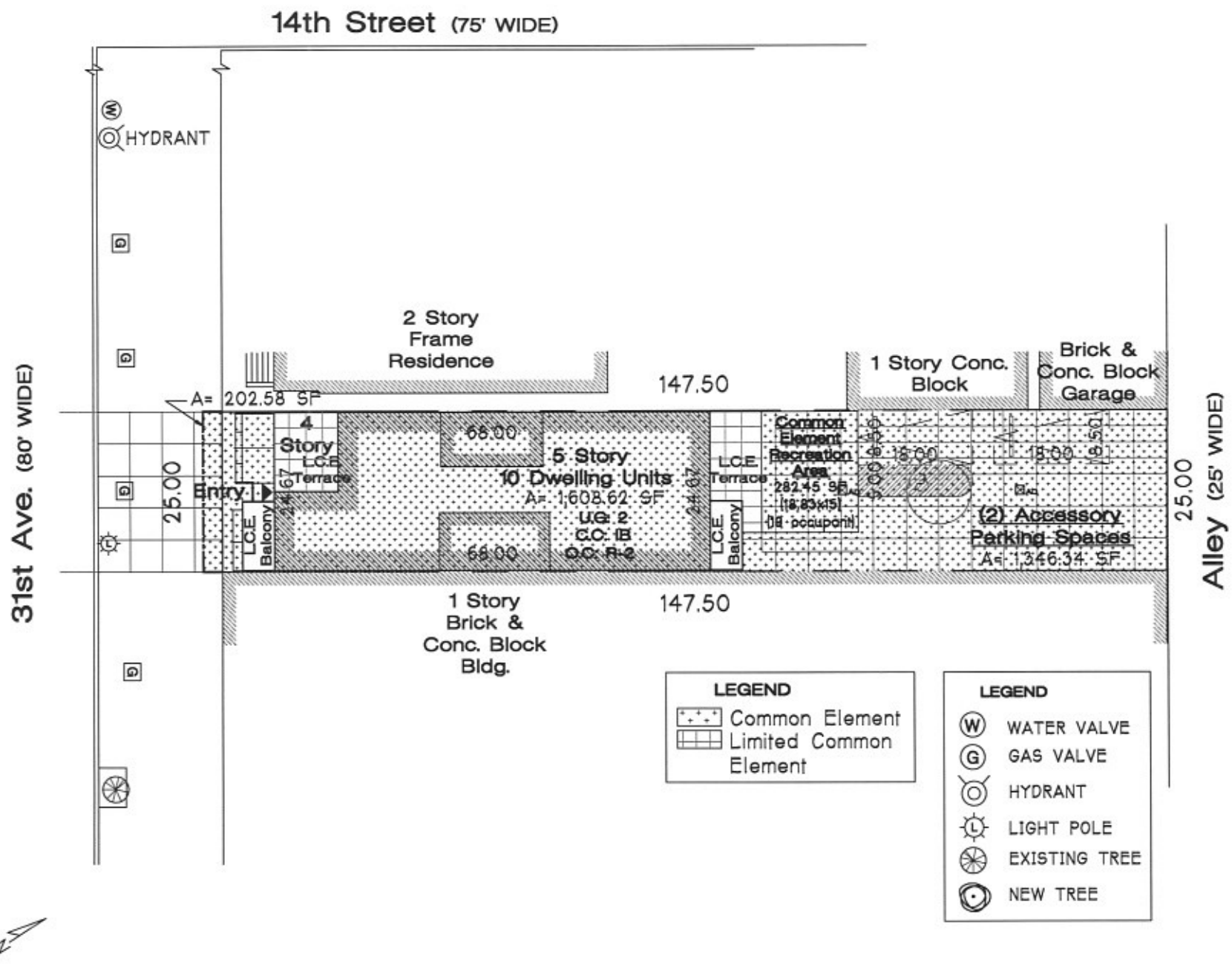
Notes regarding units size:

The approximate floor area of each condominium unit is measured as follows: (a) vertically from the top of the concrete or wood flooring to the underside of the concrete or gypsum board ceiling and (b) horizontally to the center line of demising walls between units; to the centerline of non-structural common walls; to the inside face of common structural walls or elements; and to the outside face of exterior walls. The square footage of each unit is not based upon measurements from interior surfaces of interior walls and the actual area comprising the condominium unit is less than listed in Schedule A.

END OF REPORT

GERALD J. CALIENDO, ARCHITECT, P.C.

FLOOR PLANS



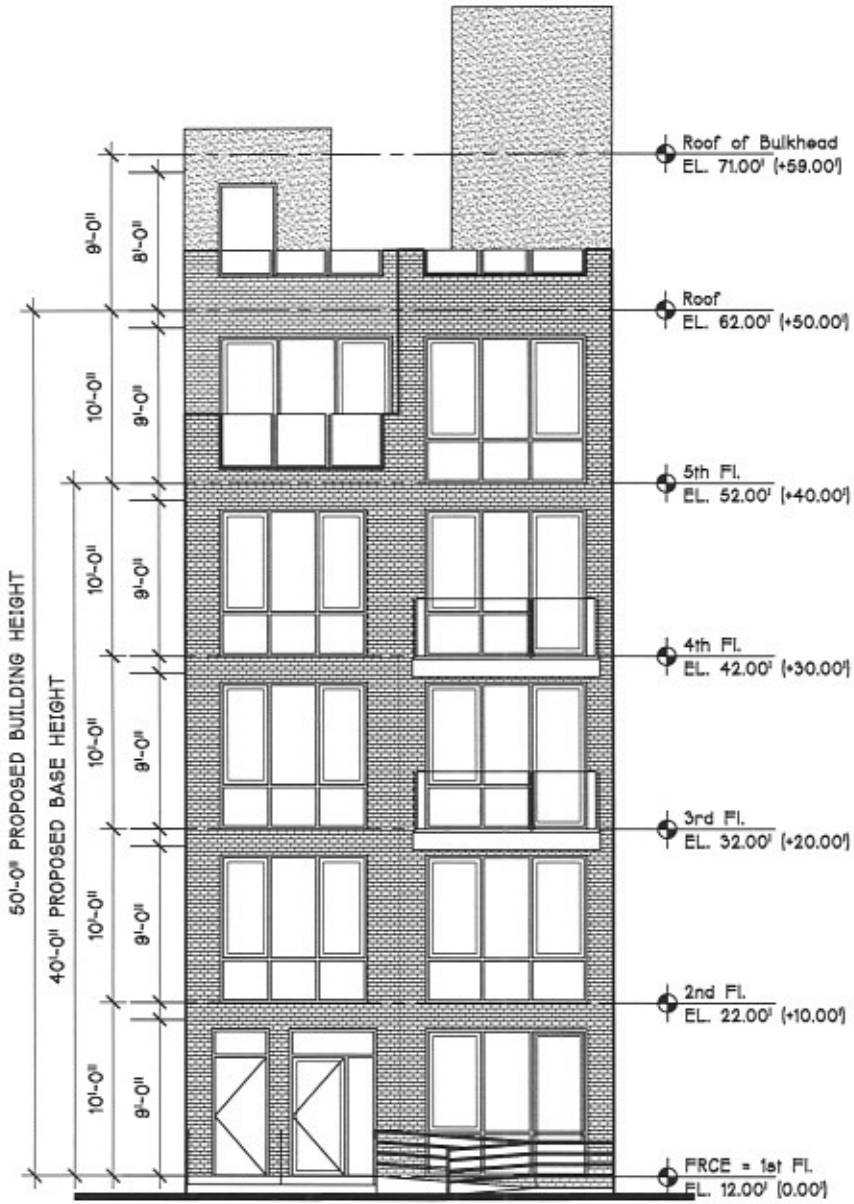
SITE PLAN

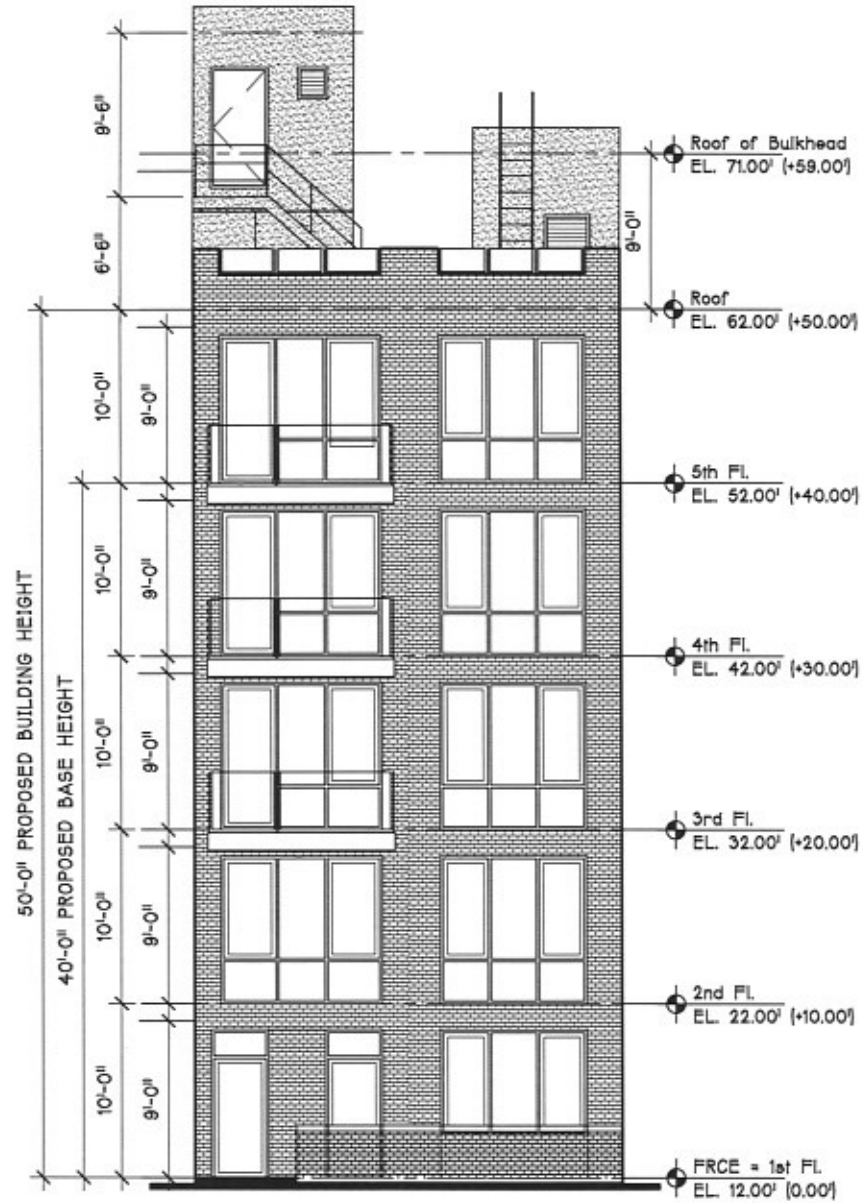
Scale: 3/64" = 1'-0"

Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020

All dimensions are approximate and are subject to normal construction variances and tolerances.

Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.

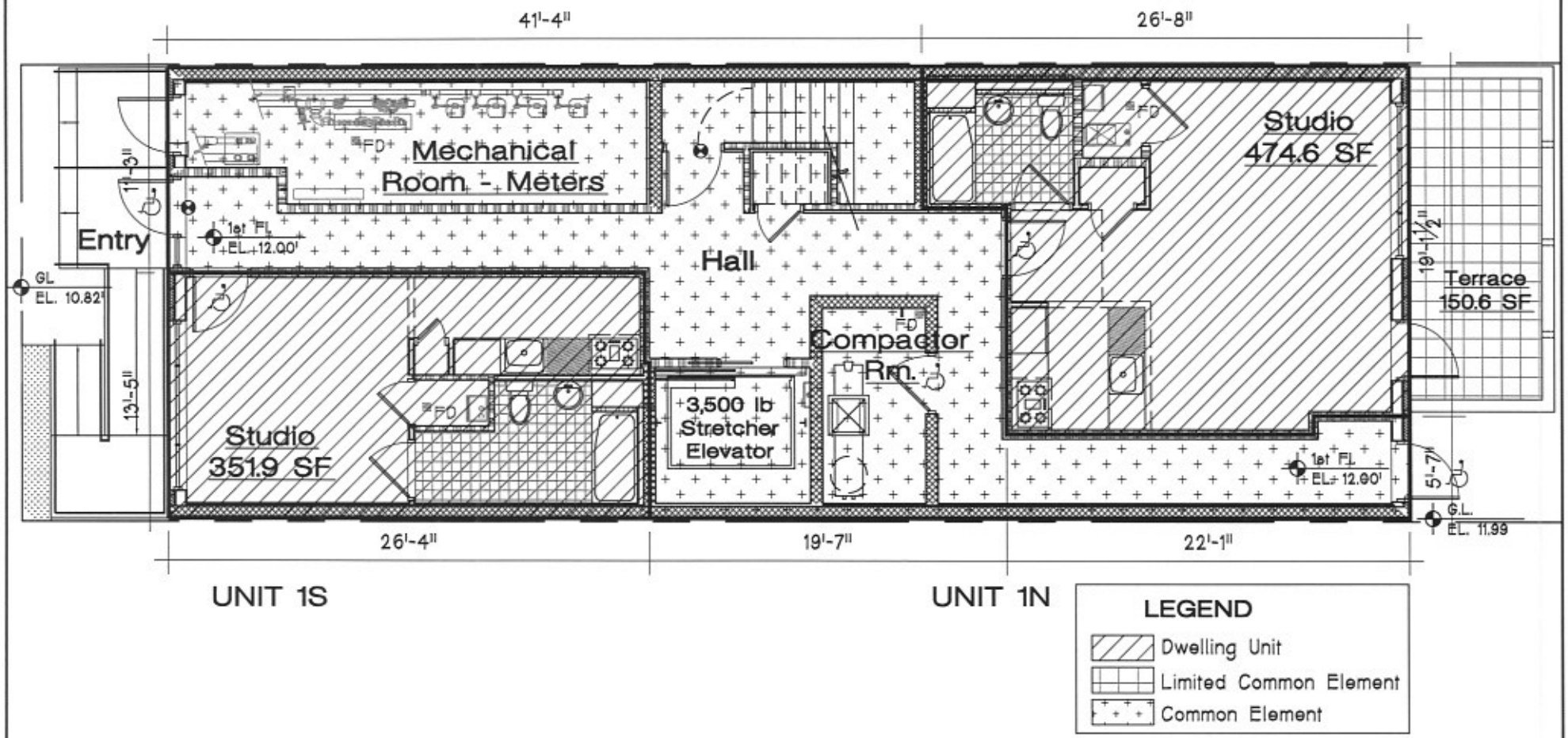




FRONT ELEVATION
Scale: 3/32" = 1'-0"

Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020
All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.

REAR ELEVATION
Scale: 3/32" = 1'-0"



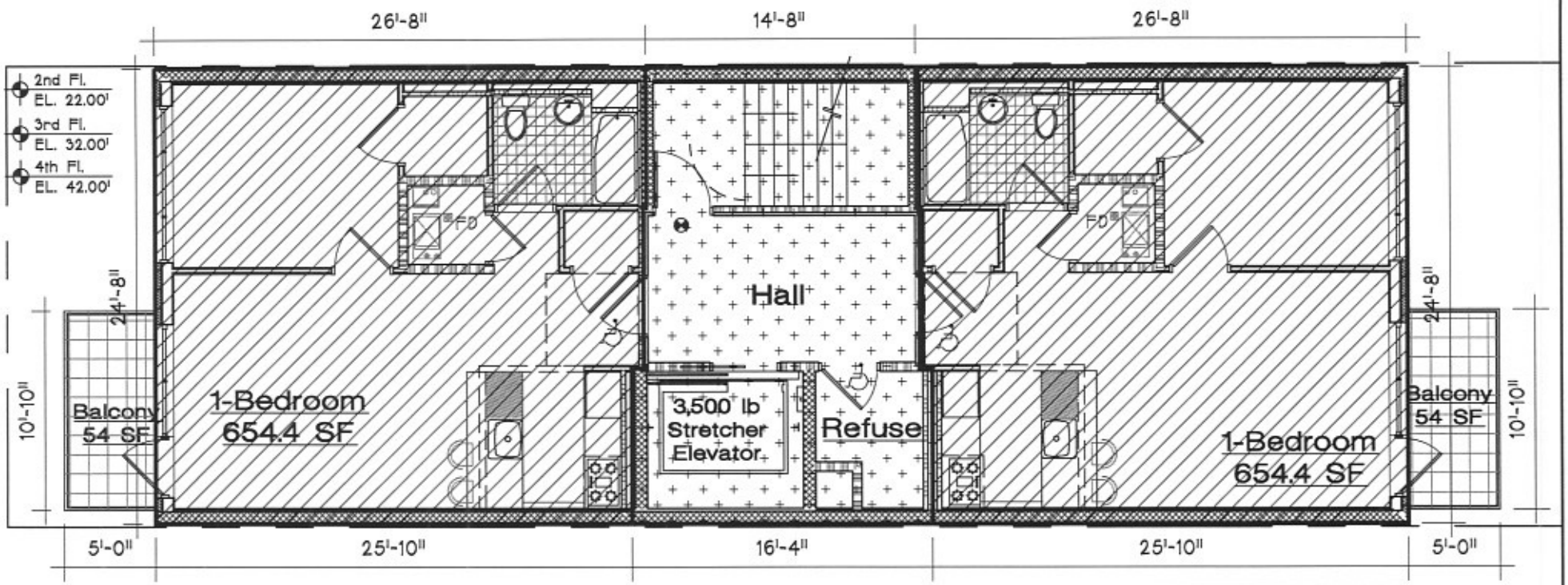
FIRST FLOOR PLAN

Scale: 1/8" = 1'-0"

Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020

All dimensions are approximate and are subject to normal construction variances and tolerances.

Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.



UNIT 2S
UNIT 3S
UNIT 4S

UNIT 2N
UNIT 3N
UNIT 4N

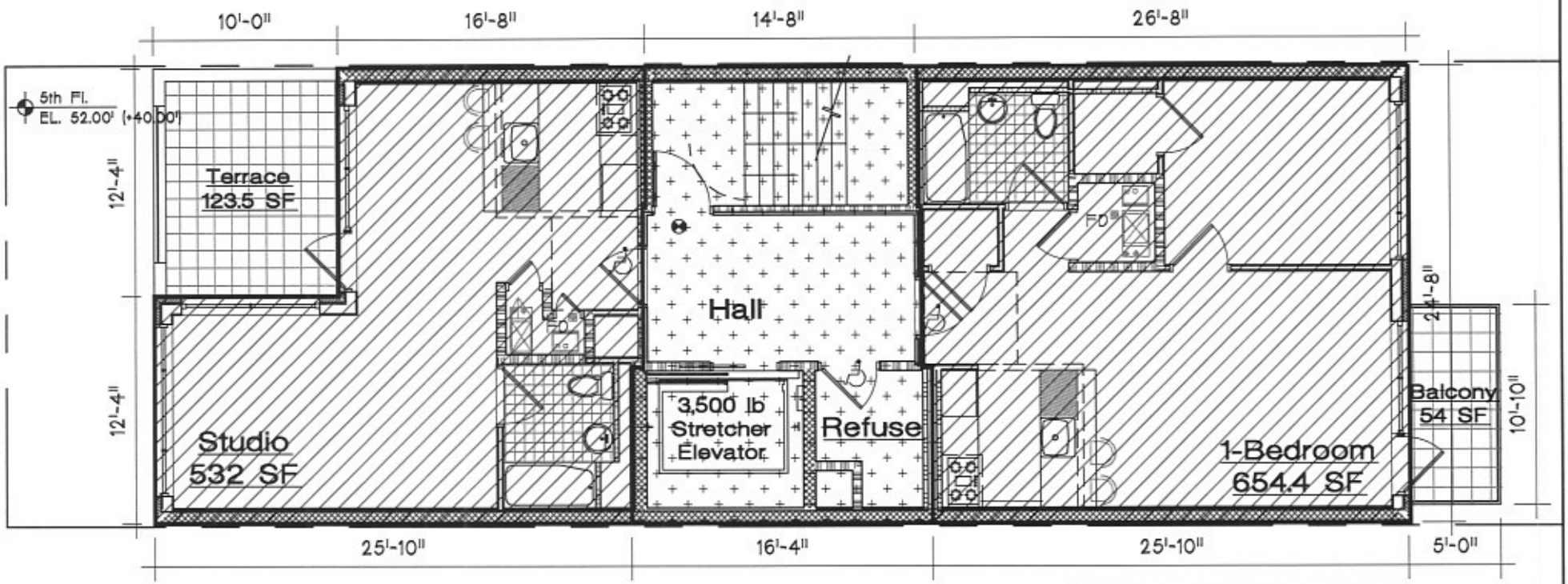
LEGEND

- Dwelling Unit
- Limited Common Element
- Common Element

SECOND THRU FOURTH FLOOR PLAN

Scale: 1/8" = 1'-0"

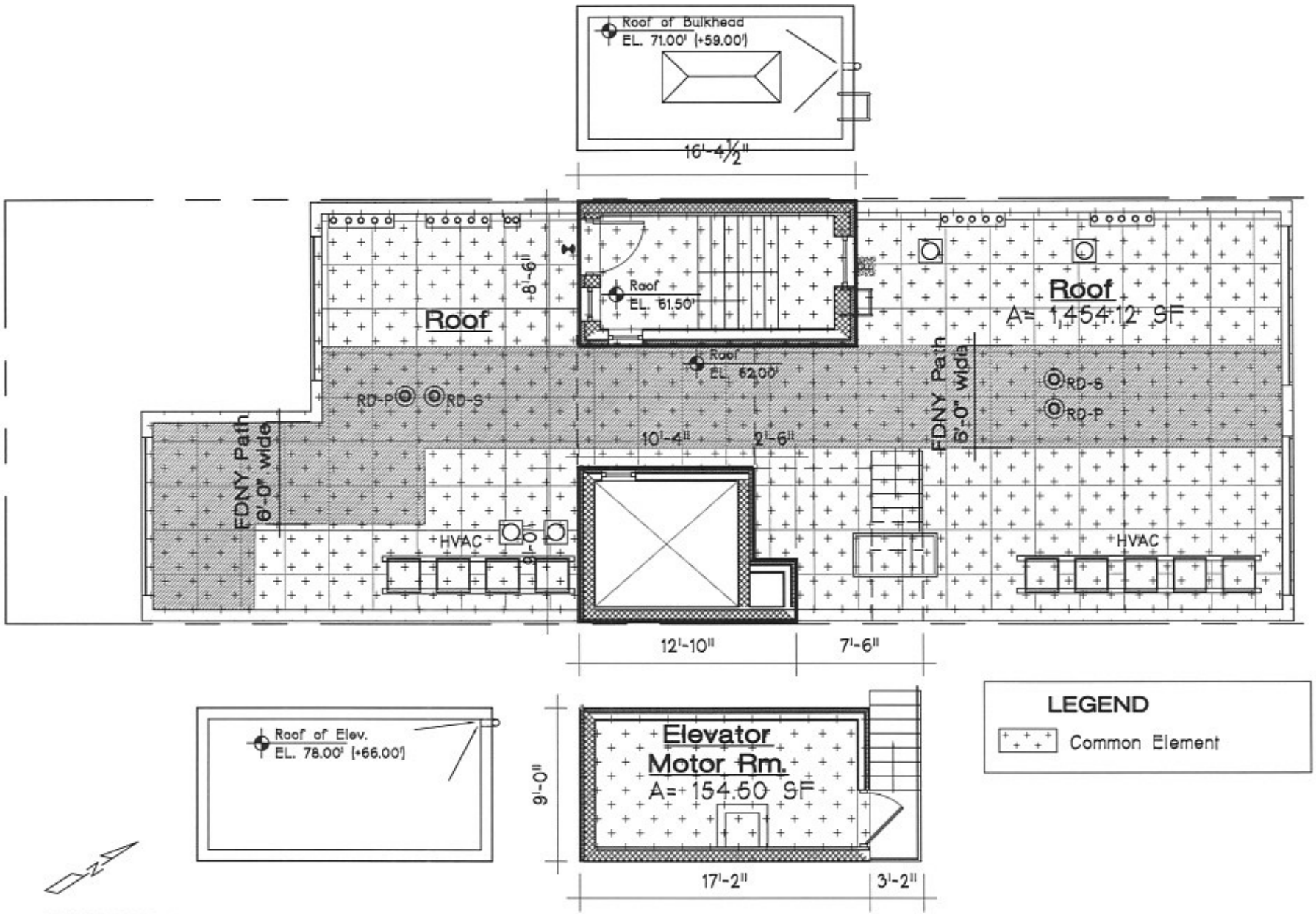
Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020
All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.



FIFTH FLOOR PLAN

Scale: 1/8" = 1'-0"

Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020
All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.



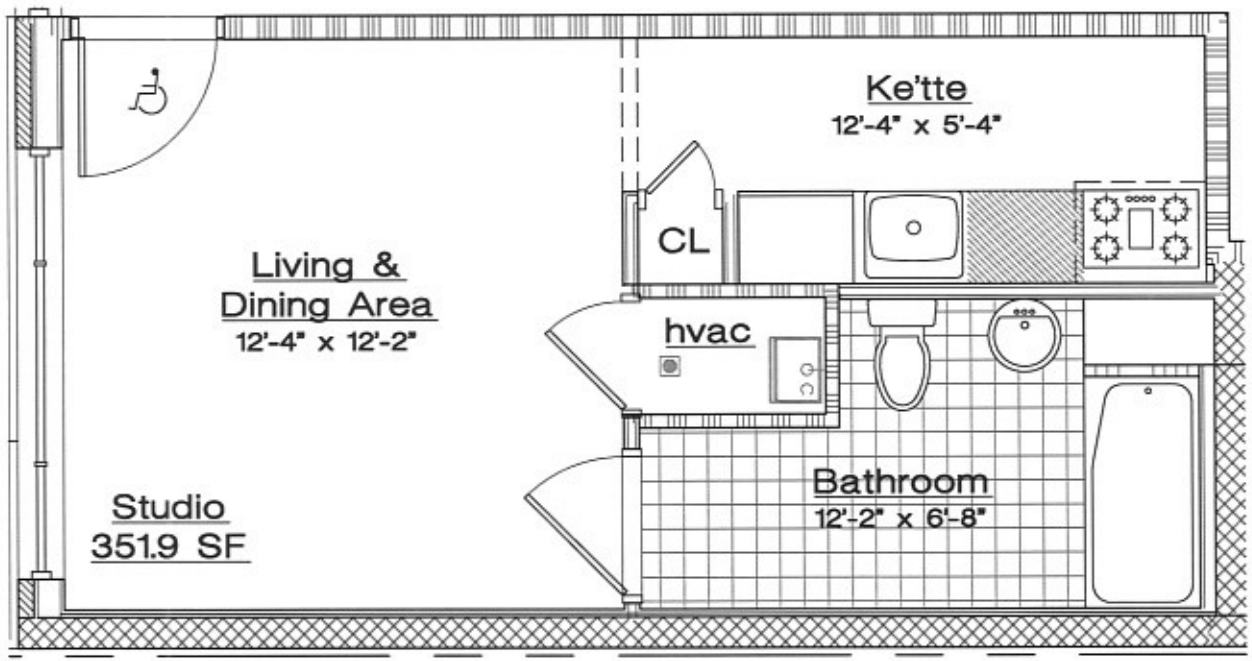
BUILDING ROOF PLAN & BULKHEADS ROOF

Scale: 1/8" = 1'-0"

Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020

All dimensions are approximate and are subject to normal construction variances and tolerances.

Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.



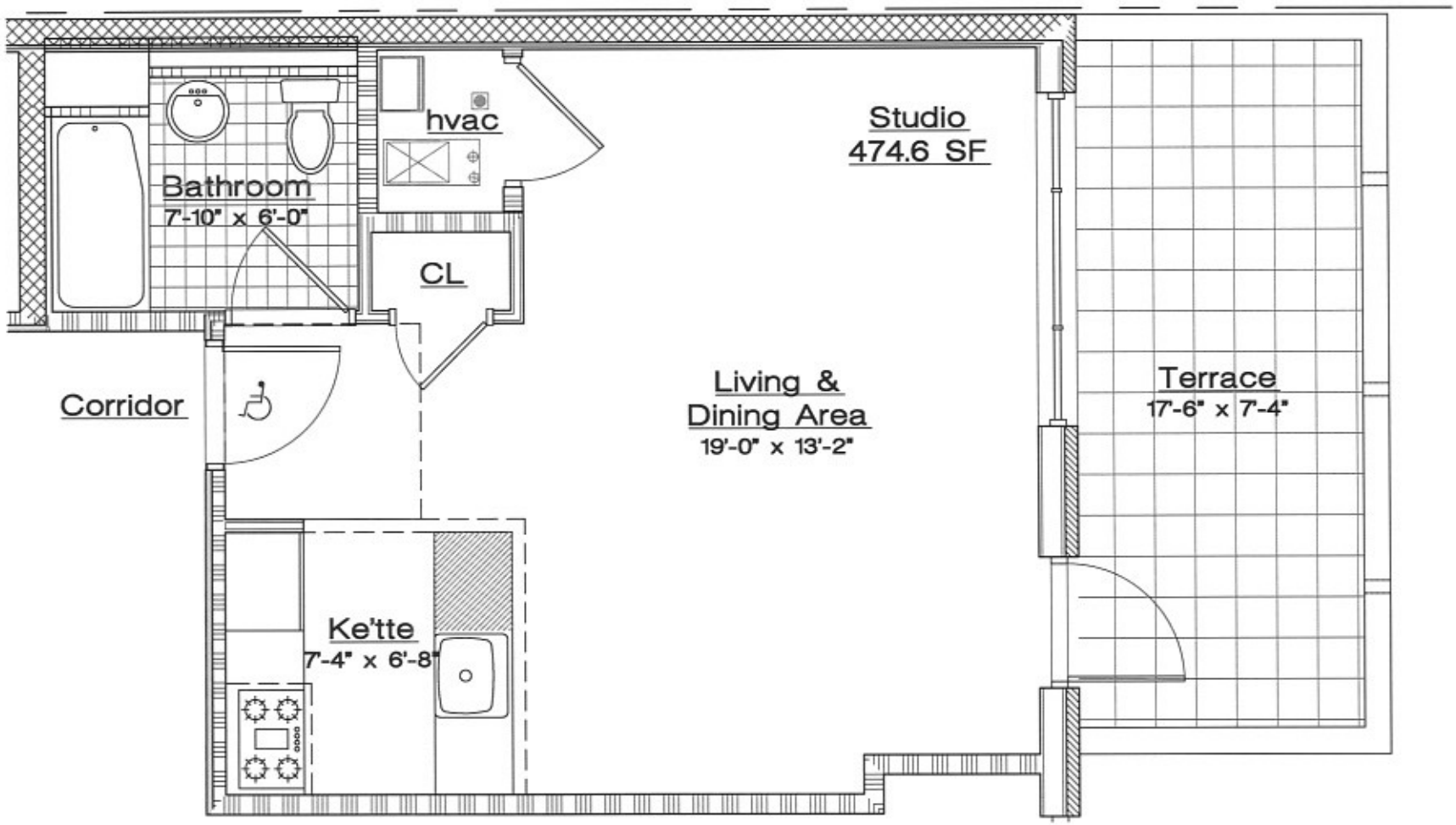
UNIT 1A

Scale: 1/4" = 1'-0"

Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020

All dimensions are approximate and are subject to normal construction variances and tolerances.

Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.



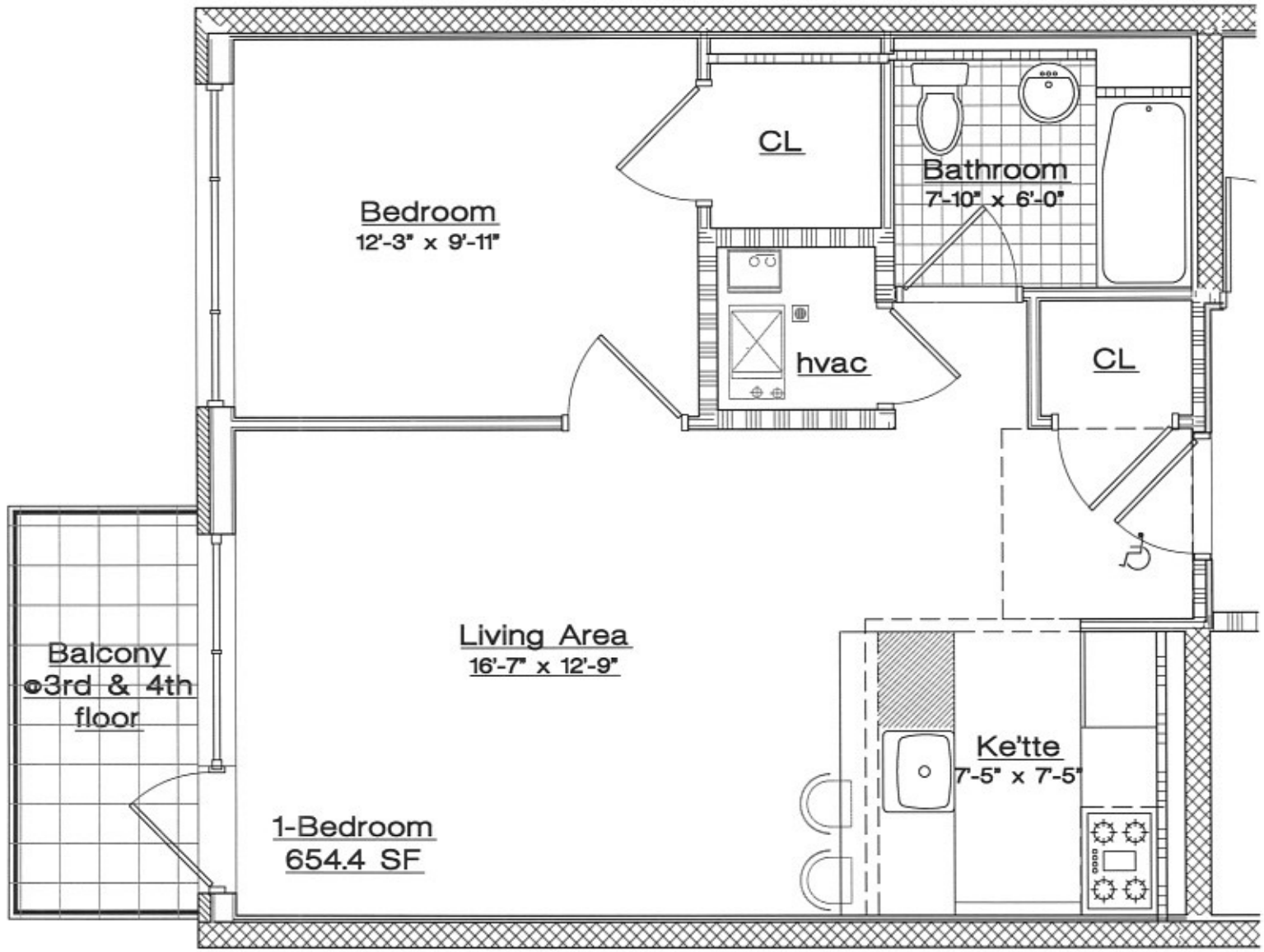
UNIT 1B

Scale: 1/4" = 1'-0"

Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020

All dimensions are approximate and are subject to normal construction variances and tolerances.

Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.



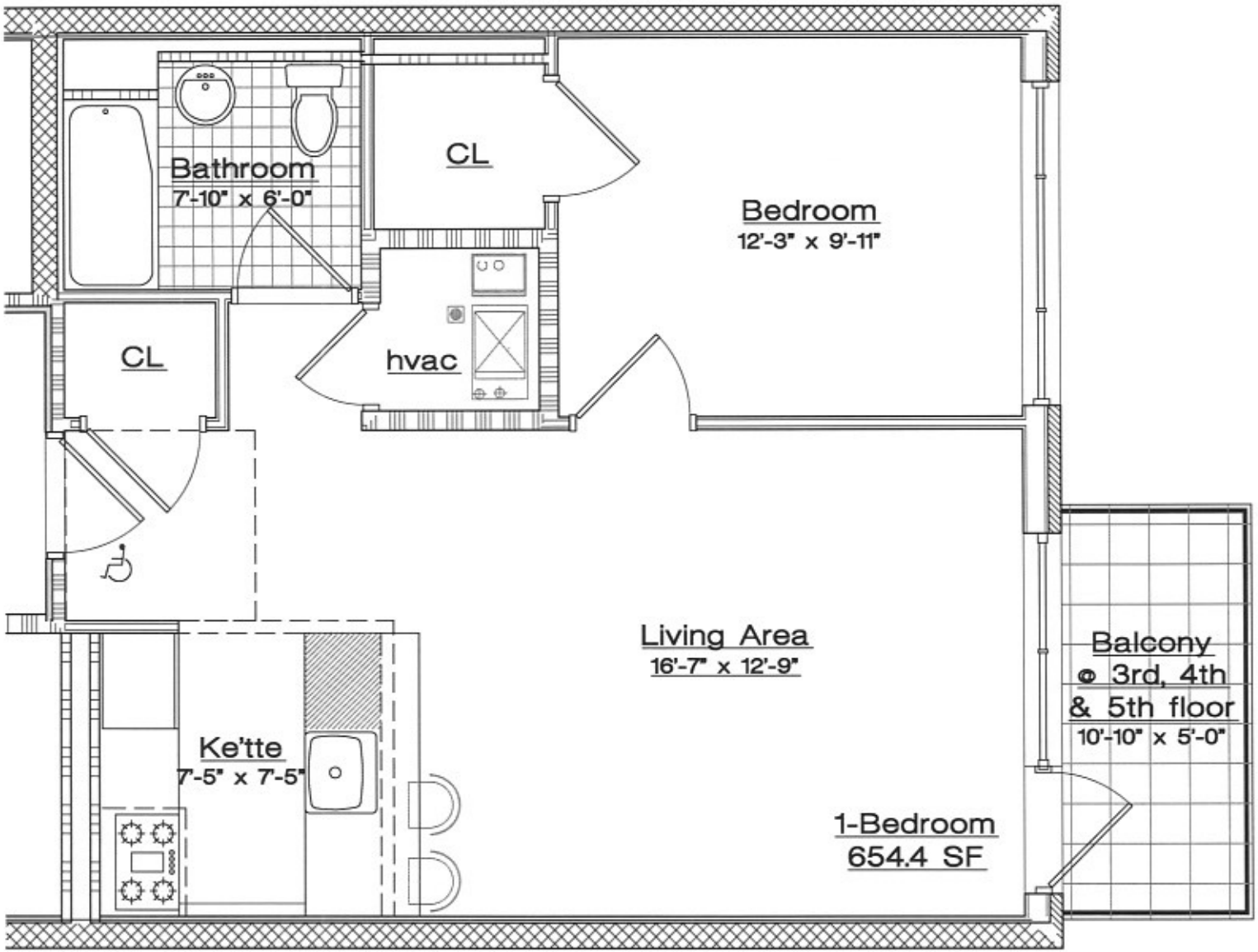
UNIT 2A, 3A & 4A

Scale: 1/4" = 1'-0"

Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020

All dimensions are approximate and are subject to normal construction variances and tolerances.

Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.



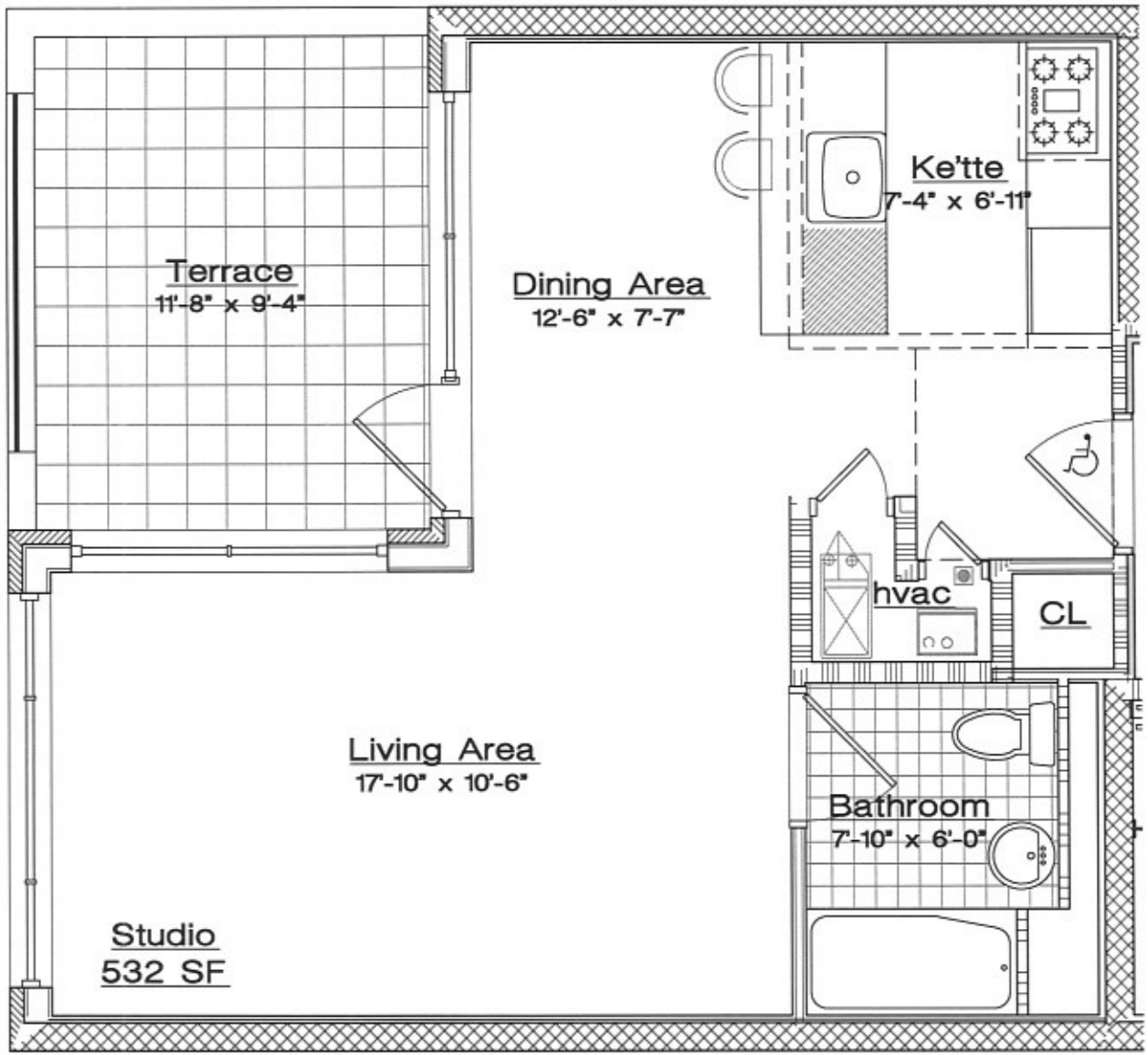
UNIT 2B, 3B, 4B & 5B

Scale: 1/4" = 1'-0"

Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020

All dimensions are approximate and are subject to normal construction variances and tolerances.

Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.



UNIT 5A

Scale: 1/4" = 1'-0"

Building Plans DOB Approved: May 31, 2017 - Revisions Approved: June 02, 2020

All dimensions are approximate and are subject to normal construction variances and tolerances.

Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the offering.

PURCHASE AGREEMENT

NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC

Sponsor

with

_____

Purchaser

Residential Unit Number _____

URBAN GARDEN MANOR CONDOMINIUM
14-11 31ST AVENUE
ASTORIA, NEW YORK 11102

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PURCHASE AGREEMENT
UNIT NUMBER _____
URBAN GARDEN MANOR CONDOMINIUM
14-11 31ST AVENUE
ASTORIA, NEW YORK 11102

AGREEMENT, made as of _____, _____, between Sponsor and Purchaser (defined below).

WITNESSETH:

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for the URBAN GARDEN MANOR Condominium and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to Selling Agent. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-laws and Residential Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC, having an office at 2330 Ponce De Leon Blvd., Suite 201, Coral Gables, FL 33134. Sponsor's taxpayer identification number is _____.

2.2. "Purchaser" means _____ having an address at _____. Purchaser's social security number is _____.

2.3 "Attorney for Sponsor" means Tsoromokos & Papadopoulos, PLLC, having an address at 45-02 Ditmars Blvd., Suite 1000, Astoria, New York 11105; Telephone number: (718) 731-1250. Facsimile number: (718) 731-1270.

2.4 "Attorney for Purchaser" means _____, having an address at _____. Attention: _____, Esq. Telephone number: _____. Facsimile number: _____. E-mail address: _____.

2.5 "Selling Agent" means _____, having an address at _____. Telephone number: _____.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

2.8 "Title Company" means Intercounty Abstract Corp., 199 Jerich Tpke., Floral Park, New York 11001. Telephone number: (516) 358-2500.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the Unit designated as Residential Unit _____ in the Declaration, together with its undivided _____% interest in the Common Elements appurtenant to such Unit ("Unit").

4. PURCHASE PRICE

4.1 The Purchase Price for the Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____, ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement, by check (subject to collection), receipt of which is hereby acknowledged;

(b) $_____, ("Balance of Purchase Price"), by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency, be drawn on or issued by a United States Bank or trust company which is a member of the New York Clearing House Association and shall be unendorsed. The Deposit shall be made payable to the direct order of "TSOROMOKOS & PAPADOPOULOS, PLLC. URBAN GARDEN MANOR CONDOMINIUM Escrow Agent." The Balance shall be made payable to the direct order of "NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC"(or such other party as Sponsor

directs to Purchaser, in writing, at least 1 business day prior to the date of Closing of Title). If any check is returned for insufficient funds or any other reason, such return shall be deemed to be a default by Purchaser under this Agreement and shall entitle Sponsor to exercise any of the remedies set forth in Article 13 hereof. Notwithstanding the foregoing, if the check representing the Initial Deposit is returned for insufficient funds or any other reason, such return shall be deemed to be a non-curable default by Purchaser and this Agreement shall automatically be deemed cancelled. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

5. DEPOSIT TO BE HELD IN TRUST

5.1 The law firm of TSOROMOKOS & PAPADOPOULOS, PLLC., with an address at 45-02 Ditmars Blvd., Suite 1000, Astoria, New York 11105, telephone number 718-721-1250, shall serve as Escrow Agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Nick Tsoromokos, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

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

5.3 The Escrow Agent has established the escrow account at Signature Bank, located at 36-36 33rd Street, Suite 400, Long Island City, New York 11106, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled TSOROMOKOS & PAPADOPOULOS, PLLC URBAN GARDEN MANOR CONDOMINIUM ESCROW ACCOUNT ("Escrow Account"). The Escrow Account is an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit. Any deposit in excess of $250,000.00 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

5.4 All Deposits received from Purchaser shall be in the form of [checks, money orders, wire transfers, or other instruments], and shall be made payable to or endorsed by the Purchaser to the order of TSOROMOKOS & PAPADOPOULOS, PLLC, as Escrow Agent.

5.5 The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to the

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

5.6 Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement.

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

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

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

5.10 The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

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

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

5.13 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).

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

5.15 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.

5.16 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 this Purchase Agreement.

5.17 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.

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

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Tsoromokos & Papadopoulos, PLLC, 45-02 Ditmars Blvd., Suite 1000, Astoria, New York 11105 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior written notice ("Initial Closing Notice"). If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Attorney for Sponsor at Closing an extra fee as set forth in the Plan. After the Initial Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing on not less than 5 business days' notice to Purchaser, which new Closing notice shall fix a new date, hour and place for the Closing of Title and which date shall not be earlier than the date set forth in the Initial Closing Notice. Only the Initial Closing Notice shall require 30 days' prior written notice. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the conveyance of title to the Unit from Sponsor to Purchaser.

6.3 The Closing of Title shall only occur with or after compliance with the prerequisites to Closing and the Section of the Plan entitled "Terms of Sale."

7. CLOSING DOCUMENTS

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in compliance with IRS Section 6045(e) as amended, or any successor provision or regulation promulgated thereunder.

7.4 At the Closing of Title, Sponsor and Purchaser shall execute and acknowledge in form for recording such other documents that are reasonably necessary or customary in connection with the conveyance of a Condominium Unit, including, but not limited to, title affidavits, transfer tax forms, reporting information in respect of real estate transactions, smoke detector affidavit and window guard notices.

7.5 The executed deed, transfer tax forms and power of attorney shall be delivered at the Closing to the representative of the Title Company insuring Purchaser's title (or, if no such representative is present, then to the Attorney for Sponsor) for recording in the Office of the City Register, which recording shall be at Purchaser's expense. After being recorded the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.6 Purchaser's payment of the Balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to Closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of Purchasers under Article 23-A of the General Business Law, the Plan, and Part 20 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser and Purchaser shall accept such fee simple title to the Unit as the Title Company will approve and insure without additional premium to Purchaser, provided that the only liens and encumbrances affecting title shall be those set forth in Schedule A annexed hereto and made a part hereof and those expressly agreed to by Purchaser. Any lien and encumbrance or condition which is not set forth in Schedule A annexed hereto shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the Title Company, together with the attendant recording or filing fee, if any, or (b) the Title Company (or such other title insurance company Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien. Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing of Title, then, for purposes of Article 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subparagraph shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to Closing, accrued rent and any other charges pursuant to a use and occupancy agreement, if any, covering the Unit.

9.2 If the Unit has been separately assessed for real estate taxes but the Closing of Title occurs before the tax rate is fixed, adjustment of real estate taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the Closing, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed for real estate taxes as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit. In addition, Purchaser shall pay the Unit's proportionate share of real estate taxes for the next ensuing tax period and Sponsor or the Condominium will pay such real estate taxes directly to the City of New York. Sponsor shall not be obligated to reimburse Purchaser after the Closing on account of any difference between the amount of real estate taxes for the then current tax period paid by Purchaser at Closing calculated according to the above formula and the amount of real estate taxes subsequently billed by the City of New York to such Purchaser (as Unit Owner).

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date subject to Sponsor's rights under Section 13.2 of this Agreement, and subject to Purchaser's right to adjourn the closing date one time for an adjourned period of up to fifteen (15) days, (a) the Closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.0438% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the

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

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title.

10. MORTGAGE TAX CREDIT

In the event a mortgage recording tax credit becomes available pursuant to Section 339- ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure 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, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS

In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other Closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at Closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association.

12. 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 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.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to appear at the Closing on the date designated by Sponsor in the Closing notice or in some subsequent notice; or

(ii) Purchaser's failure to pay when due the Balance of the Purchase Price, or any Closing adjustment or Closing cost required to be paid by Purchaser as set forth in the Plan or in this Agreement, or the dishonor of any check given by Purchaser to Sponsor; or

(iii) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or

(iv) if Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation; or

(v) Purchaser's assignment or transfer of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or lien; or

(viii) Purchaser's assignment or transfer of this Agreement without the prior written consent of Sponsor; or

(ix) Prior to closing of title purchaser's listing the Unit for resale or rental with any broker or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental without Sponsor's prior written consent; or

(x) an Event of Default by Purchaser beyond any applicable grace period under a Purchase Agreement between Purchaser and Sponsor for another Unit at the Property.

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Balance of the Purchase Price and to pay, perform or comply with Purchaser's other

obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the entire Deposit and any interest earned on the Deposit. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close on the Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, reasonable legal fees and costs of collection).

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and all sums deposited with the Sponsor, including the Deposit, together with interest earned thereon, shall be returned to Purchaser. Upon such return, 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.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all sums Deposited

and all other sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

If the Offering Plan is abandoned by Sponsor, before the Offering Plan is declared effective, and the Sponsor has accepted purchase agreements, the Sponsor shall promptly submit an amendment to the Office of the Attorney General together with RS-3 as promulgated by the Office of the Attorney General If payments under purchase agreements have been received, the amount of such funds and the manner of time when these funds will be returned must be disclosed. All monies paid by Purchasers shall be refunded to them in full, with interest earned, if any, within five (5) days after the amendment abandoning the plan has been accepted for filing.. Sponsor will then promptly file an amendment together with form RS-3 as required by Section 20.1(l) (2) of 13 NYCRR 20.3. If there are no outstanding purchase agreements the Sponsor need not submit an amendment but shall submit a form RS-3 to the Office of the Attorney General which shall be served simultaneously by the Sponsor on all commercial or professional tenants, if any, in the manner specified by Section 20.1(d)(1) of that Part.

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

17. CONSTRUCTION

17.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications, subject to the right of Sponsor to amend the Plan and the Plans and Specification in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a Final Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

17.2 The construction of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be

liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The Closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Terms of Sale" in Part I of the Plan. As a result, if all such prerequisites are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for escrow), notwithstanding any construction items noted on Purchaser's Inspection Statement (as herein defined) remaining for Sponsor to complete and/or correct in accordance with its obligation under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building or the Unit.

17.4 The actual date for the First Closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the Section of the Plan entitled "Terms of Sale." Purchaser acknowledges that construction may be delayed by late delivery of material or equipment, labor difficulties, unavailability of Building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

18. INSPECTION OF THE UNIT

18.1 Upon receipt of the Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the Unit within the 7 days prior to the Closing Date fixed by the Closing Notice. Purchaser or Purchaser's duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to Sponsor's representative at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within 7 days prior to the Closing Date fixed by the Closing Notice or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from appearing at the Closing, paying the Balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit as is. However, nothing herein shall relieve Sponsor of its obligations as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

18.2 Any work set forth on the Inspection Statement shall be completed by Sponsor as agreed in writing and shall not be grounds for delaying the Closing. Purchaser will be required to provide Sponsor with reasonable access to the Unit subsequent to the

Closing in order to complete punch-list work. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any punch-list items.

19. DAMAGE TO THE UNIT

If between the date of this Agreement and the Closing of Title the Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Unit by fire or other casualty until the earlier of Closing of Title or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing of Title.

19.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all Deposits and other sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all Deposits and other such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

20. 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 on behalf of 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 makes no 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 herein or in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article shall survive the Closing of Title.

21. PROHIBITION AGAINST ADVERTISING

Prior to the Closing of Title, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to Closing of title shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

22. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than Selling Agent and Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than Selling Agent and Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than Selling Agent or Co-Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article shall survive the Closing of Title.

23. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that (i) Purchaser

designates such assignee at least 10 business days prior to the Closing Date; (ii) Purchaser delivers to Attorney for Sponsor the fee set forth in the Plan for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing is not delayed as a result of such assignment , (iv) the assignee of this Agreement assumes in writing, by an instrument prepared by Attorney for Sponsor, the obligations of Purchaser under this Agreement and (v) the assignment is made without consideration. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor. In the event that a Purchaser sells his or her Unit within twelve (12) months of the Closing date of their Unit (the "subsequent sale"), Purchaser shall be obligated to pay to the Sponsor, in addition to the purchase price paid at the Closing of the purchase of the Unit from the Sponsor, the net proceeds of the subsequent sale.

24. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser or the Attorney for Purchaser. If this Agreement is not accepted within 15 days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and all sums, including he Deposit shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

25. NOTICES

25.1 Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan shall be in writing and either delivered in person, via electronic transmission (e-mail) or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to the Attorney for Purchaser at the address given at the beginning of this Agreement with a copy by regular mail delivered to Purchaser at the address given at the beginning of this Agreement and to the Attorney for Sponsor at the address given at the beginning of this Agreement, with a copy by regular mail delivered to Sponsor at the address given at the beginning of this Agreement. Either party may

hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given on the date when personally delivered, when sent via electronic transmission (e-mail), when delivered to the overnight courier, or in the case of mailing, on the date mailed in a prepaid sealed wrapper, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

25.2 Sponsor hereby designates and empowers both Selling Agent and Attorney for Sponsor, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

25.3 Purchaser hereby designates and empowers the Attorney for Purchaser, as Purchaser's agent to give any notice to Sponsor under this Agreement in Purchaser's name, which notice so given shall have the same force and effect as if given by Purchaser.

26. JOINT PURCHASERS

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

27. LIABILITY OF SPONSOR

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

28. FURTHER ASSURANCES

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

29. FINANCING

The terms and provisions of this 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 financing will not relieve Purchaser of Purchaser's obligations hereunder unless Purchaser executes the attached Mortgage Contingency Rider annexed to this Agreement as Schedule C and delivers it to Sponsor together with this Agreement and complies with all the financing obligations set forth therein. 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 or 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. If the financing commitment lapses or expires prior to Closing and the Purchaser(s) has made a good faith effort to extend such commitment, Sponsor grants to such Purchaser(s) a right of rescission and a reasonable period of time to exercise the right of rescission.

30. LIMITED WARRANTY

SPONSOR MAKES NO HOUSING MERCHANT IMPLIED WARRANTY OR ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS AGREEMENT OR THE UNIT(S) COVERED HEREBY AND ALL SUCH WARRANTIES ARE EXCLUDED, EXCEPT AS PROVIDED IN THE LIMITED WARRANTY ANNEXED TO THIS AGREEMENT AS SCHEDULE D. THE TERMS OF THE LIMITED WARRANTY ARE HEREBY INCORPORATED INTO THIS AGREEMENT AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE THEREOF. PURCHASER HEREBY ACKNOWLEDGES THAT A WRITTEN COPY OF THE TERMS OF THE ANNEXED LIMITED WARRANTY HAVE BEEN PROVIDED BY SPONSOR TO PURCHASER FOR PURCHASER'S EXAMINATION AND THAT A REASONABLE PERIOD OF TIME FOR ITS EXAMINATION BY PURCHASER HAS BEEN AFFORDED TO PURCHASER PRIOR TO THE TIME OF PURCHASER'S EXECUTION OF THIS AGREEMENT. PURCHASER UNDERSTANDS AND ACCEPTS THAT THE WARRANTY ANNEXED TO THIS AGREEMENT WILL BE FULLY EFFECTIVE WITHOUT THE EXECUTION OF ANY OTHER DOCUMENT BY EITHER PURCHASER OR SPONSOR ON THE EARLIER TO OCCUR OF (i) THE DATE THE DEED TO THE UNIT IS DELIVERED TO PURCHASER, OR (ii) THE DATE ANY PERSON COMMENCES OCCUPANCY OF THE UNIT.

THE LIMITED WARRANTY IS LIMITED TO AN OBLIGATION TO CORRECT MATERIAL DEFECTS IN THE CONSTRUCTION AND/OR RENOVATION OF THOSE PORTIONS OF THE UNIT WHICH WERE REQUIRED TO BE CONSTRUCTED OR RENOVATED. IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS. THE LIMITED WARRANTY EXCLUDES DEFECTS IN THE UNIT, IF ANY, WHICH ARE NOT WITHIN THE SCOPE OF THE CONSTRUCTION OR RENOVATION WORK AS SHOWN IN THE PLANS AND SPECIFICATIONS. IN ADDITION, SPONSOR SHALL NOT BE

RESPONSIBLE FOR CORRECTING OR REPAIRING ANY DEFECTS IN CONSTRUCTION, RENOVATION OR REHABILITATION (INCLUDING, WITHOUT LIMITATION, DEFECTIVE MATERIALS OR DEFECTIVELY CONSTRUCTED COMPONENTS OR PORTIONS OF THE BUILDING OR UNIT) OR DEFECTS IN THE INSTALLATION OR OPERATION OF ANY APPLIANCES (INCLUDING, WITHOUT LIMITATION, KITCHEN APPLIANCES), EQUIPMENT OR FIXTURES, TO THE EXTENT COVERED BY ASSIGNABLE WARRANTIES OR OTHER UNDERTAQUEENS (HOWEVER DENOTED) FROM MANUFACTURERS, CONTRACTORS, MATERIALMEN, OR OTHERS, WHICH ARE ASSIGNED TO PURCHASER OR THE CONDOMINIUM BOARD.

31. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement if Sponsor is deemed the prevailing party in any such dispute or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

32. 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 persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

33. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

34. GOVERNING LAW

The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

35. 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 a 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.

36. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

37. 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 terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

38. CAPTIONS

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

39. SUCCESSORS AND ASSIGNS

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

40. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by the parties hereto or by an amendment to the plan.

41. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may

be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

42. COUNTERPARTS

This Agreement may be executed in any number of counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement.

43. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY

44.1 The provisions of this Article 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.

44.2 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 hereby designates a duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

44.3 If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. Section 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 Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the Department of State.

44. SMOKING POLICY

Purchasers are advised that smoking shall be prohibited in all indoor locations of the condominium, including common areas and dwelling units, as well as all outdoor areas of the premises, including but not limited to courtyards, rooftops, balconies and patios and any other outdoor areas connected to the dwelling units. No owner shall smoke, or permit smoking by any occupant, agent, tenant, invitee, guest, friend, or family member anywhere on the property. Smoking shall include carrying, burning, or otherwise handling or controlling any lit or smoldering product containing tobacco or cloves, including but not limited to cigarettes, cigars or pipes.

Notwithstanding the said prohibition against smoking, the Board may designate (or remove from designation) an outdoor area for smoking, provided the smoking area(s) shall not cause secondhand smoke to drift into indoor common areas, exclusive use areas or individual units.

45. RESTRICTIVE DECLARATION

ALL OWNERS OF DWELLING UNITS IN THE BUILDING SHALL BE REQUIRED TO EXECUTE A RESTRICTIVE DECLARATION WHICH SHALL BE RECORDED AGAINST THE PREMISES AGREEING TO MAINTAIN THE UNIT AS HIS OR HER PRIMARY RESIDENCE FOR AT LEAST THE FIRST FIVE (5) YEARS OF OWNERSHIP.

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

PURCHASER(S):

_____
(SIGNATURE)

SPONSOR:

NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC

By: _____
Name:
Title: Member

Escrow Agent:

_____
Tsoromokos & Papadopoulos, PLLC
By: Nick Tsoromokos, Esq.

SCHEDULE A – PERMITTED EXCEPTIONS

1. Zoning and other regulations, resolution and ordinances and any amendments thereto now or hereafter adopted provided they are not violated by the existing Building and improvements erected on the property or the use thereof.

2. Any state of facts which a survey or personal inspection of the property or the Unit would show, provided such facts would not prevent the use of the Unit for dwelling purposes or render title unmarketable.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from Purchaser to the Condominium Board and the floor plans, all as may be amended from time to time.

4. 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 property may abut.

5. Any easement or right of use in favor of any utility company for construction, use or maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the property and any covenant, restriction and agreement of record; provided same are not violated by the present structure and the use of the Unit for dwelling purposes.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Any Easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of the Building.

8. Encroachments of the structure or structures now on the Premises and of structures in the neighboring premises encroaching on the subject Premises and upon any street or highway, or adjoining premises, if any, including but not limited to areas, shrubs, retaining walls, windows, cellar steps and/or doors, stoops, ornamental projections, trim and cornices, fences, fire escapes, if any, upon streets or highways and/or record property lines; and any variation between record property lines, and fences and/or walls and the record map.

9. Leases and/or service, maintenance, employment, concessionaire and/or license agreements, if any, of other Units or portions of the Common Elements.

10. The lien of any unpaid common charge, real estate tax, water charges, sewer rent or vault charge provided the same are adjusted at the Closing of title and/or are not yet due and payable.

11. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and Purchaser shall pay all assessments due from and after the Closing Date.

12. Any declaration or other instrument affecting the Property which the 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.

13. Any encumbrance as to which the Title Company (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

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

15. Any proposed, adopted or actual widening of any street, abutting or adjacent to the property provided same do not affect the existing structure or the use thereof as a residential dwelling.

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

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company who is a member of New York Board of Title Underwriters.

18. Any certificate of occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Survey of the Premises.

20. Declaration of Zoning Lot Restriction, if any, that have been filed with regard to the subject property.

SCHEDULE B
INSPECTION STATEMENT

Dated: _____

NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC
2330 Ponce De Leon Blvd., Suite 201
Coral Gables, FL 33134

Re: Residential Unit No.: _____ ("Unit")
URBAN GARDEN MANOR Condominium
14-11 31ST AVENUE
Astoria, New York 11102 ("Condominium")

Ladies and Gentlemen:

1. On the date hereof, the undersigned Purchaser(s) ("Purchaser") inspected the Unit which Purchaser is acquiring from Sponsor and found the Unit to be in good condition, except as otherwise noted below:

_____

_____

_____

2. Purchaser acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to the date Purchaser moves into the Building. Purchaser agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

3. In the event Purchaser performs work in the Unit of any kind affecting any of the areas or items listed above after the Closing, Sponsor will be relieved of any and all obligations related to the items listed herein.

PURCHASER(S):

_____
(SIGNATURE)

_____
(SIGNATURE)

_____
Sponsor's Representative

Exhibit "A-4"

W8 Form

RESIDENTIAL UNIT DEED

THIS INDENTURE, made this ____ day of _____, _____ between NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC, having an office at 2330 Ponce De Leon Blvd., Suite 201, Coral Gables, FL 33134 ("Grantor"), and _____ having an address at _____("Grantee").

W I T N E S S E T H:

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

The Condominium Unit ("Unit") known as **Residential Unit No. _____** (if applicable) in the Building ("Building") known as the URBAN GARDEN MANOR Condominium ("Condominium"), and by the street number 14-11 31ST AVENUE, Astoria, New York, Borough of Queens, City and State of New York, said Unit being designated and described by the above Residential Unit No. ____, (if applicable) in a certain declaration dated _____, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") establishing a plan for Condominium ownership of the Building and the Land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Queens County Office of the Register of The City of New York ("Register's Office") on _____ **under CRFN #** _____ ("Declaration"). The Unit is also designated as Tax Lot _____ in Block 534 of Section _____ 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 the Building certified by Frank Petruso Architect, P.C. on _____ and filed with the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. ____ and also filed in the Register's Office on _____**, as Condominium Map No. _____.**

TOGETHER with an undivided _____ % Percentage of Common Interest in the Common Elements.

TOGETHER with the appurtenances and all the state and rights of 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 of the Condominium (the "By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having any title, 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, to the Land and/or to the Building (which Land and Building are collectively referred to as the "Property")

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

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the 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.

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

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

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

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

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

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

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-laws of the Condominium.

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

GRANTOR: **GRANTEE:**

NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC

_____

By: _____

_____

Name:
Title:

Acknowledgment

State of New York) ss.:
County of _____)

On the ____ day of _____ in the year _____ before me, the undersigned, a Notary Public in and for said State, 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

FEE TITLE DESCRIPTION

A "Residential Unit" as hereinafter referred to shall be defined as follows:

Each Residential Unit shall consist of the area measured from the exterior of the exterior walls of the Building to the exterior of the interior walls and the center line of the demising walls separating one (1) Unit from another Unit. The doors and windows which open from the Residential-Unit shall be deemed part of the Residential Unit. No Residential Unit Owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the Residential Unit which are utilized for or serve more than one (1) Residential Unit. The Description of Residential Unit set forth herein pertains to the location of the walls, floors and roof of the Residential Unit as they are finally set forth in the Building plans to be filed simultaneously with the recording of the Declaration.

CONDOMINIUM UNIT DEED

URBAN GARDEN MANOR Condominium
14-11 31ST AVENUE
Astoria, New York 11102

Title No. _____

Section _____

Block 534

Lot _____

Record and Return To:

_____

_____

_____

_____

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 URBAN GARDEN MANOR Condominium ("Condominium") and by the street number 14-11 31ST AVENUE, Astoria, New York 11102 under Article 9-B of the Real Property Law of the State of New York, dated _____, and recorded in the Queens County Office of the Register of The City of New York on _____ under **CRFN #** _____ or (b) in the By-Laws of URBAN GARDEN MANOR Condominium ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____ (having and office at) (residing at) _____, the owner(s) of Unit (the "Unit") in the URBAN GARDEN MANOR Condominium which is designated and described as Unit No.____ in the Declaration and also designated as **Tax Lot** _____ in **Block 534** 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, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with 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 a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interest, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, 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 attorneys-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 commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate; and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Buildings Department, the City Planning Commission, the Board of Standards and Appeals, or any

other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property or the Common Elements which the Condominium Board deems necessary or appropriate.

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

The undersigned (does) (do) hereby irrevocably nominate, constitute and appoint NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC (hereinafter referred to as "Sponsor") as attorney-in-fact from the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, By-Laws and the Rules and Regulations of the Condominium, or any of 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 in accordance with the Declaration or (2) shall be required by (a) an institutional lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) 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.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 20__.

_____

_____

State of New York) ss.:
County of _____)

On the ____ day of _____ in the year _____ before me, the undersigned, a Notary Public in and for said State, 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

State of New York) ss.:
County of _____)

On the ____ day of _____ in the year _____ before me, the undersigned, a Notary Public in and for said State, 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 POWER OF ATTORNEY

URBAN GARDEN MANOR Condominium
14-11 31ST AVENUE
Astoria, New York 11102

Title No. _____

Section _____

Block 534

Lot _____

Record and Return To:

_____
_____
_____

DECLARATION OF CONDOMINIUM
URBAN GARDEN MANOR CONDOMINIUM
CONDO#

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP OF PREMISES
LOCATED AT 14-11 31ST AVENUE, ASTORIA, NEW YORK 11102
COUNTY OF QUEENS
CITY AND STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

DECLARANT: **NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC**
271 42ND STREET
BROOKLYN, NEW YORK 11232

DATE OF DECLARATION:

BLOCK: 573

FKA LOT: 45

NKA LOTS:

TSOROMOKOS & PAPADOPOULOS, PLLC
Attorneys for the Sponsor
45-02 Ditmars Blvd., Suite 1000
Astoria, New York 11105

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PLAN OF CONDOMINIUM UNIT OWNERSHIP

DECLARATION OF URBAN GARDEN MANOR CONDOMINIUM
PURSUANT TO ARTICLE 9-B OF THE REAL
PROPERTY LAW OF THE STATE OF NEW YORK

In the County of Queens, City and State of New York on this ___ day of _____, _____, NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC, New York limited liability companies, organized and existing under the laws of the State of New York, whose principal office is situated in New York, New York, hereinafter referred to as the "Declarant" or "Sponsor" represented in this Declaration by Andrew Magriples and James Magriples, who is fully empowered and qualified to execute this Declaration on behalf of the company does hereby state:

FIRST: SUBMISSION OF PROPERTY.

By this Declaration the Declarant submits the property described in this Declaration, including the Land and the Building and all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith, to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: DESCRIPTION OF PROPERTY.

The Declarant owns all that certain plot, piece or parcel of Land, with the Building and improvements thereon erected, situate, lying and being in the Borough of Brooklyn and County of Queens, City and State of New York, and more particularly bounded and described on Schedule A annexed hereto and made a part hereto.

THIRD: DEFINITIONS.

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

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

2. "Board Member" or "Member" - Each individual representative elected, designated or appointed to the Board of Managers.

3. "Building" - The one (1) Building including the Units and Common Elements of the Condominium.

4. INTENTIONALLY OMITTED

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

6. "Common Charges" - Each Unit Owner's proportionate share of Common Expenses of the Condominium

7. "Common Elements" - All portions of the Condominium, other than the Units. The Common Elements are divided as follows:
   (a) General Common Elements which are Common Elements shared by all Unit Owners.
   (b) Individual Residential Unit's Limited Common Elements which are Common Elements for the exclusive use of an individual Residential Unit Owner or Owners.

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

9. "Community" or "Development" - As used herein is equivalent in meaning to the term "Condominium" as same is used in Article 9-B of the Real Property Law.

10. "Condominium" – URBAN GARDEN MANOR Condominium which includes the Unit Owners, the Units and the Common Elements.

11. "Condominium Act" - Article 9-B of the Real Property Law of the State of New York.

12. "Declarant" or "Sponsor" – NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC, New York limited liability companies and their successors, assigns and designees.

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

14. "Institutional Mortgage" - A first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor, its successor, designee or assignee to a Purchaser of a Unit or in which the Sponsor, its successor, designee or assignee participates with one of the above.

15. "Limited Common Elements" - A Common Element appurtenant to a particular Residential Unit or Residential Units, the use of which is restricted to the Residential Unit Owner of such Residential Unit or Residential Units. Limited Common Elements may also be referred to as an Irrevocably Restricted Common Element.

16. "Officer" - One (1) of the officers of the Condominium chosen by the Board of Managers as provided for in Article IV of the By-Laws of the Condominium including the President, Vice President, Secretary and Treasurer.

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

18. "Property"- The overall Land area of the Condominium.

19. "Rules and Regulations" - The Rules and Regulations contained in Article VIII of the By-Laws as the same may be amended, altered, waived or added to by the Board of Managers.

20. "Special Assessment" - A Common Expense of the Condominium that is not included in the monthly Common Charges applicable to a Unit.

21. INTENTIONALLY OMITTED

22. "Unit" - A Unit includes all the Units in the Condominium. The Units are described as follows:

(a) "Residential Unit" - One (1) of the ten (10) Units designated as Residential Units in Schedule B of the Declaration for residential use.

As used herein the terms "Residential Units" are equivalent to the term "Unit" in Article 9-B of the Real Property Law of the State of New York.

As used herein the term "Unit" shall include the Residential and Parking Space Units in the Condominium, unless otherwise indicated.

23. "Unit Owner" - A Unit owner includes all the Unit Owners in the Condominium. Unit Owners are described as follows:

(a) "Residential Unit Owner" - the owner of a Residential Unit

24. "Unsold or Untitled Unit" - Any Unit in which title is retained by the Sponsor and any successors or assigns until such time as the same

has been sold and title conveyed to a third party. It shall not include a Residential Unit which is used for personal occupancy of the Sponsor, any of its principals or any of its successors or assigns or designees.

FOURTH: COMMUNITY/MEASUREMENT OF UNIT.

A. Community - The Declarant is constructing on the described parcel a Condominium Community known as URBAN GARDEN MANOR Condominium, according to the plans filed simultaneously with the recording of this Declaration in the New York City Register's Office, which Plans set forth a description of the Building stating the number of stories and number of Units.

The Condominium will consist of seven (7) Residential Units and the Common Elements.

The structural system is comprised of bearing walls and steel joists system consisting of poured in place reinforced concrete footing and foundation walls below first floor level. Each of the Units has access to each other Unit or to any other portion of the Condominium or to a street upon which the Condominium abuts by means of a walk hallway, or lobby. For the purposes of describing the location of the Building, approximate area, type and number of rooms of each Unit and the Common Elements to which each Unit has immediate access, each Unit is described as shown on Schedule B annexed hereto. Each Unit will be sold to one or more Unit Owners, each Unit Owner obtaining fee ownership, together with an undivided interest in the Common Elements of the Condominium, as listed hereinafter in this Declaration and referred to as the "Common Elements," all of the above in accordance with Article 9-B of the Real Property Law of the State of New York. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities may be changed by mutual consent of the Sponsor and the Unit Owner at the time of construction of the Unit.

B. Measurement of Units - The approximate physical dimensions of each Residential Unit consists of the area measured horizontally from (a) the outside face of the exterior walls of the Building, to (b) the centerline of the interior partitions separating the Unit from another Unit, or (c) the centerline of the corridor partitions separating the Unit from the corridor or any other spaces, if any. Each Residential Unit will consist of the volume measured vertically from the wood subfloor or concrete floor to the underside face of the gypsum ceiling supported by the structural system forming the floor of the Residential Unit above or forming the roof above. The interior of the entrance doors, windows and their panes and frames, and HVAC Unit and their sleeves, will be included as part of each Residential Unit. No Residential Unit owner shall be deemed to own any Common Element located within the Residential Unit including but not limited to the supporting columns, pipes, wires, conduits or other public lines running through the Residential Unit which are utilized for or service more than one (1) Residential Unit.

FIFTH: COMMON ELEMENTS.

The Common Elements will consist of the entire property, including all parts of the Condominium and improvements thereon, other than the Units, and will consist of the following:

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

1. The Land on which the Condominium is erected and all other Land within the boundaries of the Property;

2. All portions of the roof, including gutters and leaders, that are not restricted in use to a specific Unit or Units and intended for the common use and service of the Building;

3. All exterior walls of the Building;

4. All foundations, footings, columns, girders, beams, supports, floor slabs and ceilings that are not part of a Unit and any interior load bearing walls that are not part of a Unit and that service the entire Building;

5. Stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units which are intended for the common use and service of the Building;

6. All improved and unimproved areas of the Condominium located outside the boundaries of the Units intended for common use and service;

7. All central and appurtenant installations for services such as power, light, telephone, television, gas, hot and cold water and heat (including all boilers, pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces intended for the common use and service of the Building;

8. All drainage systems, sewers and/or storm sewer pipes, drywells or detention tanks or facilities intended for the common use and that service of the Building;

9. All mechanical equipment, refuse rooms, utility meters, storage areas, if applicable, are intended for the common use and service of the Building;

10. Any heating, cooling or other mechanical system located in the Common Elements intended for the common use and service of the Building;

11. All telephone and cable rooms, meter rooms, equipment rooms, elevator rooms and any other mechanical rooms or areas intended for the common use and service of the Building;

12. All tanks, pumps, motors, fans, compressors, elevator equipment and control equipment intended for the common use and service of the Building;

13. Any sprinkler system located in the Common Elements and intended for the common use and service of the Building;

14. The elevator, elevator cab and all mechanical equipment servicing the elevator intended for the common use and service of the Building;

15. Any plantings and Landscaping intended for the common use of the Condominium;

16. Any pedestrian walkways and ramps intended for the common use and service of the Condominium;

17. The authorized mail area adjacent to the lobby;

18. Any fences and gates located on the Property;

19. All flues, chimneys and vent caps for the common use and service of the Building;

20. The vestibule located in the front of the Building and the rear Building entrance intended for the common use and service of the Building;

21. Refuse disposal chutes;

22. Any intercom system intended for the common use and service of the Building; and

23. All other parts of the Condominium, Building and all apparatus and installations existing in the Building or Property for common use or

necessary or convenient to the existence, maintenance or safety of the Condominium.

B. Irrevocably Restricted Areas / Individual Residential Unit's Limited Common Elements - Certain portions of the Common Elements are irrevocably restricted in use to specified Residential Units or Residential Unit Owners subject to the right of the Board of Managers of the Condominium to enter upon any restricted area for maintenance, repair or improvement of a Unit or the Common Elements and subject to the Rules and Regulations of the Board of Managers (see By-Laws, Article VIII). Said irrevocably restricted Common Elements are also referred to as an Individual Residential Unit's Limited Common Element. Any portion of
the Common Elements which is not restricted in use may be used by any Unit Owner. Following are descriptions of the irrevocable restricted Individual Residential Unit's Limited Common Elements:

1. Individual Residential Unit's Limited Common Elements - Individual Residential Unit's Limited Common Elements are irrevocably restricted in use to a specific Residential Unit or specific Residential Units. Following are descriptions of irrevocable restricted Individual Residential Unit's Limited Common Elements:

(a) Any balcony and/or terrace or patio appurtenant to a Residential Unit shall be a Individual Residential Unit's Limited Common Element for the exclusive use of the Residential Unit Owner of the applicable Residential Unit;

(b) Any rear yard appurtenant to a Residential Unit shall be a Individual Residential Unit's Limited Common Element for the exclusive use of the Residential Unit Owner of the applicable Residential Unit;

(c) Any hot water tank, boiler, air conditioning condenser and any other heating, cooling or other mechanical system servicing an individual Unit that is located in or on the Common Elements; and

(d) Any Storage Spaces which will serve or benefit a Residential Unit exclusively as designated in Schedule B of this Declaration; and

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

All structural repairs and replacements to any balcony and/or terrace that is a Limited Common Element will be the responsibility of the Condominium and an Individual Residential Unit's Common Expense. All General maintenance and repairs of a balcony and/or terrace that is a Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, (including the repair of leaks and the repair or replacement of the surface of the balcony and/or terrace), shall be the responsibility of the Residential Unit Owner whose balcony and/ or terrace is appurtenant to their Residential Unit and is a Limited Common Element of their Residential Unit. The balconies and/or terraces are not permitted to be used for storage and are not permitted

to be enclosed and are not permitted to be used for any type of occupancy including but not limited to dining, sleeping, living room, recreation, office or similar use. All drains located on a balcony and/or terrace must be kept open at all times. Residential Unit Owners will not be permitted to store any combustible material or other items in or on a balcony and/or terrace. Neither the Condominium nor any Residential Unit Owner will be permitted to enclose or make any structural changes to a balcony and/or terrace except as required for repair or replacement.

All repairs, maintenance and replacement and all costs associated thereto to any hot water tank, boiler, air conditioner condenser or any other heating, cooling or other mechanical system that is an Individual Residential Unit's Limited Common Element shall be the sole obligation of the applicable Residential Unit Owner for which the facility is a Limited Common Element.

All repairs, maintenance and replacement and all costs associated thereto to any laundry equipment including but not limited to electric washer, gas fired type dryer or any other laundry system that is an Individual Residential Unit's Limited Common Element shall be the sole obligation o the applicable Residential Unit Owner.

C. Provisions Applicable to All Common Elements –

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

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

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

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

SIXTH: EASEMENTS.

All pipes, sewers and/or drainage lines and wires, conduits and public utility lines located within each Unit and for the exclusive use of the Unit shall be maintained by such Unit Owner. Any portion of such pipes, sewers and/or drainage lines and wires, conduits and public utility lines located in the Common Elements or in a Limited Common Element and servicing one or more other Units will be a General Common Element and all repairs and maintenance thereto shall be the responsibility of the Condominium. Every Unit

Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in other Units and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, sewers and/or drainage lines, wires, conduits and public utility lines servicing such other Units located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in any Unit and servicing any other Unit or causing damage to any other Unit or any pipe, sewer and/or drainage line, wires, conduits and public utility lines, no matter how designated that causes or is in imminent danger of causing damage to another Unit or the Common Elements. The cost of such repairs shall be a Common Expense unless the damage is the result of the negligence of a Unit Owner or tenant, occupant, employee or other person a Unit Owner may be responsible for, in which case the cost of such repairs shall be the responsibility of the Unit Owner who is responsible or whose tenant, occupant, employee or other person the Unit Owner is responsible for causing such damage. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

The Board of Managers and their agents, employees and contractors shall have an easement for access through all the Common Elements and the Units for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any Unit or any other Common Element no matter how classified, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of Condominium or for the health and safety of the Condominium. Such right of access to a Unit shall be exercised in such a manner as is required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the health and safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Each respective utility and cable company shall have a right of access to the Common Elements and each Unit for maintenance, repair or improvements to any pipes, sewers and/or drainage lines, wires, conduits, and public utility lines located in the Common Elements and any Unit. Any utility or cable company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

The Board of Managers shall have the right to grant such additional electric, gas, water, sewer, drainage or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Managers shall deem necessary or

desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

The Board of Managers shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Condominium.

The Declarant, its successors, assigns, and/or designees and Purchasers of undeveloped or unsold Units, reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across all of the Property and the Building comprising the Condominium for the purpose of completing construction, sale and rental of Units and facilities in the Condominium and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across all of the Property and the Building comprising the Condominium for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television and other utilities and for any other materials or services necessary for the completion of the work. The Declarant, its successors, assigns, and/or designees and Purchasers of undeveloped or unsold Units, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Property and Building comprising the Condominium. The Declarant, its successors and assigns and/or designees and Purchasers of undeveloped or unsold Units, shall have an easement to erect and maintain General sales, leasing, business or administration offices and/or model Units, to erect, maintain, repair and replace from time to time one or more free-standing and other selling, directional and informational signs in/or on the Property and the Building comprising the Condominium as it deems necessary for the purposes of advertising the sale or lease of Units, and for the purpose of showing the Units to prospective Purchasers or lessees and for access to Units and Common Elements consistent with the purposes of the Declaration, as the same may be amended, and Declarant's rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units, together with their Percentage of Common Interest in the Common Elements. The Declarant, its successors, assigns and/or designees and Purchasers reserve the right to continue to use the Common Elements and any facilities, sales offices, model Units and signs located on the Common Elements, in its efforts to sell and/or lease Units constructed in the Condominium and to complete construction of the Condominium. This paragraph shall not be amended without the consent of the Declarant. The Declarant and Purchasers of Unsold Units shall have the rights enumerated herein for so long as Declarant or said Purchasers continue to own at least one Unsold Unit.

Each Unit Owner hereby grants a right of access to and through their Unit to Declarant or its assignee, successor and/or designee, and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Declarant with respect to the Common Elements and/or the Units pursuant to or in accordance with the offering plan, filed plans and specifications, the declaration and applicable law.

The Declarant for so long as the Declarant controls the Board and the Board of Managers and their respective designees shall have an easement of access to all Residential Units for the purpose of maintenance, repair and replacement of any recessed exterior lighting without the consent of the respective Residential Unit Owner upon reasonable notice to the Residential Unit Owner.

Each Unit Owner grants an easement of ingress and egress in, over and through any hallway that may be part of their Unit to any other Unit Owner, tenant, resident or other persons needing ingress or egress to their respective Unit that may be necessary for said purpose.

The Board of Managers will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements and Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium to repair, maintain and replace, located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, reBuilding, restoration or replacement of the General Common Elements or Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium to repair, maintain and replace.

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

Each Unit will have an easement for lateral and vertical support among all adjoining Units and Common Elements.

Any easements granted to Declarant, the Board of Managers, any Unit or any Unit Owner under this Declaration and the By-Laws may be exercised by such Declarant's, Board of Managers or Unit Owner's employees, agents, contractors, suppliers, customers, guests, invitees, licensees, servants, tenants, subtenants, members, and visitors, as the case may be, to the extent necessary to effectuate the purpose for the

easement or as otherwise authorized by the Declarant, the Unit Owner or Board of Managers.

Each Unit Owner will have a right and easement to use its Unit and the Individual Residential Unit's Limited Common Elements appurtenant to such Unit or Units, and the General Common Elements, subject to and in accordance with the terms and conditions of this Declaration and By-Laws.

All Unit Owners, residents, guests, tenants and anyone else needing access to a Unit shall have an easement of ingress and egress, in, through and over the Property of the Condominium, including the Common Elements regardless of how classified for access to their Unit.

The Board of Managers will have an easement and unlimited access to any Individual Residential Unit's Limited Common Elements for the purpose of making inspections, repairs or reBuilding of the Condominium pursuant to or in accordance with the offering plan, filed plans and specifications, the declaration and applicable law.

All emergency vehicles and personnel, including, but not limited to, police, fire and medical vehicles and personnel shall be granted an easement of ingress and egress over, upon and through the property. This Paragraph may not be amended by the Unit Owners in the Condominium.

Any easement granted in favor of the Sponsor and/or the Board of Managers for premises located within a Residential Unit may only be exercised upon reasonable notice to the Residential Unit Owner

SEVENTH: SERVICE OF PROCESS:

Service of process on the Unit Owners in any action with relation to the Common Elements shall be made upon the Secretary of State as the agent of the Board of Managers of the Condominium. The post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon him as agent for service of this Condominium during the period the Declarant controls the Board of Managers is: NEMA-1 REALTY, LLC & MAGNUM 1 REALTY, LLC, 23-68 26th Street, Astoria, New York 11105. Once the Declarant no longer controls the Board of Managers, the Board of Managers must notify the Secretary of State that the post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon the Board of Managers as agent of this Condominium is: Board of Managers, URBAN GARDEN MANOR Condominium, 27-34 27th Street, Astoria, New York 11102 or such other address as the Board of Managers of the Condominium selects.

EIGHTH: COMMON INTEREST.

Each Unit Owner shall have such Percentage of Common Interest in the Common Elements as is set forth in Schedule B attached hereto and shall be responsible for its pro rata share of the Common Expenses of the Condominium based upon such Percentage

of Common Interest except as otherwise described herein. Each Residential Unit Owner shall have one vote for each Residential Unit owned by a Residential Unit Owner for all voting purposes at any meeting of the Residential Unit Owners. The Percentage of Common Interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York.

NINTH: ADMINISTRATION.

The administration of the Condominium, and parcel of Land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto as Schedule C.

TENTH: AMENDMENTS AND WITHDRAWAL.

A. The dedication of the property to Condominium ownership herein shall not be revoked or the property withdrawn from Condominium ownership unless eighty (80%) percent of the Residential Unit Owners in number and in Common Interest and the first Mortgagees, if any, of each of these same Residential Units agree to such revocation or removal of the property from the Plan by duly recorded instruments.

B. The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66 2/3rds%) percent of the Residential Unit Owners in number held at a duly-called meeting of the Residential Unit Owners, provided however, that:

1. No amendment altering a Residential Unit Owner's Percentage of Common Interest shall be made without the consent of all the Residential Unit Owners affected.

2. No amendment shall be passed which shall affect, impair or prejudice the validity, interest, rights and priorities of Mortgagees.

3. No amendment, modification, addition or deletion of, to or from this Declaration, the By-Laws or any Rules and Regulations shall be effective in any way against Declarant or its successors, assigns or designees or against any Unsold Unit, as long as the Declarant, its successors, assigns, or designees owns an Unsold Unit in the Condominium unless the Declarant, its successors, assigns or designees has given its prior written consent thereto. This provision is not subject to amendment.

4. The Board of Managers and the Declarant, as long as the Declarant owns an Unsold Unit in the Condominium, shall have the right to amend the Declaration without the vote or consent of the Residential Unit Owners or the holders of any Residential Unit mortgages and to execute and record in the New York City Registrar's Office such amendment as may be required to reflect (i) changes in the Declaration (including Schedule B), As-Built Floor Plans and Condominium or Unit Designation Map that are corrective in nature or (ii) to resolve or clarify any inconsistency or which is patently a mistake or a scrivener's error, or (iii) technical corrections, or (iv) to comply with any federal, state or city law or regulation that may affect the Condominium.

5. INTENTIONALLY OMITTTED.

6. A Purchaser or Residential Unit Owner who purchases or owns two (2) adjoining Residential Units and is desirous of consolidating the two (2) Residential Units into one (1) Residential Unit may do so subject to obtaining all approvals required by the New York City Department of Buildings, New York City Department of Finance and any other required municipal approvals and obtaining whatever insurance and/or surety is required by the Board of Managers to do whatever work is necessary to consolidate the two (2) Units. The Board of Managers shall be required to cooperate with the Purchaser in amending Schedule B to the Declaration to reflect the consolidation and to change the appurtenant Percentage of Common Interest so long as the new Percentage of Common Interest equals the Percentage of Common Interest of the Residential Units that were consolidated and the Board of Managers shall have the right to amend said Schedule B without the vote or approval of the Residential Unit Owners. All approvals, revisions, amendments to Schedule B of the Declaration and any other requirements including any legal, engineering, architectural or otherwise necessary to consolidate the Residential Units shall be at the Purchaser's or Residential Unit Owner's sole cost and expense.

7. In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Residential Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of common elements; responsibility for maintenance and repairs; reallocation of interests in the General or Individual Residential Unit's Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Residential Units contained in Article XI of the By-Laws; imposition of any restrictions on a Unit Owner's right to sell or transfer the Unit Owner's Unit; a decision by the Condominium to establish self management when professional management had been required

previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the Declaration shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

C. The Declarant, its successors, assigns and Purchasers of undeveloped or unsold Units shall have the right without vote or consent of the Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Register's Office of the City of New York and elsewhere, if required by law, an amendment or amendments to this Declaration (together with such other documents, plan and maps as may be required to effectuate the same) to reflect (i) the certification by a registered architect or professional engineer, certifying that the floor plans and/or amended As-Built Floor Plans, Condominium or Unit Designation Map filed as part of an amended Declaration are an accurate copy of portions of the plans of the Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built, or (ii) utility easements, or (iii) technical corrections to the Declaration and By-Laws to conform to other documents including but not limited to the Offering Plan or as-built plans (iv) to amend Schedule B of this Declaration to conform the model type, square footage and type and number of rooms and any other required information for a specified Unit, so long as the appurtenant Percentage of Common Interest does not change for said Unit subject to (v), (vii) and (viii) hereof or (v) to amend Schedule B prior to the first Closing, to effect a change in the Percentage of Common Interest of all or specific Units and revise Schedule B accordingly or (vi) to amend Schedule B of this Declaration to assign or revise Individual Residential Unit's Limited Common Elements appurtenant to a Residential Unit including Storage Spaces or (vii) to amend Schedule B of this Declaration to consolidate or subdivide Units subject to all necessary approvals by the Building Department of the City of New York or other municipality or administrative agency, to revise the square footage and type and number of rooms and
any other required information for a specified Unit and to change the appurtenant Percentage of Common Interest so long as the new Percentage of Common Interest equals the Percentage of Common Interest of the Units that were consolidated or subdivided, or (viii) to effectuate permissible changes in unsold Units including the Percentage of Common Interest of one (1) or more of the Unsold Units as long as it does

not change the Percentage of Common Interest of any sold Unit and to amend Schedule B accordingly, or (ix) to amend Schedule B to make technical corrections to said Schedule including, but not limited to, square footage of Units, assign or revise Individual Residential Unit's Limited Common Elements appurtenant to a Unit or to revise the number and description of rooms contained in a Unit or (x) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to, the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies, or (xi) to make corrections that are patent errors, inconsistencies, scrivener's errors and technical errors, or (xii) to comply with any federal, state or city law or regulation that may affect the Condominium; or (xiii) the carrying out of other provisions of the Offering Plan of the Condominium.

D. Any amendment to this Declaration shall not take effect until it is recorded in the New York City Register's Office.

Regardless of any other provision of this Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of Condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and Building laws and codes.

ELEVENTH: SUBJECT TO DECLARATION, BY-LAWS, ETC.

All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the mere acquisition or rental of any of the Units of the Condominium or the mere act of occupancy of any of said Units shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

TWELFTH: COMMON CHARGES.

Common Expenses of the Condominium shall be determined by the Board of Managers of the Condominium. The Common Expenses of the Condominium shall be assessed to and paid by the Unit Owners of the Units based upon each Unit's Percentage of Common Interest as reflected in Schedule B of this Declaration. The assessments paid by the Unit Owners towards the Common Expenses of the Condominium shall be referred to as "Common Charges All sums assessed as Common Charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York thereon, chargeable to any Unit Owner shall constitute a lien on his or her

Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivisions of any governmental authority, including but not limited to State, County, City, and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees and costs of collection (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense.

Notwithstanding any other provision in this Declaration or the By-Laws any Mortgagee of an Institutional Mortgage as defined herein who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid Common Charges accrued before acquisition of the title to the Unit by the Mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges the Mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges. The unpaid balance of such Common Charges and/or Special Assessments that may be waived will be charged to all other Residential Unit Owners as a Common Expense. Upon acquisition of title the Institutional Mortgagee shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable.

Notwithstanding the above, pursuant to Section 339-m of the Condominium Act, Common Charges, no matter how classified, may be adjusted based on allocations in accordance with sub-metering, contract allocations and usage (both projected and actual) for the Common Expenses based on special or exclusive use or availability or exclusive control of particular Units or Common Elements by particular Unit Owners. In the event of any dispute as to the allocation of Common Charges such dispute shall be submitted for arbitration pursuant to the provisions of Article XII of the By-Laws of the Condominium.

In addition to the Board's right to bring an action to foreclose a lien on a Unit Owner's Unit, the Board (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges at the option of the Board, without foreclosing or waiving the lien securing such charges. In such an event, the Condominium shall be entitled to recover all costs of suit including reasonable attorneys' fees.

Every Unit Owner shall pay the Common Charges assessed against the Unit Owner when due as determined by the Board of Managers and no Unit Owner may be exempt from liability for the payment of the Common Charges assessed against the Unit Owner by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of a Unit. However, no Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by the

Unit Owner of such Unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and By-Laws.

THIRTEENTH: UNITS ACQUIRED BY THE BOARD.

In the event any Unit Owner shall convey their Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such Unit or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

FOURTEENTH: POWER OF ATTORNEY.

A. In order to carry out the provisions of Article Fourteenth of the Declaration and Article XI of the By-Laws, each Unit Owner shall, upon becoming such, grant an irrevocable power of attorney, coupled with an interest to the Board of Managers and their successors to acquire title or lease any such Unit acquired by the Board of Managers under whatever terms the Board may in its sole discretion deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board in its sole discretion shall deem proper.

B. Each Residential Unit Owner shall upon becoming a Residential Unit Owner shall further grant an irrevocable power of attorney, coupled with an interest to the Board of Managers to nominate, designate, constitute and appoint the Members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Residential Unit Owner's Condominium Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium.

FIFTEENTH: ENCROACHMENTS.

The Unit Owners agree that if any portion of a Unit or the Common Elements (whether restricted in use to an individual Unit Owner or not) encroaches upon another or shall hereinafter encroach upon another as a result of original construction or settling of the Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and is rebuilt, the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements as aforedescribed due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Building shall stand.

SIXTEENTH: UNIT OWNERSHIP.

Upon the Closing of Title to a Unit, a Purchaser shall automatically become a Unit Owner in the Condominium and shall remain such until such time as the Unit Owner ceases to own the Unit for any reason.

SEVENTEENTH: USE OF UNITS.

Residential Units shall be restricted to Residential Occupancy in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium.

EIGHTEENTH: CONVEYANCE OF A UNIT.

In any conveyance of a Unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the grantee of the Unit (the "Grantee") shall be jointly and severally liable with the grantor (the "Grantor") for any unpaid Common Charges and any Special Assessments against the latter assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charge against the Grantor and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for any unpaid Common Charge against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include the holder of an Institutional Mortgage of record described in Article Thirteenth of this Declaration.

NINETEENTH: INTENTIONALLY OMITTED

TWENTIETH: COVENANT OF FURTHER ASSURANCES.

Any party subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, or the occupant of a portion of a Unit, a Member of the Board of Managers, an officer of the Condominium, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

If any Unit Owner or any other party subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within seven (7) days after request thereof, to take any action which the Unit Owner or such other party is required to take pursuant to this Declaration, then the Board of Managers is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name

of such Unit Owner, or other party and such document or action shall be binding on such Unit Owner or other party.

If any Unit Owner or the Board of Managers or any other party who is subject to the terms of this Declaration fails or refuses to execute, acknowledge or deliver any instrument, or fails or refuses within seven (7) days after request therefor, to take any action that the Board of Managers, any Unit Owner, or other party is required to take pursuant to this Declaration at the request of Declarant or Declarant's designee, then Declarant or Declarant's designee, as the case may be, is hereby authorized as attorney-in-fact for the Board of Managers, such Unit Owner, or other party, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board of Managers, such Unit Owner, or other party, and such document or action shall be binding on the Board of Managers, such Unit Owner, or other party, as the case may be.

Each Unit Owner will have the affirmative duty to maintain its respective Unit in such a manner so as to reasonably prevent and avoid inflicting harm to other Units, the Individual Residential Unit's Limited Common Elements, the General Common Elements or the Building. In addition to any other remedies and/or rights the Board of Managers may have in this Declaration, the By-Laws and/or the Rules and Regulations of the Condominium, in the event any Unit Owner causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Element, the General Common Elements or the Building, the Condominium Board will give written notice to such Unit Owner including a request that the Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Unit Owner fails to remedy the condition within a reasonable period of time as provided in such Remedy Notice, the Board of Managers may, upon additional notice to the Unit Owner within a reasonable period of time determined by the Board of Managers, enter into the Unit and effect a reasonable remedy, at the Unit Owner's sole cost and expense.

TWENTY-FIRST: COVENANTS AND RESTRICTIONS.

The use of the Unit by the Unit Owners or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Managers and the following covenants and restrictions:

(a) The Unit and area restricted to the Unit Owner's use shall be maintained in good repair and overall appearance.

(b) No alteration, addition, decoration or change to any part of the General Common Elements or Individual Residential Unit's Limited Common Elements, may be made and no structure or other improvement may be built or placed on any portion of the General Common Elements or Individual Residential Unit's Limited Common Elements, without the written consent

of the Board of Managers. The provisions of this paragraph shall not apply to Declarant.

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

Any application to the Building Department or any other agency of the City of New York or any other governmental or administrative authority for a permit to make a structural addition, alteration or improvement in or to any Unit or Individual Residential Unit's Limited Common Element shall be completed by the Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

These provisions shall not apply to Units and appurtenant Individual Residential Unit's Limited Common Elements owned for the exclusive use by the Declarant or its designee until such Units shall have been transferred to a Unit Owner by the Declarant or such designee.

The Board of Managers shall not use the above provisions in a way that would violate any rights a Unit Owner may have pursuant to the Federal Fair Housing Act or New York State Human Rights Law.

(d) The balconies and terraces are not permitted to be used for storage and are not permitted to be enclosed and are not permitted to be used for any type of occupancy including but not limited to dining, sleeping, living room, recreation, office or similar use. All drains located on a balcony or terrace must be kept open at all times. Residential Unit Owners will not be permitted to store any combustible material or other items in or on a balcony or terrace. Neither the Condominium nor any Residential Unit Owner will be permitted to enclose or make any structural changes to a balcony and/or terrace except as required for repair or replacement.

(e) Any interior alterations or improvements made to a Residential Unit shall be made in accordance with all applicable rules, regulations, permits and zoning ordinances of any governmental agencies having jurisdiction thereof.

(f) Any Unit Owner who mortgages their Unit shall notify the Board of Managers providing the name and address of the Mortgagee.

(g) The Board of Managers shall, at the request of the Mortgagee of the Unit, report any unpaid Common Charges due from the Unit Owner of such Unit.

(h) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(i) No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed

(j) INTENTIONALLY OMITTED

(k) Any Storage Space may be used only for storage of normal household items. Nothing shall be stored in a Storage Space that will result in the cancellation or increase of insurance on the Building, or the contents thereof, or that would be in violation of any law. No inflammable,

combustible, or explosive fluid, material, chemical or substance shall be stored in a Storage Space. All provisions for safety shall be the sole responsibility of the Unit Owner.

(l) The Bicycle Storage Space Area located on the cellar level may only be utilized by the Residential Unit Owners and occupants of the Residential Units, including tenants of the Residential Units for storage of bicycles. The Board of Managers may adopt rules and regulations regarding the use of the Bicycle Storage Space Area.

(m) Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the Unit Owners, provided, however, that copies of such regulations are furnished to each Unit Owner prior to the time said regulations become effective.

(n) The Common Charges and any Special Assessments shall be paid when due.

TWENTY-SECOND: FIRST LIEN HOLDER'S RIGHTS.

A. Notices of Action. A holder, insurer or guarantor of a first mortgage, upon written request to the Condominium, (such request to state the name and address or such holder, insurer or guarantor and the Unit number), shall be entitled to timely written notice of:

(1) Any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (ii) the interest in the General or Individual Residential Unit's Limited Common Elements appertaining to any Unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the Condominium appertaining to any Unit or (iv) the purposes to which any Unit or the Common Elements are restricted;

(2) Any proposed termination of the Condominium regime;

(3) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

(4) Any delinquency in the payment of assessments or charges owed by a Unit Owner of a Unit subject to the mortgage of such eligible holder, insurer or guarantor, which such delinquency has continued for a period of sixty (60) days;

(5) Any lapse, cancellation or material modification of any insurance policy maintained by the Condominium; and

(6) Any proposed action that requires the consent of a specified percentage of Mortgagees.

B. Other Provisions for First Lien Holders. To the extent permitted under applicable law, the following protections for the benefit of first mortgage holders will be legally binding with respect to the Condominium:

(1) Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages on Residential Units to which at least 51% of the votes of Residential Units subject to mortgages held by such eligible holders are allocated, is obtained;

(2) Any election to terminate the Condominium regime after substantial destruction or a substantial taking in condemnation of the Condominium property must require the approval of the eligible holders of first mortgages on Residential Units to which at least 51% of the votes of Residential Units subject to mortgages held by such eligible holders are allocated; and

(3) Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial condemnation or partial destruction of the Condominium project is fixed in advance by the Declaration or by applicable law, no reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the Condominium project may be effected without the approval of the eligible holders of first mortgages on Residential Units to which at least 80% of the votes of Residential Units subject to mortgages held by such eligible holders are allocated.

As used in this section, the term "eligible holder, insurer or guarantor" shall mean a holder, insurer or guarantor of a first mortgage on a Unit in a Condominium which has requested notice in accordance with the provisions of (a) above.

TWENTY-THIRD: SPECIAL RIGHTS OF DECLARANT.

Notwithstanding anything to the contrary contained herein in addition to any rights granted to Declarant contained in the Declaration, By-Laws and/or Rules and Regulations; Declarant, its successors, assigns or designees shall have the right, without requiring the consent of either the Condominium or Board of Managers, and without charge or limitation, to:

(a) Have its employees, contractors, subcontractors and sales agents present on the properties described in Schedule A and any Building erected thereon.

(b) Erect and maintain signs and other promotional materials (including, without limitation, "For Sale", and "For Rent" signs), in connection with the promotion, sale, leasing, management, or operation of the Units or any other property, development or community the Declarant, its successors, assigns or designees so prescribe for life of the Condominium.

(c) Use any one or more Units as:

a. model Units,

b. offices for the promotion, sale, rental, management and/or operation of any unsold Units,

c. offices in connection with any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or the Units; or any unsold Units; and/or

d. for any other purpose.

(d) Use any office in the Condominium for its exclusive use until such time as Sponsor no longer owns any Units in the Condominium.

(e) Do and cause to be done all of the things that are necessary, desirable or appropriate (including, without limitation, the use of the Common Elements, the Units and any unsold Units) for the purpose of:

a. the promotion, sale, rental, management and/or operation of any unsold Units,

b. the performance and completion of installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or

c. the exercise performance and discharge of Declarant's other rights and obligations under this Declaration, the By-Laws or the Rules and Regulations.

(f) Make any other changes required by the Building Department of the City of New York or any other agency of the City of New York or other municipal or administrative agency.

In no event, however, shall Declarant or such designee be entitled to use any portion of the Common Elements in such a manner as will unreasonably interfere with the use of the same or of any Unit for its permitted purposes.

The provisions of this Article Twenty-Third cannot be amended without the written consent of the Declarant, or its successors or assigns.

TWENTY-FOURTH: INVALIDITY

Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no wise affect any of the remaining part or parts hereof, and the same shall continue in full force and effect.

NEMA-1 REALTY, LLC

By: _____

MAGNUM 1 REALTY, LLC

By: _____

STATE OF NEW YORK)
)ss.:
COUNTY OF)

On the day of in the year 20 , before me, the undersigned a Notary public in and for said state, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A

ALL that certain plot, piece or parcel of land, situate, lying and being in the First Ward of the Borough and County of Queens, City and State of New York known and designated upon a certain map entitled "Map of property formerly of a part of the Estate of Emily P. Woolsey, deceased, belonging to Ernst David, Otto Koster, John O. Wagner and Margaretha Kahl, situate in the Fifth Ward of Long Island City, Queens County, New York, made by Julius von Hunerbein, City Surveyor, Dated Long Island City, April 24th , 1896, and filed in the Office of the County of Queens as lots numbers 11,12,13,14 on said map, which said Lots when taken together are bounded and described as follows:

BEGINNING at a point formed by the intersection of the north westerly side of Park Place, (now 32nd Street), with the southwesterly side of Woolsey Avenue (now 24th Avenue), as the same are laid down on said map;

RUNNING THENCE northwesterly along the southwesterly side of Woolsey Avenue fifty (50) feet (Deed), fifty and 01/100 (50.01) feet (actual);

THENCE southwesterly and parallel with Park Place seventy-five (75) feet;

THENCE again northwesterly and parallel with Woolsey Avenue twenty-five (25) feet (Deed) twenty-five and 01/100 (25.01) feet (actual);

THENCE again southwesterly and parallel with Park Place fifty (50) feet;

THENCE southeasterly parallel with Woolsey Avenue seventy-five (75) feet (Deed) seventy-five and 02/00 (75.02) feet (actual) to the northwesterly side of Park Place; and

THENCE northeasterly along the northwesterly side of Park Place one hundred twenty-five (125) feet to the point or place of BEGINNING.

BY-LAWS
OF
URBAN GARDEN MANOR CONDOMINIUM

TSOROMOKOS & PAPADOPOULOS, PLLC
Attorneys for the Sponsor
45-02 Ditmars Blvd., Suite 1000
Astoria, New York 11105

SCHEDULE C
TO THE DECLARATION OF CONDOMINIUM

BY-LAWS
OF
URBAN GARDEN MANOR CONDOMINIUM

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BY-LAWS

OF

URBAN GARDEN MANOR CONDOMINIUM

ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Unit Ownership.

The property located at 14-11 31ST AVENUE, Astoria, NY 11102, County of Queens, City and State of New York , as specifically set forth in the Declaration and more commonly known as URBAN GARDEN MANOR Condominium has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

Section 2. By-Laws Applicability.

The provisions of these By-Laws are applicable to the Condominium. The term "Condominium" as used herein shall include the Land and the Building and improvements thereon including the Condominium Residential Units, (hereinafter referred to as "Residential " as applicable and when applicable to all referred to as "Units"), and the Common Elements and the use and occupancy thereof.

Section 3. Personal Application.

All present or future Unit Owners, Mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of occupancy of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with.

Section 4. Definitions.

The definitions contained in the Declaration of Condominium shall be applicable to these By-Laws unless otherwise stated.

ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium.

The Condominium shall be limited to Unit Owners. "Unit Owner" as referred to herein shall mean all of the owners of each Residential Unit owned by such Residential Unit Owner in conjunction with said Residential Unit.. The owners of the Residential Units shall hereinafter be referred to as Residential Unit Owners.

Section 2. Voting.

Each Residential Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units), shall be entitled to cast one vote at all Unit Owners' meetings for each Residential Unit owned by such Residential Unit Owner subject to the restrictions contained herein, including the provisions regarding the election of Members to the Board of Managers as provided in Article III, Section 1 of these By-Laws. In the event the Board of Managers acquires a Residential Unit on behalf of the Condominium it shall not cast any of its votes appurtenant to such Residential Unit, for the election of any Member to the Board of Managers. Any Residential Unit Owner in default of their Common Charges, Special Assessments, late fees or any other penalties imposed by the Board of Managers applicable to said Residential Unit Owners Residential Unit shall be prohibited from voting at any annual, General or special meeting of the Residential Unit Owners.

Section 3. Quorum.

So many Residential Unit Owners as shall represent at least fifty-one (51%) percent of the total authorized votes of all Residential Unit Owners present in person or represented by written proxy shall constitute a quorum at all meetings of the Residential Unit Owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Residential Unit Owners, the Residential Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Residential Unit Owners as shall represent at least thirty-three and one-third (33%%) percent of the total authorized votes of all Residential Unit Owners shall constitute a quorum. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. If, however, such reduced quorum shall not be present or represented at any adjourned meeting of the Residential Unit Owners, the Residential Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Residential Unit Owners as shall represent at least twenty-five (25%) percent of the total authorized votes of all Residential Unit Owners shall constitute a quorum. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called.

Section 4. Vote Required to Transact Business.

When a quorum is present at any meeting, the vote of a majority of the Residential Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. Right to Vote.

At any meeting of Residential Unit Owners, every Residential Unit Owner having the right to vote shall be entitled to vote in person, or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. Any Residential Unit Owner in default of their Common Charges, Special Assessments, late fees or any other penalties imposed by the Board of Managers applicable to said Residential Unit Owners Residential Unit shall be prohibited from voting at any annual, General or special meeting of the Residential Unit Owners.

Section 6. Proxies.

All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent.

Whenever the vote of Residential Unit Owners at a meeting is required or permitted by any provision of the Declaration or of these By-Laws or for an amendment to the Declaration or By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of Residential Unit Owners may be dispensed with if all Residential Unit Owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Place of Meetings.

Meetings shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 9. Annual Meetings/Control of Board of Managers by Sponsor.

The initial Board of Managers will call for the first annual meeting of the Residential Unit Owners to elect a new Board of Managers within one (1) year of the Closing of the first Residential Unit. At such meeting, Members of the Board of Managers shall be elected by the Residential Unit Owners, other than the Members of the Board of Managers the Sponsor shall have the right to designate, and the former Members of the Board of Managers shall thereupon resign. Thereafter annual meetings shall be held on or about the anniversary of such date each succeeding year or such other convenient date as the Board of Managers may so designate. At such meetings there shall be elected by ballot of the Residential Unit Owners a Board of Managers in accordance with the requirements of Article III of these By-Laws. The Residential Unit Owners may also transact such other business of the Condominium as may properly come before them. The Sponsor will have voting control and may designate a majority of the Members of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to Residential Unit Owners other than Sponsor, its Principals, successors,

assignees and/or designees. A meeting will be held to elect new Members of the Board unrelated to Sponsor on or about thirty (30) days of the expiration of the control period. At such time as Sponsor no longer owns a Residential Unit in the Condominium, Sponsor may not be entitled to any seat on the Board of Managers.

Section 10. Special Meetings.

It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers or upon the presentation to the Secretary of a petition signed by a majority of the Residential Unit Owners. 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 11 of this Article to each Residential Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request pursuant to this Section 10 unless a later date is agreed to in writing by the Residential Unit Owners of the Condominium entitled to vote or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Residential Unit Owners of the Condominium are present in person or by proxy. Any or all of the Members of the Board of Managers of the Condominium, other than those designated by the Sponsor, may be removed with or without cause by vote of a minimum of 66 2/3^{rds} % in number of the Residential Unit Owners of the Condominium at a special meeting called pursuant to this section if the meeting is called for such purpose.

Section 11. Notice of Meetings.

It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Residential Unit Owner of record, at least ten (10) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 12. Order of Business.

The order of business at all meetings shall be as follows:

(a) Roll Call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of Officers
(e) Report of committees
(f) Election of inspectors of election (in the event there is an election)
(g) Election of Members (in the event there is an election)
(h) Unfinished business

(i) New business

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term.

The affairs of the Condominium shall be governed by a Board of Managers. The initial Board of Managers shall consist of three (3) Members (hereinafter "Members") designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Residential Unit Owners. Until succeeded by the Members elected at the first annual meeting of the Residential Unit Owners, Members need not be Residential Unit Owners; thereafter, all Members shall be Residential Unit Owners, other than designees or nominees of the Sponsor. The Members shall be elected and/or designated at the annual meeting of the Residential Unit Owners.

At the first annual meeting of the Residential Unit Owners called pursuant to Section 9 of Article II, three (3) Members shall be designated and/or elected by the Residential Unit Owners. All Members of the Board of Managers, other than the Sponsor designated representatives, shall be nominated by the Residential Unit Owners at the annual meeting. After the first annual meeting the Board of Managers may request nominations for the Members to the Board of Managers prior to the annual meeting in addition to nominations from Residential Unit Owners at the annual meeting. Sponsor representatives for the Residential Unit Owner Members of the Board of Managers shall be appointed by the Sponsor. As long as the Sponsor retains at least one (1) Residential Unit in the Condominium the number of Members of the Board of Managers may not be increased or decreased without the consent of the Sponsor.

The term of office of one (1) of the Members of the Board of Managers shall be fixed for three (3) years, one (1) of the Members of the Board of Managers shall be fixed for two (2) years and the term of office of one (1) of the Members of the Board of Managers shall be fixed at one (1) year. The one (1) Residential Unit Owner receiving the highest number of votes shall be elected to the three (3) year term, the one (1) Residential Unit Owner receiving the next highest number of votes shall be elected to a two (2) year term and the one (1) Residential Unit Owner receiving the next highest number of votes shall be elected to a one (1) year term. Each Residential Unit Owner shall be entitled to cast one vote for each Member to be elected to the Board of Managers. At the expiration of the initial term of office of each respective Member, their successor shall be elected to serve a term of three (3) years. The Members shall hold office until their successors have been elected and hold their first meeting.

Any Residential Unit Owner in default of the payment of Common Charges, Special Assessments, late fees, interest and/or penalties shall be ineligible to be elected to the Board of Managers and/or vote at any General, annual or special meeting.

The Sponsor will have voting control and may designate a majority of the Members of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to Residential Unit Owners other than the Sponsor, its principals, successors, assignees and/or designees. A meeting will be held to elect new Members of the Board unrelated to Sponsor on or about thirty (30) days of the expiration of the control period. Subsequent to the Sponsor relinquishing a majority of the Board of Managers, Sponsor will be entitled to designate one (1) Member to the Board of Managers as long as it retains at least one (1) unsold Residential Unit in the Condominium. At such time as all the Residential Units in the Condominium are sold and titled, the Sponsor shall not be entitled to any representation of the Members to the Board of Managers.

In addition to the Members designated by the Sponsor, as long as Sponsor retains an unsold Residential Unit in the Condominium, Sponsor may vote as Sponsor so determines for any other Members, so long as the Members are not on Sponsor's URBAN GARDEN MANOR of Members for the Board of Managers, Sponsor's payroll or as long as they did not receive other financial backing from the Sponsor other than a mortgage held by the Sponsor or affiliated entity of the Sponsor, if applicable.

In the event Sponsor is entitled to designate a majority of the Members to the Board of Managers at the first annual meeting, one (1) Sponsor Member shall be appointed as a Member to a one (1) year term, and one (1) Sponsor Member shall be appointed as a Member to a two (2) year term. Sponsor Members shall thereafter be appointed as Members to the same length of term until such time as Sponsor is required to relinquish the position or Sponsor voluntarily resigns the position. At such time as a Sponsor designated Member of the Board of Managers either relinquishes or voluntarily resigns a position on the Board of Managers either (a) a special meeting of the Residential Unit Owners shall be held to elect a Residential Unit Owner to fulfill the balance of the term or (b) the remaining Members of the Board of Managers shall appoint a to fulfill the balance of the applicable term. At the expiration of the applicable term an election shall be held to elect a Residential Unit Owner to the Board of Managers for a full three (3) year term.

This Section may not be amended without the written consent of the Sponsor.

Section 2. Vacancy and Replacement.

If the office of any Member or Members becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining Members of the Board of Managers, though less than a quorum, at a special meeting of Members duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. In the event of the failure to hold any election of the Members of the Board of Managers at the time designated for the annual election of the Members of the Board of Managers or in the event that the Members of the Board of Managers shall not have filled any such vacancy, or if the Board of Managers so determines, a special meeting of the Residential Unit Owners to elect new Members to the Board of Managers or to fill such

vacancy or vacancies may be called in the manner Generally provided for the calling of special meetings of the Residential Unit Owners. If the vacancy occurs with respect to any Member of the Board of Managers who has been designated by the Sponsor, only the Sponsor shall have the right to choose such Member's successor to fill the unexpired portion of the term. In addition, the Sponsor shall have the right to substitute its Board of Managers appointees at its discretion.

The Board of Managers shall also have the right to call for a special meeting in accordance with Article II, Section 10 to elect the Member's successor to fill the unexpired portion of the term of office.

Section 3. Removal.

Members, other than Sponsor designees, may be removed with or without cause by an affirmative vote of 66 2/3rds % in number of the Residential Unit Owners entitled to vote at a special meeting called pursuant to Article II, Section 10 of these By-Laws. Sponsor designees may only be removed by the Sponsor. No Member other than a Member designated by the Sponsor shall continue to serve on the Board if, during their term of office, they shall cease to be a Residential Unit Owner. In the event a Sponsor designee Member is removed, the Sponsor shall have the sole right to designate a replacement. Any Member of the Board of Managers in default of the payment of Common Charges, Special Assessments, late fees, penalties and/or interest shall be suspended from the Board of Managers until such time as all Common Charges, Special Assessments, late fees, penalties and/or interest are paid in full to the Condominium.

Section 4. Resignation.

Any Member may resign at any time by written notice delivered in person or sent by certified registered mail to an Officer of the Condominium. Such resignation shall take effect at the time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

Section 5. Suspension

Any Member of the Board of Managers in default of their Common Charges, Special Assessments, late fees or any other penalties imposed by the Board of Managers shall be suspended from the Board of Managers until such time as all Common Charges, Special Assessments, together with late fees, interest and expenses, if any, are paid in full to the Condominium.

Section 6. First Board of Managers.

The first Board of Managers shall consist of five (5) Members appointed by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of Residential Unit Owners. Any or all of said Members shall be subject to replacement at the sole discretion of the Sponsor and/or in the event of resignation or death in the manner set forth in Section 2 of this Article.

Section 7. Powers.

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration or by these By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses. The Common Charges are payable in advance as determined by the Board of Managers. The Board of Managers may increase the monthly Common Charges or vote a Special Assessment in excess of the Common Charges, if required, to meet any additional necessary Common Expenses, but said increases can only be assessed among the Unit Owners pro-rata according to their respective Percentage of Common Interest as reflected in Schedule B of the Declaration of Condominium or in such other manner as provided in Article VI, Section 9 of these By-Laws.

2. To determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and to revise the amount of such fees as the Board of Managers so determines.

3. To determine and impose move in and move out fees and to revise said fees in its good faith discretion.

4. To collect, use, and expend the Common Charges collected to maintain, care for and preserve the General Common Elements and any Individual Residential Unit's Limited Common Elements for which the Condominium is responsible to repair, replace and maintain and any other Common Expenses of the Condominium.
5. To make repairs, restore or alter any Unit or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.

6. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care, and preservation of the property, including any inspection or repairs necessitated by mold. No prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium. Any repairs required as the result of negligence of a Unit Owner will be at the expense of the Unit Owner.

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

8. To insure and keep insured the Common Elements and Units in accordance with Article VII of these By-Laws.

9. To collect delinquent Common Charges, Special Assessments, late fees, penalties and/or interest by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the Condominium for violations of the Declaration, By-Laws or the Rules and Regulations of the Condominium.

10. To make reasonable Rules and Regulations pursuant to Article VIII of these By-Laws applicable to all Units and all Unit Owners and to amend the same from time to time, and such Rules and Regulations and amendments shall be binding upon all the Unit Owners when the Board of Managers has approved them in writing. A copy of such Rules and Regulations and all amendments shall be delivered to each Unit Owner. Notwithstanding the above, the Board of Managers shall not be able to pass or adopt any Rule or Regulation affecting the Sponsor without the written consent of the Sponsor.

11. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of a manager in connection with the matters herein above set forth.

12. To bring and defend actions by or against one or more Unit Owner and pertinent to the operation of the Condominium and to levy Special Assessments to pay for the cost of such litigation, subject to the provisions regarding the Sponsor as contained in Article III, Section 6 (c) of these By-Laws.
13. To acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner subject to any restrictions contained in these By-Laws, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers.

14. To make additions, alterations, or improvements to the General Common Elements and Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium to maintain, repair and/or replace as provided for in the Declaration and/or these By-Laws.

15. To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the General Common Elements, and Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium to maintain, repair and/or replace as provided for in the Declaration and/or these By-Laws. Notwithstanding, no lien to secure repayment of any sum borrowed may be created on any Unit or its

appurtenant Percentage of Common Interest in the Common Elements without the written consent of the Owners of said Unit.

16. To act as an agent for one (1) or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such event, the Board of Managers could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro-rata share of expenses, disbursements and legal fees, based upon the Unit's Percentage of Common Interest as reflected in Schedule B of the Declaration of Condominium, the payment for which would be secured by a lien on each Unit. The Board of Managers is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners it will perform such service for.

17. To determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and/or Special Assessments in violation of the Rules and Regulations and to revise the amount of such fees as the Board of Managers so determines.

18. To enter into contracts, settlement agreements and/or other matters on behalf of the Condominium.

19. To enter into revocable license agreements for the use of space within the General Common Elements, as long as the license agreement does not hinder or encroach upon the rights of Unit Owners to use the General Common Elements and/or Individual Residential Unit's Limited Common Elements.
20. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any Mortgagee (except that if the granting of such easement impairs the ability of one or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted).

(b) The Board of Managers may, by resolution or resolutions passed by a majority of the whole Board of Managers, designate one or more committees, each of such committees to consist of at least one (1) Member of the Board of Managers, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business affairs of the Condominium and may have power to sign all papers which may be required, provided the said resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Managers. Committees established by resolution of the Board of

Managers shall keep regular minutes of their proceedings and shall report the same to the Board of Managers as required.

(c) As long as the Sponsor retains at least one (1) Unsold Unit in the Condominium, the Board of Managers may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the General Common Elements or Individual Residential Unit's Limited Common Elements or to any Unit, costing cumulatively more than $25,000, the foregoing not to include necessary repairs and maintenance work, (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, (iii) hire any employee in addition to the employees referred to in the Budget for the First Year of Operation of the Condominium, (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the first Closing, (v) borrow money on behalf of the Condominium, (vi) reduce the services or maintenance set forth in the Condominium Budget for the First Year of Operation, (vii) charge any Special Assessment for a non-Budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium, (viii) increase the Common Charges of the Condominium more than ten (10%) percent from the prior year's Budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates, evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Condominium funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals. The provisions of this paragraph may not be amended without the written consent of the Sponsor.

(d) Notwithstanding Article III, Section 7(c) of these By-Laws Sponsor may not exercise veto power over expenses described in the proposed first year Budget, as described in the Offering Plan, or over expenses required:

(i) to comply with applicable laws or regulations; or
(ii) to remedy any notice of violation; or
(iii) to remedy any work order by an insurer; or
(iv) necessary for the preservation or safety of the Building or for the safety of occupants of the Building or required to avoid the suspension of any necessary service to the Building.

(e) Sponsor may exercise veto power over expenses described herein, other than those described in Article III, Section 7(d) of these By-Laws, for a period ending not more than five (5) years after the Closing of the first Residential Unit or whenever the unsold Residential Units constitute less than twenty-five (25%) percent of the common interest, whichever is sooner.

The provisions of this paragraph may not be amended without the written consent of Sponsor.

Section 8. Repairs and Maintenance.

Except as hereinafter provided, all maintenance, painting, repairs and replacement of the General Common Elements as described in the Declaration of Condominium shall be the responsibility of the Board of Managers on behalf of the Condominium and contracted for by the Board of Managers on behalf of the Condominium. The cost thereof shall be a Common Expense of the Condominium and paid for by all Unit Owners as provided in Article VI of these By-laws. Notwithstanding, if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner.

All maintenance and repairs to the interior portion of the Units, other than to any General Common Elements are the responsibility of the respective Unit Owners at their sole expense. All structural changes shall comply with the provisions of Article VIII, Section 1(f) of these By-Laws.

All maintenance (including electrical repairs and plumbing stoppages and repairs in the Residential Units, cleaning of interior of windows and painting and decorating of the interior of the Residential Units), repairs and replacements to the Residential Units including doors which open from a Residential Unit for which painting, if required, is performed by the Board of Managers, and repairs to pipes, wires and conduits located in and servicing an individual Residential Unit, other than as set forth above shall be made by the respective Residential Unit Owner at the Residential Unit Owner's expense. This would include but not be limited to all painting and decorating to the interior of the Residential Units, maintenance, repair and replacement of individual appliances including but not limited to laundry equipment located within a Residential Unit, individual heating and cooling systems for the Residential Units and the interior side of all entrance doors.

All maintenance and repair to the interior portion of the window area and doors which open from a Residential Unit are the responsibility of the Residential Unit Owner. All maintenance, repair and any replacement to the external portion of the window area, the actual window and external portion of the doors (including painting, if necessary) which open from a Residential Unit will be the responsibility of the Condominium and the cost thereof shall be a Common Expense of the Condominium and paid for by all Residential Unit Owners as provided in Article VI of these By-Laws. Notwithstanding the above, should the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from a Residential Unit be caused as a direct result of the negligence or act of a Residential Unit Owner, occupant, tenant, guest or any other person residing in, visiting or doing work in the Residential Unit, the Condominium will repair or replace the external portion of the window, the window or the external portion of the doors which open from a Residential Unit and the cost of such repair or replacement shall be charged to the responsible Residential Unit Owner as an additional Common Charge or Special Assessment.

All structural repairs and replacements to any balcony and/or terrace that is an Individual Residential Unit's Limited Common Element will be the responsibility of the

Condominium and a Common Expense. All General maintenance and repairs of a balcony and/or terrace that is an Individual Residential Unit's Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, (including the repair of leaks and the repair or replacement of the surface of the balcony and/or terrace), shall be the responsibility of the Residential Unit Owner whose balcony and/or terrace is appurtenant to their Residential Unit and is an Individual Residential Unit's Limited Common Element of their Residential Unit. The balconies and terraces are not permitted to be used for storage and are not permitted to be enclosed and are not permitted to be used for any type of occupancy including but not limited to dining, sleeping, living room, recreation, office or similar use. All drains located on a balcony and/or terrace must be kept open at all times. Residential Unit Owners will not be permitted to store any combustible material or other items in or on a balcony and/or terrace. Neither the Condominium nor any Residential Unit Owner will be permitted to enclose or make any structural changes to a balcony and/or terrace except as required for repair or replacement.

All repairs, maintenance and any replacement and all costs associated therewith of any hot water tank, gas boiler, air conditioning compressor and/or condenser, air handler or any other heating, cooling or other mechanical system servicing an individual Residential Unit that is located in the Residential Unit or is an Individual Residential Unit's Limited Common Element located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit a Residential Unit exclusively shall be the sole responsibility of the Residential Unit Owner for such equipment, services, etc.

All repairs and replacement of windows, and any snow removal from the General Common Elements shall be contracted for by the Board of Managers on behalf of the Condominium and the cost thereof shall be a Common Expense of the Condominium payable by all Unit Owners as provided in Article VI of these By-Laws.

The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements and the cost thereof shall be a Common Expense payable by all the Unit Owners based upon their Percentage of Common Interest as provided in Article VI of these By-Laws. Notwithstanding the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of a Unit Owner, occupant, tenant, guest or any other person residing in, visiting or doing work in the Residential Unit, or caused by any prior alteration of a Residential Unit shall be assessed to and paid by the applicable Residential Unit Owner.

All major repairs and replacements to any Storage Space that is an Individual Residential Unit's Limited Common Element will be the responsibility of the Condominium and a Common Expense. All General maintenance and repairs of a Storage Space that is an Individual Residential Unit's Limited Common Element, including General cleaning, all repairs not major in nature, (including the repair or replacement of the surface of the Storage Space), shall be the responsibility of the Residential Unit Owner whose Storage

Space is an Individual Residential Unit's Limited Common Element of their Residential Unit. Storage Spaces may be used only for storage of normal household items. Nothing shall be stored in a Storage Space that will result in the cancellation or increase of insurance on the Building, or the contents thereof, or that would be in violation of any law. No inflammable, combustible, or explosive fluid, material, chemical or substance shall be stored in a Storage Space.

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

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of Managers, to the doors, windows, or the exterior surface of the Building or to any Generally visible portion of the General Common Elements or Individual Residential Unit's Limited Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor, unless varied by the Board of Managers.

In the event that a Unit Owner fails to maintain, repair or replace its Unit or any Individual Residential Unit's Limited Common Element which maintenance, repair or replacement is necessary to protect any of the General Common Elements, any other portions of the Building or any other Unit or other Individual Residential Unit's Limited Common Element, the Board of Managers shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Residential Unit Owner to do so after reasonable time provided by written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge said Unit Owner for the cost of all such repairs and/or maintenance and/or replacement. In the event that the Board of Managers charges a Unit Owner for repairs, maintenance and/or replacement to their Unit or for repairs to any Common Elements restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Residential Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

Section 9. Compensation.

Members and Officers of the Board of Managers, as such, shall receive no compensation for their services.

Section 10. Meetings.

(a) The first meeting of the Members of the Board of Managers newly elected by the Residential Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the Residential Unit Owners meetings, and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board of Managers shall take place.

(b) Regularly scheduled meetings of the Board of Managers may be held without special notice.

(c) Special meetings of the Board of Managers may be called by the President on two (2) days notice to each Member either personally, by mail or by electronic mail. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of a majority of the Members of the Board of Managers.

(d) At all meetings of the Board of Managers, a majority of the Members shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the Members present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meetings of Members, the Members present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before or at any meeting of the Board of Managers, any Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any meeting of the Board of Managers shall be a waiver of notice by the Member of the time and place thereof. If all the Members are present at any meeting of the Board of Managers, no notice shall be required and any business may be transacted at such meeting.

(f) Members of the Board of Managers may participate in a meeting by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting.

Section 11. Annual Statement.

The Board of Managers shall furnish all Residential Unit Owners and shall present annually (at the annual meeting, but in no event later than four (4) months after the close of the fiscal year) and when called for by a vote of the Residential Unit Owners at any special meeting of the Residential Unit Owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement prepared by an independent public accountant and a statement regarding any taxable income attributable to the Unit Owner and a notice of the holding of the annual Residential Unit Owners meeting. During the period the Sponsor retains a majority of the Members of the Board of Managers the annual statement shall be a certified statement verified by a certified public accountant.

Section 12. Fidelity Bonds.

The Board of Managers shall require that all Officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a Common Expense of the Condominium.

Section 13. Management Agent.

The Board of Managers may employ a management agent for the Condominium under a term contract or otherwise at compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize, including, but not limited to, all of the delegable duties of the Board of Managers listed in this Article.

Section 14. Liability of the Board of Managers, Officers and Unit Owners.

No Member of the Board of Managers or Officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in his or her capacity as a Member of the Board of Managers or Officer, provided that this provision does not eliminate or limit the liability of a Member of the Board of Managers or Officer if a judgment or other final adjudication adverse to the Member establishes (a) that the Member's acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that the Member personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board of Managers or Officer of the Condominium served in any capacity at the request of the Condominium, by reason

of the fact that the Member, the Member's testator or intestate, was a Member of the Board of Managers or Officer or the joint venture, trust, employee benefit plan or other enterprise in any capacity; provided that no indemnification may be made to or on behalf of any Member of the Board of Managers or Officer if a judgment establishes that the Member's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that the Member or Officer personally gained in fact a financial profit or the advantage to which the Member was not legally entitled.

The Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers and Officers of the Condominium 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 and Officers of the Condominium shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the original Board of Managers, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the Member of the Board of Managers shall be limited to such proportion of the total liability thereunder as the Unit Owner's Percentage of Common Interest in the Common Elements bears to the Percentage of Common Interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by a Member of the Board of Managers or on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the Member of the Board of Managers, as the case may be, are acting only as agent for the Unit Owners and the Condominium and shall have no personal liability thereunder (except as Unit Owners).

Each Unit Owner's liability pursuant to this Section shall be limited to such proportion of the total liability thereunder as the Unit Owner's Percentage of Common Interest in the Common Elements bears to the Unit Owner's Percentage of Common Interest of all Unit Owners in the Common Elements.

ARTICLE IV. OFFICERS

Section 1. Elective Officers.

The Officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one or more Assistant Secretaries and Assistant Treasurers and such other Officers as in their judgment may be necessary. All Officers must be Residential Unit Owners or Members of the Board of Managers except for any Assistant Secretaries or Assistant Treasurers who do not need to be Residential Unit Owners or

Members of the Board of Managers. Two (2) or more offices may be held by the same person, except for the President, who can only hold the office of President.

Section 2. Election.

The Board of Managers at its first meeting after each annual Residential Unit Owners Meeting shall elect a President, a Vice President, a Secretary and a Treasurer.

Section 3. Appointive Officers.

The Board of Managers may appoint such other Officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Managers.

Section 4. Term.

The Officers shall hold office until their successors are chosen and qualify in their stead. Any Officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. If the office of any Officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President.

The President shall be the chief executive Officer of the Condominium; shall preside at all meetings of the Residential Unit Owners and Members, the President shall be an exofficio member of all standing committees, shall have General and active management of the business of the Condominium, shall see that all orders and resolutions of the Board of Managers are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a stock corporation organized under the Business Corporation of the State of New York. The President may delegate obligations and responsibilities to other officers.

Section 6. The Vice President.

The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. The Secretary.

The Secretary and/or Assistant Secretary shall attend all sessions of the Board of Managers and all Residential Unit Owners meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all Residential Unit Owners meetings and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision the Secretary shall be.

Section 8. The Treasurer.

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

The Treasurer shall disburse the funds of the Condominium as the Treasurer may be ordered by the Board of Managers, making proper vouchers for such disbursements and shall render to the President and Members, at the regular meeting of the Board of Managers or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Condominium.

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

Section 9. Agreements, etc.

All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Managers.

ARTICLE V. NOTICES

Section 1. Definition.

Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any Member of the Board of Managers or any Unit Owner, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper or by courier service, addressed to the Board of Managers, such Member or Unit Owner at such address as appears on the books of the Condominium.

Section 2. Service of Notice Waiver.

Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or

persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI. FINANCES

Section 1. Checks.

All checks or demands for money and notes of the Condominium shall be signed by the President and Treasurer, or by such other Officer or Officers or such other person or persons as the Board of Managers may from time to time designate.

Section 2. Assessments.

The Board of Managers shall, from time to time, but at least annually, fix and determine the Budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the Budget and supplement to the Budget to every Unit Owner. The Board of Managers shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the General Common Elements, Individual Residential Unit's Limited Common Elements that are the obligation of the Condominium and other Common Expenses including but not limited to the Common Expenses provided in Article VI, Section 3 of these By-Laws, as well as charges to cover any deficits from prior years.

The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the provisions of Section 9 hereof.

Said assessments shall be payable monthly or in such other manner as determined by the Board of Managers and shall be referred to as Common Charges.

The Board of Managers may also charge additional assessments in excess of the Common Charges for expenses not contemplated, foreseen or which exceed the amount Budgeted. Said assessments shall be known as Special Assessments. The Board of Managers shall be entitled to charge a Special Assessment as a single sum or over a period of time as it may determine. Unit Owners shall pay their portion of any Special Assessments in accordance with Section 9 of this Article VI.

The Unit Owner agrees to pay promptly when due the monthly Common Charges and all Special Assessments assessed against the Unit. In the event any Unit Owner fails to make payment of the Unit Owner's Common Charge payment, the Unit Owner who owns such Unit shall be obligated to pay (a) a "late fee" of $.15 for each $1.00 of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) all expenses, including, without limitation, attorneys' fees paid or incurred by the Board of Managers or by any Managing Agent in any proceeding brought to collect such unpaid Common Charges and/or Special Assessments or in an action to foreclose

the lien on such Unit Owner's Unit arising from said unpaid Common Charges and/or Special Assessments in the manner permitted by applicable law. All such "late fees," interest and expenses shall be cumulative and shall be added to and shall constitute Common Charges payable by such Unit Owner.

In addition, in the event of a default in payment of Common Charges by any Unit Owner, the Board of Managers, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board of Managers shall send notice to the delinquent Unit Owner and the Mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make the late payment.

The Board of Managers may place a lien and take action to collect any past due Common Charges from any Unit Owner which remains unpaid as provided in Article IX of these By-Laws from its due date.

No Unit Owner shall be liable for any Common Charges which accrue against the Unit Owner's Unit subsequent to a sale, transfer or other conveyance of the Unit Owner in accordance with these By-Laws and the Declaration. A Purchaser of a Unit shall be liable for the payment of all future Common Charges assessed against the Unit, as well as unpaid Common Charges assessed against the Unit at the time of the purchase.

Notwithstanding any other provision in the Declaration or these By-Laws any Mortgagee of an Institutional Mortgage as defined in the Declaration of Condominium who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid Common Charges accrued before acquisition of the title to the Unit by the Mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges and/or Special Assessments, the Mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges and/or Special Assessments. The unpaid balance of such Common Charges and/or Special Assessments that may be waived will be charged to all other Unit Owners as a Common Expense. Upon acquisition of title the Institutional Mortgagee shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable. The term "Institutional Mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor to a Purchaser of a Unit or in which the Sponsor participates with one of the above.

Section 3. Purpose of Common Charges.

The Common Charges shall be used to pay for the Common Expenses of the Condominium including but not limited to operation, repair and maintenance of the General Common Elements, and any Individual Residential Unit's Limited Common Elements the Condominium is responsible to repair, maintain and replace as provided for

in the Declaration of Condominium and/or these By-Laws. Said Common Expenses shall include the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Article VIII and the fees and disbursements of the Insurance Trustee, drainage, sewer, water and/or storm systems (including sewers, storm sewer and/or water pipes, drywells, detention tanks or other facilities servicing the drainage, sewer water and/or storm systems as applicable), and other Building wide obligations of the Condominium contained in the Declaration and these By-Laws, including, without limitation, an amount for working capital of the Condominium, for a General operating reserve, for a reserve fund for replacements, insurance; common utilities; labor; common water and sewer charges; legal and accounting; services and supplies; management fees; contingencies and any other expenses that are Common Expenses of the Condominium and to make up any deficit in the Common Expenses from any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale.

Section 4. Foreclosures of Liens for Unpaid Common Charges.

The Board of Managers shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board of Managers to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board of Managers shall have the power to hold, lease, mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit. In either event the Unit Owner shall be liable for all costs of suit, including reasonable attorney's fees.

Section 5. Statement of Common Charges.

Upon the written request of any Unit Owner or their Mortgagee, the Board of Managers shall promptly furnish such Unit Owner or their Mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

Section 6. Liability for Utilities.

Any utility, including electricity and gas, individually consumed and individually metered or sub-metered in an individual Unit shall be the sole expense of each individual Unit Owner.

Section 7. Operating Account.

There shall be established and maintained a cash deposit account to be known as the "Operating Account", into which shall be deposited the operating portion of all monthly Common Charges and Special Assessments as fixed and determined for all Units. Disbursements from said account shall be for the General need of the operation including,

but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the Common Elements and Common Expenses and for the purchase, lease, sale or other expenses resulting from the purchase or lease of a Unit.

Section 8. Other Accounts.

The Board of Managers shall maintain any other accounts it shall deem necessary to carry out its purpose including a reserve account and working capital account.

Section 9. Determination of Common Expenses and Fixing of Common Charges.

The Board of Managers shall from time to time, and at least annually, prepare a Budget for the operation of the General Common Elements, Individual Residential Unit's Limited Common Elements that the Condominium is responsible to repair, maintain and replace as provided for in the Declaration of Condominium and/or these By-Laws as well as Common Expenses of the Condominium, determine the amount of the Common Charges payable by the Unit Owner(s) to meet the Common Expenses and other expenses applicable thereto, and allocate and assess such Common Charges and Common Expenses among all the Unit Owners in proportion to their respective Percentage of Common Interest in the Condominium as reflected in Schedule B of the Declaration of Condominium or as provided below. Notwithstanding the above, as provided in Section 339-m of the Condominium Act, Common Charges, no matter how classified, may be adjusted based on allocations in accordance with sub-metering, contract allocations and usage (both projected and actual) for the Common Expenses, no matter how classified, based on special or exclusive use or availability or exclusive control of particular Units or Common Elements by particular Unit Owners, in the event of any dispute as to the allocation of Common Charges such dispute shall be submitted for arbitration pursuant to the provisions of Article XII of the By-Laws of the Condominium.

The Common Expenses of the Condominium shall include but not be limited to the Common Expenses referred to in Article VI, Section 3 of these By-Laws.

The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each Budget on which such Common Charges and Expenses are based, to all Unit Owners.

The Sponsor, its successor, assignee and/or designee shall be responsible for the Common Charges assessed against each Unit owned by the Sponsor, its designee, assignee and/or successor until such Unit is transferred to a bona fide Purchaser.

ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board of Managers.

The Board of Managers shall be required to obtain and maintain, to the extent obtainable from Generally acceptable insurance carriers, the following insurance: blanket property insurance, liability insurance as provided below, flood insurance (if applicable), fidelity bond coverage and worker's compensation, insuring all of the Common Elements no matter how classified, and the Units in the Building of the Condominium (except Land, foundations, excavation and other items normally excluded from coverage) including fixtures, to the extent they are part of the Common Elements of the Condominium, Building service equipment and supplies, and other common personal property belonging to the Condominium. In addition, any fixtures, equipment or other property within the Units which are to be financed by a mortgage (regardless of whether or not such property is part of the Common Elements, but not including wall, ceiling or floor decoration, furniture, furnishings or other personal property supplied or installed by the Residential Unit Owners), contained therein, covering the interest of the Condominium, the Board of Managers and all Residential Unit Owners and their Mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building, exclusive of Land, foundation, excavation and other items normally excluded from coverage. Each of such policies shall be in favor of the Condominium, and shall contain a New York standard Mortgagee clause in favor of each Mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee as defined below, hereinafter set forth; and such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee and that the net proceeds thereof, if $40,000.00 or less, shall be payable to the Board of Managers, and if more than $40,000.00 shall be payable to the Insurance Trustee. Each Unit Owner and each Unit Owner's Mortgagee, if any, shall be beneficiaries of the policy in the percentage of common ownership applicable to said Unit.

The blanket property insurance as provided above will commence with the Closing of Title to the first Unit.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all Mortgagees of a Unit. Duplicate originals of all policies of physical damage insurance and of all renewals thereof together with proof of payment of premiums, shall be delivered to all Mortgagees of a Unit at least ten (10) days prior to expiration of the current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the Common Elements appurtenant thereto for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

All policies must also provide for the following: recognition of any, Insurance Trust Agreement; a waiver of the right of subrogation against Unit Owners individually; that the

insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Unit Owners collectively; and that the policy is primary in the event the Unit Owner has other insurance covering the same loss. All policies shall include the standard form of a "Special Condominium Endorsement" or its equivalent. All policies shall include an "Agreed Amount Endorsement" and, if available, an "Inflation Guard Endorsement".

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering the Common Elements, each Member and Officer of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Residential Unit Owners meeting, such public liability insurance shall be a minimum of $1,000,000 covering all claims for bodily injury, deaths and property damage arising out of one occurrence in connection with the operation, maintenance or use of the Common Elements, and legal liability arising out of lawsuits related to employment contracts of the Condominium. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least 10 days' prior written notice to the Condominium and to each holder of a first mortgage on any Unit in the Condominium which in listed as a scheduled holder of a first mortgage in the insurance policy. Such coverage may also include protection against such other risks as are customarily covered with respect to Condominiums similar in construction, location and use, including, but not limited to, host liquor liability, employers liability insurance, contractual and all-written contract insurance, and comprehensive automobile liability insurance. Such public liability insurance shall commence on the Closing of title to the first Unit.

In addition to the above, blanket fidelity bonds shall be required to be maintained by the Condominium for all officers, directors and employees of the Condominium and all other persons handling or responsible for, funds of or administered by the Condominium. In the event a management agent has the responsibility for handling or administering funds of the Condominium, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Condominium. Such fidelity bonds shall name the Condominium as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Condominium or the management agent, as the case may be, at any given time during the term of each bond. In no event may the aggregate amount of such bonds be less than a sum equal to 3 months aggregate assessments on all Residential Units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Condominium as a Common Expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Condominium or Insurance Trustee.

Such bonds shall also provide that, if applicable, the Federal National Mortgage Association, ("Fannie Mae") Servicers on behalf of Fannie Mae, also receive such notice of cancellation or modification.

Section 2. The Insurance Trustee.

The Board of Managers on behalf of the Condominium, shall name an authorized representative, including any trustee with whom the Condominium may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee") who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose subject to the adjustment of loss provision contained in the first paragraph of this Section 1 of Article VII. The Insurance Trustee shall be a bank or trust company located in the State of New York, designated by the Board of Managers and costs associated with the Insurance Trustee shall constitute a Common Expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust company located in the State of New York. The Insurance Trustee shall have a capital, surplus and undivided profits of $10,000,000 or more.

Section 3. Restoration or Reconstruction After Fire or Other Casualty.

In the event of damage to or destruction of the Building as a result of fire or other casualty (unless seventy-five [75%] percent or more of the Residential Units are destroyed or substantially damaged and seventy-five [75%] percent or more of the Residential Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Unit, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers may assess all the Residential Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Residential Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Residential Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceed of insurance policies (or if there shall have been a repair or restoration pursuant

to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to the their respective Percentage of Common Interest, after first paying out of the share of each Residential Unit Owner the amount of any unpaid liens on the Residential Unit Owner's Unit in the order of the priority of such liens.

ARTICLE VIII. RULES AND REGULATIONS

Section 1. General

In addition to the other provisions of these By-Laws, the following Rules and Regulations together with such additional Rules and Regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Units and the conduct of all Unit Owners, residents and occupants thereof.

(a) Uses.
   a. All Residential Units shall be used for residential purposes only in accordance with municipal regulations. All rentals other than rentals by the Sponsor must be subject to local zoning ordinances and any City and State requirements.
   b. INTENTIONALLY OMITTED

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

(c) The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

(d) Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner, the Unit Owner's permitted lessees and occupants of such Units, their respective family members and guests, employees or such other person for whose conduct the Unit Owner is legally responsible.

(e) Maintenance.
   a. Every Unit Owner must perform promptly all maintenance and repair work to their own Unit and any Individual Residential Unit's Limited Common Element for the Residential Unit Owner's exclusive use which is their sole responsibility and, if not done would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which the Unit forms apart, the Unit Owner being expressly responsible for the damages and liabilities that the failure to do so may engender.
   b. All the repairs to internal installations of the Residential Unit located in and servicing only that Residential Unit, such as telephones and sanitary installations shall be at the Residential Unit Owner's expense.

(f) Structural Changes.

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

Any application to the Building Department or any other agency of the City of New York or any other governmental or administrative authority for a permit to make a structural addition, alteration or improvement in or to any Unit or Individual Residential Unit's Limited Common Element for its exclusive use shall be completed by the Unit Owner and executed by the Board of Managers only,. without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor

or material men on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising thereof.

These provisions shall not apply to Units owned by the Sponsor or its designee until such Units shall have been initially conveyed by the Sponsor or such designee.

The Board of Managers of the Condominium shall not use the above provisions in any way that would violate any rights a Unit Owner may have pursuant to the Federal Fair Housing Act or New York State Human Rights Law.

b. No alteration, addition or change to any part of the General Common Elements or any Individual Residential Unit's Limited Common Elements may be made and no structure or other improvement (including Landscaping) may be built or placed on any portion of the Common Elements or Individual Residential Unit's Limited Common Elements without the written consent of the Board of Managers.

(g) The Common Elements shall not be used for storage purposes except if specifically designated for such purposes.

(h) No Residential Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Residential Unit.

(i) Each Unit Owner shall keep their Unit and its appurtenant Individual Residential Unit's Limited Common Elements in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(j) The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of the Condominium may not be obstructed or used for any other purpose other than ingress to and egress from the Units and the Building. No vehicle belonging to a Unit Owner, to a family member of a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to or exit from the Building.

(k) No article (including, but not limited to, garbage cans, bottles or mats) may be placed in any of the passageways, public halls, vestibules, corridors or stairways of the Condominium, nor may any fire exit be obstructed in any manner.

(l) Unit Owners, residents, occupants, tenants, agents, servants, licensees or their guests are not permitted to play in, exercise or use for any unintended purposes, the entrances, passageways, public halls, vestibules, corridors and stairways of the Condominium.

(m) No public hall of the Condominium is permitted to be decorated or furnished by any Unit Owner in any manner.

(n) The following rules and regulations shall be applicable to the elevator in the Building:

a. The elevator of the Condominium may not be obstructed or used for any other purpose other than ingress to and egress from the Units or halls and floors of the Condominium.
b. No article (including, but not limited to, garbage cans, bottles or mats) may be placed in the elevator.
c. Unit Owners, residents, guests, tenants, clients, employees, licensees or occupants are not permitted to play in, exercise or use for any intended purposes the elevator of the Condominium.
d. The elevator or elevator cab of the Condominium cannot be decorated or furnished by any Unit Owner in any manner.
e. All vendors, contractors, sub-contractors and other personnel transporting any equipment, appliances, furniture, plants or other fixtures to a Unit must utilize the elevator at times designated for such purpose by the Board of Managers. All Unit Owners, tenants or other residents of the Building moving in or out or transporting any equipment, appliances, furniture or plants or other fixtures must utilize the elevator at times designated for such purpose by the Board of Managers. The Board of Managers may charge a move in and/or move out fee.
f. The Board of Managers shall be authorized to adopt separate rules and regulations regarding the elevator for use as a service elevator including hours of operation, a move in and move out fee and such other rules and regulations to insure the efficient operation of the elevator.

(o) No baby carriages, bicycles, scooters, or similar vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

(p) Nothing shall be hung or shaken from any doors, windows, balconies and/or terraces, or placed upon the exterior window sills, 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 there from. The Common Elements and Individual Residential Unit's Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(q) There shall be no playing or lounging in the elevator, entrances, passageways, public halls, vestibules, corridors, or stairways, of the Building, except in any designated recreational areas, if any, or other areas designated as such in the Declaration or by the Board of Managers.

(r) The Board of Managers or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements that may be devoted to storage, recreation, or service purposes in the Building.

(s) Nothing shall be done or kept in any Unit or in any Individual Residential Unit's Limited Common Element that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board of Managers. No Unit Owner shall permit anything to be done or kept in their Unit or in any Individual Residential Unit's Limited Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of the Unit Owner's family members, tenants, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in their Unit or

Common Elements, no matter how classified, any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit or the Common Elements, no matter how classified.

(t) 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 their Residential Unit or individual Residential Unit's Limited Common Elements or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Residential Unit Owner, family members, tenants, agents, servants, employees, licensees, visitors or occupants of a Residential Unit shall play any musical instrument, or shall operate or permit to be operated a Compact Disk Player, IPod, computer, phonograph, radio, television set, or other similar equipment in such Residential Unit Owner's Residential Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner, family members, tenants, agents, servants, employees, licensees, visitors or occupants of a Residential Unit practice 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 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Managers.

(u) No Unit Owner shall install any plantings in the Common Elements or Individual Residential Unit's Limited Common Elements without the prior written approval of the Board. It shall be the responsibility of each Unit Owner to maintain all plantings in the Units and Individual Residential Unit's Limited Common Elements to prevent any damage to floors, walls or any other part of the Building or other Unit. Unit Owners shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

(v) In the event that any Residential Unit shall be used for home occupation or professional purposes in conformance with the Declaration and the By-Laws and applicable zoning, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

(w) The terraces and/or balconies designated as Individual Residential Unit's Limited Common Elements are not permitted to be used for storage and are not permitted to be enclosed. No barbecuing is permitted on the terraces and/or balconies or any other area of the Common Elements unless permitted by the Board of Managers and as long as said barbecuing is not in violation of any City, fire or administrative code. All drains located on a balcony and/or terrace must be kept open at all times.

(x) No ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board of Managers, which approval may be granted or refused in the sole discretion of the Board of Managers.

(y) No sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease", or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or By-Laws or shall have been approved in writing by the Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

(z) All radio, television, or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(aa) No television or radio receiving device or any other type of receiving or transmitting device shall be erected on the exterior or roof of the Building or on any Individual Residential Unit's Limited Common Element without the prior written consent of the Board of Managers. The Board of Managers may adopt such rules and regulations pertaining to satellite dishes so as to comply with current Federal Communications Commission rules.

(bb) Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of such Residential Unit.

(cc) The agents of the Board or the Managing Agent, and any contractor or workman authorized by the Board or the Managing Agent, may enter any room in a Unit at any reasonable hour of the day, on at least one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

(dd) The Board or the Managing Agent may retain a pass-key to each Unit for emergency access to the Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to their Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board or the Managing Agent, then the Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an Officer of the Condominium or an Officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

(ee) If any key or keys are entrusted by a Unit Owner, by any family member thereof, or by their agent, tenant, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board nor the Managing Agent shall (Except as provided in Rule (dd) above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(ff) No Unit Owner of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

(gg) Any Unit Owner who mortgages, sells or leases their Unit shall immediately notify the Board of Managers, providing the name and address of the new Mortgagee, new Unit Owner or tenant within thirty (30) days of the Closing of the mortgage, within thirty (30) days of the execution of the Purchase Agreement of the sale of the Unit for the new Purchaser or thirty (30) days prior to any tenant occupying the Unit, whichever is applicable.

(hh) The Board of Managers shall, at the request of the Mortgagee of the Unit, report any delinquent assessments due from the Owner of such Unit.

(ii) Residential Unit Owners will faithfully observe the procedures established from time to time by the Board of Managers or the Managing Agent with respect to services provided and the management of the Building.

(jj) Residential Unit Owners will be permitted to keep dogs, cats or other common household pets in their Residential Unit subject to the provisions of this regulation. The foregoing notwithstanding, no breed or mix of dog, including American Pit Bulls, Terrier or Rottweiler, deemed to be dangerous to the safety of the residents of the Condominium shall be permitted to be kept or harbored in the Condominium or any Residential Unit. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium. No animals may be kept or maintained in a Unit for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property upon fifteen (15) days written notice to the Residential Unit Owner by certified mail or other means evidencing receipt of the written notice by the Residential Unit Owner from the Board of Managers. All Residential Unit Owners shall advise the Board of Managers of any household pet intended to be kept in their Residential Unit prior to the household pet residing therein. In addition to the above restrictions, the Board of Managers shall have the right to further limit the number, size and type of pet including but not limited to the type of breed of such pet permitted to be kept in a Residential Unit. In no event shall any animal be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash and in compliance with the local and municipal rules and regulations regarding pets. All Residential Unit Owners shall be responsible for picking up and disposing of their pets' waste

and for any damage caused by their pets to any Common Elements of the Condominium.

(kk) All Residential Unit Owners shall keep their thermostats at a minimum of 60 degrees Fahrenheit to prevent freezing of pipes. Any Residential Unit Owner failing to adhere to this requirement shall be responsible for any damage done to the Common Elements of the Condominium and/or any other Residential Unit.

(ll) No window guards or window decorations (other than curtains and window treatments which conform to the By-Laws) are permitted to be used in or about any Residential Unit, unless otherwise required by law, except such as will have been approved in writing by the Board of Managers. The Board of Managers shall have the right to designate or approve a contractor to do any of such work at the Residential Unit Owners' sole expense. In no event however, shall any exterior glass surface of any windows of a Residential Unit be colored or painted. In the event window guards are required in a Residential Unit, the cost of installing the window guards shall be the sole responsibility of the Residential Unit Owner.

(mm) Corridor doors are required to be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(nn) Except as permitted under the Declaration and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees are not permitted at any time or for any reason whatsoever to enter upon or attempt to enter upon the roofs of the Building except for the portion of the rear yard used for passive recreational use by the Residential Unit Owners. The Board of Managers shall have the right to adopt rules and regulations regarding the use and times of operation of the portion of the rear yard used for passive recreational use by the Residential Unit Owners including requiring a deposit for any damage caused to said area and charging a fee for said use. No barbequing is permitted on the portion of the rear yard used for passive recreational use by the Residential Unit Owners, unless barbequing is not in violation of any municipal or fire code and prior written approval is received by the Board of Managers.

(oo) No group tour or exhibition of any Unit or its contents may be conducted, nor will any auction sale or other sale of contents be permitted to be held in any Unit, without the prior consent of the Board of Managers.

(pp) Any Storage Space may be used only for storage of normal household items. Nothing shall be stored in a Storage Space that will result in the cancellation or increase of insurance on the Building, or the contents thereof, or that would be in violation of any law. No inflammable, combustible, or explosive fluid, material, chemical or substance shall be stored in a Storage Space. All major repairs and replacements to any Storage Space that is an Individual Residential Unit's Limited Common Element will be the responsibility of the Condominium and a Common Expense. All General maintenance and repairs of a Storage Space that is an Individual Residential Unit's Limited Common Element, including General cleaning, all repairs not major in nature,

(including the repair or replacement of the surface of the Storage Space), shall be the responsibility of the Residential Unit Owner whose Storage Space is an Individual Residential Unit's Limited Common Element of their Residential Unit. All provisions for safety shall be the sole responsibility of the Unit Owners.

(qq) No Residential Unit Owner shall make any changes, additions or alterations to a Residential Unit prior to the issuance of a Final Certificate of Occupancy for the Building and/or Residential Unit. No Residential Unit Owner shall make any changes, additions or alterations to a Residential Unit that will prevent the renewal or extension of a Temporary Certificate of Occupancy and/or a Final Certificate of Occupancy for the Residential Unit or Building. Any Residential Unit Owner making such change, addition and/or alteration shall be solely liable and responsible and shall pay all costs and expenses required to replace and/or repair the Residential Unit as may be required by the Department of Buildings of the City of New York or any other City, State or Municipal agency so that the Residential Unit and/or Building shall obtain a renewal or extension of a Temporary Certificate of Occupancy and/or the issuance of a Final Certificate of Occupancy . In the event the Residential Unit Owner fails to replace and/or repair the Residential Unit so as to obtain an extension or renewal of a Temporary Certificate of Occupancy and/or issuance of a Final Certificate of Occupancy , the Board of Managers of the Condominium shall have the right to enter into and upon the Residential Unit upon reasonable notice and make all necessary changes required to obtain an extension or renewal of a Temporary Certificate of Occupancy or the issuance of a Final Certificate of Occupancy . All costs and expenses, including reasonable legal fees, incurred by the Condominium shall be charged to the Residential Unit Owner and additional Common Charge to the Residential Unit Owner.

(rr) The Board of Managers shall have the right to promulgate rules and regulations regarding the the recreational rear yard area and any other common facility being utilized by all Residential Unit Owners, including requiring a deposit for any damage caused thereto and charging a fee for said use.

(ss) Smoking shall be prohibited in all indoor locations of the condominium, including common areas and dwelling units, as well as all outdoor areas of the premises, including but not limited to courtyards, rooftops, balconies and patios and any other outdoor areas connected to the dwelling units. No owner shall smoke, or permit smoking by any occupant, agent, tenant, invitee, guest, friend, or family member anywhere on the property. Smoking shall include carrying, burning, or otherwise handling or controlling any lit or smoldering product containing tobacco or cloves, including but not limited to cigarettes, cigars or pipes.

Notwithstanding the said prohibition against smoking, the Board may designate (or remove from designation) an outdoor area for smoking,

provided the smoking area(s) shall not cause secondhand smoke to drift into indoor common areas, exclusive use areas or individual units.

Section 2. Violations of Rules and Regulations.

(a) Upon receipt, by the President of the Board of Managers or by the Managing Agent, of a signed written complaint alleging violation of any of the Rules and Regulations or other provisions of the By-Laws or the Declaration of Condominium as herein established or hereafter established or adopted by the Board of Managers, the Board of Managers shall make a determination as to the validity of the complaint.

(b) If, it is determined that the complaint is valid and justified the Managing Agent, if any, or the Board of Managers if no Managing Agent, shall be directed to send written notice to the violator levying a fine or up to one hundred and fifty ($150) dollars upon the violator and instructing the violator to stop, curtail, correct or eliminate the violation, if applicable, within a period of three (3) days from the date of receipt of such notice. Such fine is to be considered as an additional Common Charge obligation to the account of the violator and shall be treated as such regarding late penalties and a lien upon the property as elsewhere provided for in the Declaration of Condominium or By-Laws. If the violation is not stopped, curtailed, corrected or eliminated, the Board of Managers may assess additional fines of up to one hundred and fifty ($150) dollars each and may continue to levy additional fines of up to one hundred and fifty ($150) dollars every 30 days thereafter. The initial fine and any additional fines shall be cumulative. If the violation results in loss of or damage to property classified as a Common Element, the Board of Managers shall itself or direct the Managing Agent, if employed, to have said loss or damage repaired or replaced and the actual cost of said repair or replacement shall be assessed to the violator as an additional Common Charge.

(c) In addition to the right to issue fines for violations of the Rules and Regulations as provided above the Board of Managers shall be entitled to any other remedies that may be available to the Board of Managers to enforce the Declaration of Condominium, the By-Laws and/or the Rules and Regulations of the Condominium.

Section 3. Costs.

Any costs incurred by the Board of Managers to remedy or cure any violation of the Rules and Regulations, By-Laws or Declaration of Condominium as herein or hereafter established, shall be an additional Common Charge charged to the violator in addition to the fine(s) levied upon the violator as described in Article VIII, Section 2 of the By-Laws. In the event a Unit Owner's tenant violates the provisions of any Rule and Regulation or any other provision of the By-Laws, fines may be levied against a Unit Owner's tenant, and the Unit Owner shall be jointly and severally liable with the Unit Owner's tenant for the payment of same.

In the event the Board of Managers institutes legal action for the collection of any fines for the enforcement of any of the provisions of the Declaration, By-Laws and/or Rules and Regulations of the Condominium, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Board of Managers on behalf of the Condominium, plus interest and costs of suit.

Section 4. Board of Managers Right to Change Rules and Regulations.

Except as may be otherwise provided in this Article VIII, the Board of Managers shall have the following rights:

(a) The Board of Managers reserves the right to rescind, alter, waive or add, as to one or more or all Unit Owners, occupants, lessees, guests and any other person residing in the Building, any Rule or Regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Board of Managers, the Board of Managers deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium or the preservation of good order therein, or for the operation or maintenance of the Condominium or the equipment thereof, or the comfort of the Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any Rule or Regulation in respect of one Unit Owner, occupant lessee, guest or other person residing in the Building will operate as a rescission, alteration or waiver in respect of any other Unit Owner.

(b) Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Board of Managers. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

(c) The Board shall have the right to increase the maximum amount of a fine imposed on the Unit Owners. If the Board increases the maximum amount of a fine as it applies to all Unit Owners it shall do so only after a notice has been sent to the Unit Owners advising them of the increase.

Section 5. Sponsor.

The above provisions shall not apply to the Sponsor unless required: (a) to comply with applicable laws or regulations, or (b) to remedy any notice of violation.

Section 6. Complaints.

Complaints regarding the service of the Condominium shall be made in writing to the Board of Managers or to the Managing Agent.

ARTICLE IX. DEFAULT

In the event a Unit Owner does not pay any Common Charges, Special Assessments, fines, late fees or any other sums, charges or assessments required to be paid when due, as determined by the Board of Managers, the Board of Managers, acting on behalf of the Condominium shall notify the Unit Owner and the Mortgagee, if any, of such Unit and may place a lien on such Unit pursuant to the provisions of Section 339-z of the Real Property Law of the State of New York.

In the event a Unit Owner does not remit payment of their Common Charges, Special Assessments, or any other sums, charges or assessments required to be paid when due the Unit Owner shall be required to pay all late fees and other fees as provided for in Article VI, Section 2 of these By-Laws.

The Board may take action to foreclose any lien for past due Common Charges in accordance with Section 339-aa of the Real Property Law or otherwise. During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges. In any such foreclosure the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to judgment of foreclosure and sale and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the same.

The Board of Managers (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges Special Assessments, fines, late fees or any other sums, charges or assessments determined by the Board of Mangers at the option of the Board of Managers, without foreclosing or waiving the lien securing such charges. In such an event the Unit Owner shall be liable for the reasonable costs and reasonable attorney's fee incurred by it incident to the collection of the delinquent Common Charges.

Notwithstanding the above any foreclosure by a holder of an Institutional Mortgage shall be subject to the provisions of Article VI, Section 2 of these By-Laws.

ARTICLE X. AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called Residential Unit Owners meeting; provided: (a) that the notice of the meeting shall contain a full statement of the proposed amendment; (b) that the amendment shall be approved by sixty-six and two-thirds (662/3rds%) percent of the Unit Owners in number and Percentage of Common Interest and (c) said amendment shall be set forth in a duly recorded amendment to the Declaration. In addition the following shall apply to amendments to the By-Laws:

(i) No amendment shall be passed which will affect or impair the validity of the Unit Owners' interest in a Unit.

(ii) No amendment, modification, addition or deletion of, to or from the By-Laws or any Rules and Regulations shall be effective in any way against Sponsor or its designee, assignee or successor or any Unsold Unit, as long as the Sponsor, its designee, assignee or successor owns an Unsold Unit in the Condominium unless Sponsor, its designee, assignee or successor has given its prior written consent thereto. This provision is not subject to amendment.

(iii) The Board of Managers shall have the right to amend these By-Laws without the consent of the Unit Owners to make corrections to the By-Laws that are patent errors, inconsistencies, scrivener's errors and technical errors.

(iv) No amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights and priorities of a Mortgagee.

(v) The Sponsor shall have the right to amend the By-Laws without the consent of the Unit Owners or the Board of Managers to (a) make corrections that are patent errors, inconsistencies, scrivener's errors or technical errors, to conform to other documents, or (b) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies, or (c) to reduce the Sponsor control period of the Board of Managers, or (d) to comply with any federal, state or local law or regulation that may affect the Condominium.

(vi) In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of common elements; responsibility for maintenance and repairs; reallocation of interests in the General or Individual Residential Unit's Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI; imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to these By-Laws shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who

received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

ARTICLE XI. SELLING, MORTGAGING AND LEASING UNIT

Section 1. Selling and Leasing Residential Units.

FOR THE PROPOSED RESALE OF A CONDOMINIUM UNIT:

Any Unit Owner shall have the right to sell his or her Unit under the following terms and conditions:

A. The Unit Owner shall first give the Board of Managers thirty (30) days prior written notice of the terms of any bona fide sale, together with a copy of any proposed sales agreement, together with a fully executed, original counterpart of the sales agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser. Written notice with a copy of the contract of sale shall be sent to the managing agent, if any, or to the President of the Condominium by Certified Mail or overnight mail by via a nationally recognized overnight courier service with proof of delivery being retained by the Unit Owner,

B. The Board of Managers may require the prospective Purchaser to complete an application and/or questionnaire for consideration by the Board of Managers or Sponsor of the proposed transaction. (The 30 day period as discussed above shall commence from the time that the managing agent or the President of the Condominium receives a fully completed application in the event that the Condominium requires applications to be completed by prospective Purchasers). The Board of Managers shall require photo identification of all persons who are prospective Purchasers and who may reside in the Condominium Unit; the names, addresses and social security numbers of all proposed occupants shall be provided to the Board of Managers with the proposed contract of sale. Any prospective Purchaser of any Condominium Unit consents to the Board of Managers obtaining a criminal background check on the proposed Purchasers. The Board of Managers may not discriminate against any proposed Purchaser or proposed occupant on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

If the Board of Managers fails to act within such thirty (30) day period, it shall be deemed to have consented to the proposed transaction;

Any such deed to convey any Condominium Unit shall provide that the 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.

C. If the Board of Managers refuses to consent to the transaction, it shall, within the thirty (30) day period, either:

(i) Produce a Purchaser who will purchase the Unit upon the same terms as stated in the Unit Owner's notice to the Board of Managers and the contract of sale executed by the proposed Purchaser, or

(ii) Agree to purchase the Unit on behalf of all other Unit Owners on the same terms stated in the contract of sale submitted to the Board of Managers.

If the Board of Managers desires to purchase the Condominium Unit from a Unit Owner, at the closing, the Unit Owner shall convey the Unit (and Appurtenant Interests) 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, with all transfer stamps affixed, and shall pay all transfer and other taxes arising out of such sale. Real estate taxes, mortgage interest and common charges and expenses shall be apportioned between the Unit Owner and the Board of Managers, or its designee, as of the closing date. The closing shall occur within 45 days from the date that the Board of Manager exercises its right of first refusal to purchase the Condominium Unit. The closing shall occur at the offices of the attorney for the Condominium.

In connection with the foregoing, the Board of Managers may not purchase a Unit without the approval of a majority of the Unit Owners (as such term "majority" is defined in the By-Laws). In the event that the Board of Managers does not have sufficient funds on hand for the purchase of a Unit which has been approved by the majority of the Unit Owners, the Board of Managers may borrow such funds or may assess the Unit Owners in proportion to their respective common interests to the extent of the purchase price amount. In the event that the Board of Managers exercises its right to purchase the Condominium Unit, it may do so on the same terms and conditions (including but not limited to the mortgage contingency provisions and closing date provisions set forth in the contract executed by the proposed Purchaser). In the event that the Board of Managers does not either produce a Purchaser for the Unit or agree to purchase the Unit on behalf of all of the Unit Owners as set forth above within the stated thirty (30) day period, the Unit Owner shall have the right to consummate the sale on the terms submitted to the Board of Managers and in accordance with the terms set forth in the contract of sale executed by the proposed Purchaser. The proposed Purchaser must comply with the requirements set forth in the Declaration and By-Laws.

The restrictions upon the sale of Units, set forth in this Section shall not apply to the Sponsor, or its designee, or to a mortgagee (including the holder of a construction loan, if any) acquiring title in foreclosure or by deed in lieu of foreclosure. The foregoing persons shall be free to sell without first notifying or obtaining the consent of the Board of Managers or Sponsor. The Board of Managers and the Sponsor, as the case may be, shall be required to cooperate in providing appropriate physical access to any such Unit and the Common Elements, as well as all financial information regarding same.

A Unit acquired by the Board of Managers pursuant to the Right of First Refusal described herein may be sold, leased, mortgaged or otherwise dealt with in the discretion of the Board of Managers. The proceeds of such disposition will be received by the Board of Managers on behalf of all Unit Owners in proportion to their respective common interests.

FOR THE PROPOSED LEASING OF A CONDOMINIUM UNIT BY A UNIT OWNER:

Any Residential Unit may be leased subject to the leasing requirements contained in Section 2 of this Article XI. In addition, any Residential Unit Owner who wishes to enter into a lease for the Residential Unit Owner's Residential Unit shall be required to provide the Board of Managers of the Condominium with a copy of the lease at least thirty (30) days prior to its execution. All Residential Unit Owners who wish to enter into a new lease for the Residential Unit Owner's Residential Unit shall be required to submit all documentation required by the Board of Managers as set forth in Section 2 below to the Managing Agent or the Board of Managers in the absence of a Managing Agent. All leases must comply with all the requirements contained in Section 2 below. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium.

The provisions of this section shall not apply to the acquisition or sale of a Residential Unit by a Mortgagee who shall acquire title to such Residential Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any Purchaser from such Mortgagees.

Whenever the term "Residential Unit" is referred to in this section, it shall include the Residential Unit, the Residential Unit Owners undivided Percentage of Common Interest in the Common Elements and the Residential Unit Owners' interest in any Residential Units acquired by the Board of Managers.

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

Section 2. Leasing Requirements for Residential Units.

Except as noted in Sections 3, 4 and 5, every lease on every Residential Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

(a) No later than thirty (30) days prior to execution of a lease, the Residential Unit Owner must provide the Board of Managers of the Condominium with a copy of the lease, name of the proposed tenant and terms of the lease;

(b) the lease must be in writing;

(c) the lease must be for the entire Residential Unit;

(d) the lease must have a minimum term of twelve (12) months. Renewal leases shall also have a minimum term of twelve (12) months.

(e) the form of the lease and any renewal lease must contain a provision that the tenant has thoroughly read and agrees to be subject to the Declaration, the By-Laws and Rules and Regulations of the Condominium and agrees to accept the power of attorney of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the Rules and Regulations of the Condominium and agrees to be jointly and severally liable with the Residential Unit Owner for any and all fines and costs levied against the tenant for any violation of the provisions of the Rules and Regulations, By-Laws and/or Declaration of Condominium;

(f) the use of the premises is subject to the Declaration, the By-Laws and the Rules and Regulations of the entire Condominium;

(g) within thirty (30) days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the executed lease, must be furnished to the Managing Agent or if no Managing Agent to a Member of the Board of Managers of the Condominium;

(h) within thirty (30) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent to the Board of Managers of the Condominium;

(i) the Residential Unit cannot be used as a motel or hotel or otherwise for transient tenants;

(j) no Residential Unit Owner, Resident or tenant shall be permitted to place any signs for rent in or on the Residential Unit or the Common Elements of the Condominium unless approved in writing by the Board of Managers;

(k) all leases and tenants are subject to all municipal requirements applicable to rentals, if any; and

(l) if any Residential Unit Owner (Landlord) or tenant is in violation of any of the provisions of the Declaration or By-Laws, or both, including any Rules and Regulations, the Board of Managers of the Condominium may bring an action in its own name or in the name of the Residential Unit Owner, or both, to have the tenant evicted or to recover damages, or both.

The Board of Managers, in its sole discretion, may add or change any of the criteria in this Section 2 with respect to the requirements of leasing Residential Units.

In order to carry out the provisions of this Article XI and pursuant to the provisions of Article Fifteenth of the Declaration of Condominium each Residential Unit Owner shall upon becoming a Residential Unit Owner grant an irrevocable power of attorney, to nominate, designate, constitute and appoint the Members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact,

coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Residential Unit Owner's Condominium Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium. The remedy provided by this subsection is not exclusive and is in addition to any other remedy or remedies available to the Board of Managers of the Condominium. If permitted by present or future law, the Condominium may recover all of its costs, including court costs and reasonable attorney's fees, and these costs shall be a continuing lien on the Residential Unit that shall bind the Residential Unit in the hands of the then Residential Unit Owner and the Residential Unit Owner's successors and assigns. The Board of Managers of the Condominium shall give the tenant and the Residential Unit Owner written notice of the nature of the violation of the Rule and Regulation, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Managers of the Condominium may file for eviction.

Section 3. Waiver of Partition Rights.

The Residential Unit Owners waive all of their voting rights concerning partition respecting any Residential Unit acquired by the Board of Managers in accordance with this Article.

Section 4. Gifts, etc.

Any Residential Unit Owner may convey or transfer their Residential Unit owned by such Residential Unit Owner by gift during the Residential Unit Owner's lifetime or devise their Residential Unit owned by such Residential Unit Owner by will or pass the same by intestacy, without restriction.

Section 5. Tenant Bound by Declaration.

By becoming a tenant, each tenant agrees to be bound by the Declaration, the By-Laws and the other Rules and Regulations of the Condominium, and recognizes and accepts the right and the power of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the other Rules and Regulations of the Condominium.

Section 6. Lenders.

To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Residential Units in the Condominium, only subsections (c), (d), (f), (g), (h), (i), 0). (k) and (l) of Section 2 of this Article XI shall apply to a first mortgage lender who has title to the Residential Unit through (a) foreclosure of its first mortgage on the Residential Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Residential Unit. Any subsequent Purchaser from the first mortgage lender is subject to all the terms of this Article XI. In addition the provisions of Article Thirteenth of the Declaration of

Condominium regarding an Institutional Mortgage shall be applicable regarding unpaid Common Charges accrued before acquisition of title of a Unit by the Mortgagee.

Section 7. Sponsor.

The foregoing restrictions of Sections 1 and 2 of this Article XI shall not apply to Sponsor-owned Residential Units. The Sponsor, its successors, assignees or designees shall have the right to freely sell their Unit or to freely lease all or any part thereof without any interference or any restrictions by the Board of Managers as long as the lease and use by a tenant is in compliance with the permitted use of the Unit under applicable zoning and occupancy requirements.

Section 8. Section 339-kk of the Real Property Law.

Pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York, any non-occupying Residential Unit Owner who rents any Residential Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Residential Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants shall thereafter be directly payable to the Condominium association. The provisions of Section 339-kk of the Real Property Law shall control any dispute pursuant to this provision of the By-Laws.

ARTICLE XII.
ARTICLE XIII. 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 the local jurisdiction of the Condominium in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in New York City 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 the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 3. Binding Effect.

The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon 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, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

All costs and expenses paid or incurred by the Condominium Board of Managers in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

ARTICLE XIV. CONDEMNATION

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than $50,000 and to the Board of Managers if the award is $50,000 or less, to be distributed in accordance with Section 3 of Article VII but in the following amounts:

(a) So much of the award as is applicable to the General Common Elements, to the Unit Owners pro rata according to the respective Percentage of Common Interest appurtenant to the Unit owned by such Unit Owners.

(b) So much of the award as is applicable to an Individual Residential Unit's Limited Common Element to the Unit Owner having General use of such Individual Residential Unit's Limited Common Element.

In such eminent domain or condemnation proceeding the Board of Managers shall request that the award shall set forth the amount allocated to General Common Elements and to each Individual Residential Unit's Limited Common Element. In the event the award does not set forth such allocation then the question of such allocation shall be submitted to the arbitration in accordance with the Arbitration Statutes of the State of New York. Any condemnation or eminent domain award shall require that any proceeds applicable to a Unit be applied first to a first Mortgagee of a Unit as its interest may appear.

ARTICLE XV. SPONSOR RIGHTS

Section 1. Sales/Rentals.

The Sponsor, its nominees and agents, shall have the right and privilege to maintain General and local sales and rental offices in and about the Condominium, including any model Units located within the Condominium Building or elsewhere

throughout the project, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective Purchasers or tenants, to utilize the Common Elements, and without limitation, to do any and all things necessary incident to the sale or rental of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

Section 2. Signs/Ingress/Egress.

The Sponsor shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to construct, sell and lease the Units, or any other property, development or community the Sponsor, its successors, assigns or designees so prescribe. Incident to the rights and privileges provided for herein, the officers, employees, agents, contractors, guests and invitees of the Sponsor, its successors and assigns, shall have the right of ingress and egress to and throughout the Common Elements of the Condominium. This Article XIV may not be modified or amended without the written consent of the Sponsor so long as the Sponsor continues to own one (1) or more unsold Units.

Section 3. Additional Rights.

The Sponsor, its successor, assignees, designees, nominees and agents shall, in addition to the above, have any additional rights afforded to the Sponsor, its successors, assignees, designees, nominees and agents in these By-Laws, Rules and Regulations and the Declaration of Condominium.

ARTICLE XVI. MISCELLANEOUS

Section 1. Insurance.

Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in a Unit Owner's Unit which will increase the insurance rates on the Unit or any other Unit or on the common elements.

Section 2. Severability.

Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. Notice to Condominium.

A Unit Owner who mortgages the Unit Owner's Unit, shall notify the Condominium through the management agent, if any, or the President of the Board of Managers in the event there is no management agent, of the name and address of the Unit Owner's Mortgagee; and the Board of Managers shall maintain such information in a book entitled "Mortgagees of Unit".

Section 4. Notice of Unpaid Assessments.

The Board of Managers shall at the request of a Mortgagee of a Unit, report any unpaid assessments due from the Unit Owners of such Unit.

Section 5. Examination of Books and Records.

Every Unit Owner or the Unit Owner's representative and Mortgagee shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board at convenient hours on weekdays (except legal holidays) but not more often than once a month. Said hours are to be determined by the Board of Managers or Managing Agent.

Section 6. Costs of Legal Action

In the event the Board of Managers institutes any legal action for the enforcement of any of the provisions of the Declaration of the Condominium, By-Laws and/or Rules and Regulations of the Condominium, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Board of Managers on behalf of the Condominium, plus interest and costs of suit.

Section 7. Report to Residential Unit Owners

It is the obligation of the Board of Managers of the Condominium to give all Residential Unit Owners annually:

(i) a financial statement of the Condominium prepared by a certified public accountant or public accountant by a specific date; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided within four (4) months of the end of each fiscal year;

(ii) prior notice of the annual Residential Unit Owners meeting; and

(iii) a copy of the proposed annual Budget of the Condominium within thirty (30) days of the date set for adoption by the Board of Managers. While Sponsor is in control of the Board of Managers such Budget will be certified in accordance with the regulations of the Department of Law.

During the period Sponsor retains control of the Board of Managers of the Condominium, the Sponsor shall be required to provide certified financial statements for the Condominium. The cost of such reports shall be a Condominium expense. In addition, during said period the Sponsor will be required to provide a Certification of Adequacy of the Budget for the Condominium from a Managing Agent or other expert who is unaffiliated with the Sponsor.

Section 8. Construction.

Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural; wherever the context so requires.

Section 9. Compliance with Article 9-B.

These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or of the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

ESCROW AGREEMENT: AGREEMENT FOR OFFERING PLAN

AGREEMENT made this _____ day of _____, 20___, by and among _____ ("PURCHASER"), NEMA-1 REALTY, LLC AND MAGNUM 1 REALTY, LLC ("SPONSOR"), as sponsor of THE URBAN GARDEN MANOR CONDOMINIUM offering plan ("Plan") and TSOROMOKOS & PAPADOPOULOS, PLLC ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale condominium ownership interests at the premises located at THE URBAN GARDEN MANOR CONDOMINIUM, 14-11 31St AVENUE, ASTORIA, NEW YORK 11102, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b), 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT shall establish an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of condominium units (the "Purchase Agreement") at Signature Bank, 36-33 33rd Street, Long Island City, NY 11106, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled The URBAN GARDEN MANOR Condominium Master Escrow Account ("Escrow Account"). The account number shall be designated at the time it is established

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: Nick Tsoromokos. 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 45-02 Ditmars Blvd., Suite 1000, Astoria, New York 11105, and a telephone number of (718) 721-1250.

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 TSOROMOKOS & PAPADOPOULOS, PLLC, 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, 120 Broadway, 23rd Floor, New York, N.Y. 10271. 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/Presidentship 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 Presidents of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or Presidents 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:

TSOROMOKOS & PAPADOPOULOS, PLLC

By: _____
Name: NICK TSOROMOKOS, ESQ.
Title: Member

SPONSOR:

NEMA-1 REALTY, LLC

By: _____
Name: ANDREW MAGRIPLES
Title: Member

MAGNUM 1 REALTY, LLC

By: _____
Name: JAMES MAGRPLES
Title: Member

PURCHASER:

_____

PURCHASER:

_____

PART 20: CERTIFICATION BY SPONSOR AND PRINCIPAL OF SPONSOR

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

Re: Condominium Offering Plan
The URBAN GARDEN MANOR Condominium
14-11 31st Avenue
Astoria, New York 11102

We are the sole members and principals of the Sponsors of the Condominium Offering Plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, Purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

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

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(vii) not contain any representation or statement which is false, where I:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

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

SPONSOR

NEMA-1 REALTY, LLC

By: ANDREW MAGRIPLES,
Sole Member

PRINCIPAL(S) OF SPONSOR

ANDREW MAGRIPLES

SPONSOR

MAGNUM 1 REALTY, LLC

By: JAMES MAGRIPLES,
Sole Member

PRINCIPAL(S) OF SPONSOR

JAMES MAGRIPLES

Sworn to before me this
3 day of March, 2020

Notary Public, State of New York

GENI RODAMIS
Notary Public, State of New York
No. 01RO5037454
Qualified in Queens County
Commission Expires March 10, 2023

EXHIBIT A-2

CERTIFICATE OF ARCHITECT

**PURSUANT TO Section 23
OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED**

July 10, 2020

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

RE: The Urban Garden Manor Condominium
14-11 31st Avenue
Astoria, New York 11102

The undersigned, an architect registered in New York State, certifies as follows:

The Sponsor of the Offering Plan to convert the captioned property to Condominium ownership retained our firm to prepare a report describing the construction of the property. We prepared the buildings plans and specifications dated May 31, 2017 and amended August 15, 2019 and prepared the report dated July 10, 2020, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the report.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that renovation and/or construction is in accordance with the Plans and specifications that we examined;

(ii) in my/our professional opinion affords potential investors, Purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that

renovation and/or construction is in accordance with the Plans and specifications that we examined;

(iii) does not omit any material fact;

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

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

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

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a Condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

By: _____
Gerald J. Caliendo, R.A.



Seal

Sworn to before me this
10 day of July, 2020

NOTARY PUBLIC, STATE OF NEW YORK
DHANRAJ BACHAN
Notary Public, State of New York
No. 01-BA6318307
Qualified in Westchester County
Commission Expires Jan. 26, 2023

PART 20: CERTIFICATION BY SPONSOR'S EXPERT AS TO ADEQUACY OF CONDOMINIUM BUDGET

February 26, 2020

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

Re: Condominium Offering Plan
The Urban Garden Manor Condominium
14-11 31st Avenue
Astoria, New York 11102

The Sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule(s) B and B-1, containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes the management of residential and mixed-use cooperatives, condominiums and rental properties for over 20 years and preparing budgets for all properties on an annual basis for approximately twenty (20) properties that we manage.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules.

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. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;
(ii) affords potential investors, Purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
(iii) does not omit any material fact;
(iv) does not contain any untrue statement of a material fact;
(v) does not contain any fraud, deception, concealment, or suppression;
(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I:
(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

NAME: DEMETRIS DRAKONAKIS
TITLE: PRESIDENT

Sworn to before me this
26 day of FEB, 2020

Notary Public, State of New York

Nick Tsoromokos
Notary Public, State of New York
No. 02TS6096335
Qualified in Queens County
Commission Expires on July 28, 2023

§ 339-kk. Rents. (a) For the purposes of this section, "non-occupying owner" shall mean a Unit owner in a Condominium association who does not occupy the dwelling Unit.

(b) If a non-occupying owner rents any dwelling Unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such Unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the Condominium association.

(c) If the Common Charges, assessments or late fees due for any Unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the Board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for Common Charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Condominium association at the address listed on the notice. Where a majority of the Board of managers has been elected by and from among the Unit owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the Board of managers, which must be held within thirty days of the date that such Board receives notice that such owner seeks to
dispute such claim.

(d) Nothing in this section shall limit any rights of Unit owners or of the Board of managers existing under any other law or agreement.

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

This act may be enforced by any party by means of a special proceeding brought pursuant to Article 4 of the Civil Practice Law and Rules.

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