CONDOMINIUM OFFERING PLAN

SURF HOUSE 1

163 BEACH 96th STREET
ROCKAWAY BEACH, New York 11693
COUNTY and BOROUGH OF QUEENS

Number of Units:	**11 Residential Units**	**$6,293,775.00**
	7 Parking Spaces	**$ 350,000.00**
	8 Rooftop Terraces	**$ 160,000.00**
	Total Offering Price	**$6,803,775.00**

SPONSOR

163 BEACH 96TH STREET CONDOS LLC

82-17 153rd Avenue – Suite 200
Howard Beach, NY 11414

SELLING AGENT

ALG NY MANAGEMENT

82-17 153rd Avenue – Suite 206
Howard Beach, NY 11414

The Date of Acceptance for Filing of this Offering Plan is _____ ___, 2021. This Plan may not be used after _____ __, 2022, unless extended by an amendment to the Plan.

SEE PAGE i FOR SPECIAL RISKS TO PURCHASERS.

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

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

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SPECIAL RISKS

1. (a) Sponsor as the owner of the Unsold Units has the right to designate a majority of the board members during the Sponsor Control Period, which period will terminate as of the sale by the Sponsor of more than fifty (50%) percent of the aggregate Units, which amounts to six (6) or more Units (the "Sponsor Control Period"). Since Sponsor is only obligated to sell 15% of the Units to declare the Plan effective, it may retain a majority interest and thereby indefinitely control the board. After the expiration of the Sponsor Control Period, Sponsor or its assigns may still control the Board of Managers through the exercise of voting control it may have if Sponsor or its assigns, through the ownership of a majority of the Unsold Units (including the Parking Spaces) and common interests appurtenant thereto, vote such interests in all elections. (See "Control by Sponsor" below)

   (b) During the period that Sponsor controls the Condominium Board, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. (See "Control by Sponsor" below.) During the Sponsor Control Period, any modification by to the Common Charges by the Sponsor Controlled Board, shall be in compliance with Real Property Article 9-B, Section 339-e, which defines "Common Charges" as "each Unit's proportionate share of the common expenses in accordance with its common interest".

2. If a Purchaser makes a down payment in excess of $250,000 for the purchase of a Unit, such down payment will not be federally insured in excess of $250,000. (See "Procedure to Purchase" below.). If a purchaser has an account at the same bank that holds the escrowed funds, purchaser's funds at the escrow bank factor into the $250,000 insurance limit.

3. A Purchaser has thirty (30) days to cure a default under the Purchase Agreement after being sent written notice of such default. "Time is of the Essence" as to Purchaser's obligation to cure such default within such thirty (30) day period. If the Purchaser fails to cure such default on a timely basis, the Sponsor may elect to cancel the Purchase Agreement as a result of Purchaser's default, in which event the Sponsor shall be entitled to retain, as liquidated damages, all payments made under the Purchase Agreement (but in no event an amount in excess of 10% of the Purchase Price). (See "Procedure to Purchase" below.)

4. A Purchaser of a Unit is obligated to pay New York State documentary stamp taxes and New York City real property transfer taxes, although these charges are statutorily paid by the seller in conventional real estate transactions, and Sponsor is transferring responsibility for these charges, to the Purchaser. When such costs are paid by Purchasers, the effective rate of the New York City Real Property Transfer Tax for Units is equal to approximately 1.01% of the Purchase Price (if the Purchase Price is $500,000 or less; otherwise the rate is 1.425% of the Purchase Price, and the New York

State Deed Documentary Stamps is equal to $2.00 for each $500 (or part thereof) of the Purchase Price. (see "Procedure to Purchase" below.)

5. **Financial Crimes Enforcement Network ("FinCEN") Requirements**. The Assistant Director of the Financial Crimes Enforcement Network ("FinCEN") issued an Order ("Order") on July 22, 2016 which affects disclosure requirements for sponsors and prospective purchasers of residential real property located in all boroughs of New York City. The Order requires certain title insurance companies that have received notification from FinCEN to collect and report information about persons involved in residential real estate transactions as noted below. The Order expired on August 22, 2017, and FinCEN extended the dated date for enforcement of the Order. The extended reporting requirement will be in effect as of September 22, 2017. A copy of the Order is available at Https://www.fincen.gov/news_room/nr/files/Title_Ins_GTO_Sample_072716.pdf.

   Contract-vendees and prospective purchasers are advised that certain title insurance companies are now required to collect and report information regarding purchasers in transactions where: (1) the purchaser is a legal entity defined as a corporation, limited liability company, partnership or other similar business entity, whether formed under the laws of a state or of the United States or a foreign jurisdiction; (2) the purchaser purchases residential real property located in the Boroughs of Brooklyn, Queens, Bronx, Manhattan, and Staten Island; (3) the total purchase price is in excess of $3,000,000 in the Borough of Manhattan or the total purchase price is excess of $1,500,000 for the Boroughs of Brooklyn, Queens, Bronx 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, a funds transfer, or a money order in any form. This requirement affects all residential real property closings occurring on or after August 28, 2016 through August 22, 2017 and then from September 22, 2017 until the expiration of the effective period of such Order (i.e., March 20, 2018, as of the date hereof, which date is subject to change by FinCEN).

6. At Purchaser's option, the Purchase Agreement will be made subject to the Purchaser obtaining a loan commitment from Purchaser's lending institution of choice for an amount no greater than eighty (80%) percent of the Purchase Price for the Unit. In the event Purchaser's lending institution of choice does not approve the Purchaser for financing, the Sponsor has the right within ten (10) calendar days of Sponsor's receipt of a written notice that Purchaser's lending institution of choice has rejected Purchaser's loan application, to require that the Purchaser make a complete and good faith application for financing through Sponsor's preferred lender: Citizens One Home Loans, 10 Lake Center, Suite 310, Marlton, NJ 08053, which has approved the project for financing. In order to avoid additional time and expense, Sponsor will seek to ensure that Sponsor's preferred lender will issue a pre-qualification letter prior to Purchaser's application for a loan application and at no cost to Purchaser. Accordingly, the Purchaser may have to provide payment for two sets of financing fees for

applications, i.e. to the lender of its choice and the Sponsor's preferred lender. The terms and conditions for making the Purchase Agreement contingent upon Purchaser obtaining a loan commitment are set forth in the section of the Plan entitled "Procedure to Purchase". Purchasers may find it necessary to extend an expiring loan commitment in the event the Plan is not yet declared effective or the Sponsor is otherwise unable to close on the Unit for any reason whatsoever. In such event it shall be the Purchaser's obligation to take all necessary steps to extend the loan commitment, including, if applicable, the payment of an extension or other fee. Furthermore, Purchaser's lending institution may decide to renew or extend the loan commitment at interest rates higher than originally provided. If a Purchase Agreement is made contingent upon the Purchaser obtaining financing and Purchaser makes a good faith effort to extend the loan commitment but the commitment is not extended, Sponsor must offer the Purchaser the right to rescind the Purchase Agreement and a reasonable period of time to exercise the right. If 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. Purchaser is not required to apply to the Sponsor's preferred lender unless a pre-approval letter has been issued by such lender. The Purchaser must obtain a commitment within 60 days from the date Sponsor accepts and delivers the fully executed Purchase Agreement to obtain a written loan commitment for financing. The Purchaser must notify the Sponsor that the mortgage application was rejected by (i) Purchaser's lending institution of choice (if Sponsor does not elect to require that Purchaser also apply to Citizens One Home Loans) or (ii) Citizens One Home Loans if Sponsor did elect to require that Purchaser apply to its preferred lender after being advised that Purchaser's lending institution of choice had rejected Purchaser's application, following which the Sponsor will return the down payment after receipt of Purchaser's notice of rejection within ten (10) days. The Sponsor reserves the right, without any obligation, to extend the time period in which a Purchaser must obtain a mortgage commitment if one has not been obtained by the original mortgage contingency date.

Under New York law, when a mortgage commitment is not fulfilled through no fault of purchaser, performance is excused. If a Purchaser acts in good faith and the lender revokes the financing contingency commitment after the contingency period expires, performance is excused. (See "Procedure to Purchase" below.)

7. Sponsor and its designees may exercise veto power over some actions of the Condominium Board. Until Sponsor and its designees have conveyed title to seventy-five (75%) percent of all Units, but in no event later than five (5) years after the closing of the first Unit, or whenever the Unsold Units constitute less than twenty-five (25%) percent of the Common Interests in the Condominium, whichever is sooner, the Condominium Board may not take any of the following actions without Sponsor's prior

written consent: (a) make any addition, alteration or improvement to the Common Elements, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the plan, or (e) borrow money on behalf of the Condominium, provided; however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (e) above on any matter adversely affecting the health and safety of the occupants of the property, or if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium or to remedy any notice of violation or to remedy any work order by an insurer. In addition, Sponsor or its assigns will continue to control the Board of Managers for so long as Sponsor or its assignees own a majority interest in the Condominium. (See "Control by Sponsor" below).

8. No amendment, modification, addition or deletion of the Declaration, By-laws or Rules and Regulations of the Condominium shall be effective in any way without the prior written consent of Sponsor or its designee or the owner of any unsold Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to the By-laws, the Declaration or the Rules and Regulations modifying the permitted use of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, as the case may be or otherwise adversely affecting (i.e., economically or in any way restricting any of the rights of) Sponsor or its designee or the owner of any Unsold Unit, as the case may be, as Sponsor retains the rights set forth in this Special Risk #8 for as long as Sponsor owns at least one (1) Unit in the Condominium. (See "Rights and Obligations of Unit Owners and the Board of Managers" below.)

9. Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. No assurance(s) are or can be given with regard to the accuracy of any projected completion dates set forth herein. Plans and specifications for the construction of the Building have been filed with and approved by the Department of Buildings and Sponsor has commenced construction pursuant thereto. The Sponsor projects that the Building will be substantially completed by the end of May 2021 and that a temporary Certificate of Occupancy will be issued by August 15, 2021. It should be anticipated that during the First Year of Condominium Operations (see, Special Risk #14 below), construction workers and related personnel will be at the Property from time to time making adjustments and performing various tasks related to the completion of construction. Various building-wide systems, including but not limited to water supply, air conditioning, heating, cooling, ventilating and elevator, might be shut down temporarily in order to make appropriate adjustments. All reasonable steps will be

taken by Sponsor to minimize any necessary interruption in building services while making such adjustments. Sponsor will promptly repair any damage to any sold Unit or common area which may be damaged during the course of Sponsor completing the renovations of the Property. Sponsor may not complete the decoration of the corridors in the Building, including but not limited to installing light fixtures, hanging wall coverings or laying flooring, until that particular floor is fully occupied by Unit owners. (See "Description of Property and Improvements" below.)

10. Sponsor reserves the right to sell blocks of Units (consisting of three (3) or more Units) as more fully described in the "Introduction" of the Plan and to designate the Purchaser of such blocks of Units as "Sponsor" under this plan and Declaration. Any such Purchaser(s) designated as a Sponsor will have all of the obligations of the Sponsor under this Plan as well as applicable law and regulations. In the event of a sale of a block of Units as described in this Special Risk 10, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and obligations of the Sponsor. Pursuant to the Declaration and By-laws, the Units may be used for residential purposes only subject to conditions set forth in the declaration. (See "Introduction" below.)

11. Sponsor will pay all Common Charges, special assessments and real estate taxes with respect to any Unsold Units following the initial First Unit Closing. However, no bond or other security has been posted by Sponsor to secure its obligation to pay common charges, special assessments and real estate taxes with respect to the Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to the Unsold Units. Sponsor will pay the Common Charges for any Unsold Units so long as such Unit(s) is owned by Sponsor. (See "Rights and Obligations of Sponsor" below.)

12. In accordance with the terms of this Plan, Sponsor reserves the right to sell Units to one or more non-occupant purchasers for investment or resale, or to lease Units to others (following the Plan being declared effective and the consummation of the First Unit Closing) or to retain Units for future rental. Sponsor does not intend to enter into short term rentals. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of the tenants in the Building may not be Unit Owners. As a consequence, a Unit Owner seeking to resell or refinance a Unit may experience difficulty (see below). Sponsor has further reserved the right to rent or lease any Unit prior to closing thereof, but only to the Purchaser thereof prior to the Plan being declared effective and consummation of the First Unit Closing; thereafter, the Sponsor reserves the unconditional right to rent or lease any Unit that is not the subject of a Purchase Agreement to any person or party, as such this Plan may not result in the creation of a Condominium in which the majority of the Units are owned by Owner-Occupants or investors unrelated to Sponsor and Purchasers for their own occupancy may never gain control of the Condominium Board under the terms of this Plan. In any event, Sponsor reserves the right to cease marketing Units for sale at any time. Accordingly, residents of the Condominium may be comprised of

Unit Owners and tenants leasing from Sponsor or other Unit Owners after the Property is converted to Condominium Ownership. Occupants who are not Unit Owners have no investment in their Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities. Individuals leasing Units from Sponsor will not, except as expressly provided in their respective leases, have any special rights to purchase such Units. Purchasers of previously occupied Units, shall be required to purchase such Unit in its "AS IS" condition. (See, "Procedure to Purchase" and "Rights and Obligations of Sponsor", below)

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

13. The Sponsor reserves the right to enter into an interim lease with any Purchaser of a Unit for the period prior to closing on such Unit. Any interim lease for a Unit entered into with a Purchaser who has submitted a Purchase Agreement will provide among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease, will constitute a default under the interim lease entitling Sponsor, at its sole option, on behalf of itself and the Condominium, to terminate such interim lease in accordance with applicable law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any interim lease with respect to the Unit which is the subject of the Purchase Agreement, will constitute a default under the Purchase Agreement, entitling Sponsor, as its sole option, on behalf of itself to terminate the Purchase Agreement and exercise any remedies therein provided Sponsor first obtains an order of eviction or other order or judgment from a court of competent jurisdiction against the lessee, unless the lessee has vacated the Unit. Individuals who rent vacant Unsold Units from Sponsor shall have no rights to purchase thereunder, except as may be negotiated between such tenant and the Sponsor and as may be expressly provided in such tenant's interim lease. Purchasers or any other persons entering into an interim lease or use and occupancy agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and

occupancy agreement. Purchasers of previously occupied Units, shall be required to purchase such Unit in its "AS IS" condition. (See, "Interim Lease" and "Rights and Obligations of Sponsor" below.)

14. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorney, Turek Roth Grossman LLP in connection with the closing of title to Purchaser's Unit: (i) $2,750.00 representing Sponsor's legal costs in connection with such closing transaction; (ii) if the Purchaser requests the closing to occur other than at the office of Turek Roth Grossman LLP or such other place as Sponsor may designate in its Closing Notice and Sponsor consents to such request, an attendance fee of $500 for each Unit Closing held within Manhattan and $700 for each Unit closing held in any Borough of New York City outside Manhattan; and (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an Assignment of the Purchase Agreement, a fee of $1,000, payable in advance, for the preparation of an Assignment Agreement. In addition to the foregoing, each Purchaser shall be required to make a contribution at Closing of his Unit(s) to the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) month's Common Charges in effect for such Unit(s). (See sections "Closing Costs and Adjustments" and "Working Capital Fund and Reserve Fund" below.)

15. Sponsor shall perform all work required to obtain a permanent Certificate of Occupancy for the common areas of the Building ("Common Area Work") and shall perform all work required to obtain a permanent and/or temporary Certificate of Occupancy for all Units. In the event that all Common Area Work is not completed by the time the Temporary Certificates of Occupancy expire, continued occupancy of the Building will be illegal subjecting the Unit Owners and Board of Managers to penalties under the Multiple Dwelling Law, including eviction of residential occupants. Notwithstanding the foregoing, the Sponsor shall also be held responsible for any violations and fines due to Sponsor's failure to obtain a permanent Certificate of Occupancy, to the extent that such permanent Certificate of Occupancy is not obtained or is delayed directly as a result of the Sponsor's failure to properly complete the work to the Building or Sponsor's or its agent's failure to properly file the requisite documentation with the Department of Buildings. Sponsor makes no representation or guarantee that the Department of Buildings will issue a permanent Certificate of Occupancy within two (2) years after issuance of the first temporary Certificate of Occupancy. In the event the first Unit closing occurs prior to the issuance of a permanent Certificate of Occupancy for the Building, Sponsor shall obtain a written opinion from its architect or engineer, certifying the amount reasonably necessary to complete all alterations and improvements to the public portions and common areas of the Building, which amount so certified will be retained in a special escrow account as required by GBL §352-e(2-b) until such permanent Certificate of Occupancy is obtained. Sponsor reserves the right to get written amended certifications from its architect or engineer from time-to-time up-dating the amount of money required to

complete those alterations and improvements and to withdraw from the special escrow account, any sums in excess of the amount certified at such time as necessary. (See "Rights and Obligations of Sponsor" below.)

Purchasers are advised that in some jurisdictions, 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 municipality in this jurisdiction. A TCO is intended to indicate that the property conforms substantially to the plans and specifications approved by the municipality, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell Units. As such, 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 years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the municipality will issue the PCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PERMANENT CERTIFICATE OF OCCUPANCY 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.

Inasmuch as the filing for a permit to make certain alterations in a Unit may cause a delay in the Sponsor's ability to obtain a Permanent Certificate of Occupancy for the Building, the Condominium Board will not approve any Purchaser or non-Sponsor Unit Owner's request for permission to do alterations which require a permit, until such time as Sponsor secures such Permanent Certificate of Occupancy. (See, "Rights and Obligations of Sponsor" and Section 5.2(D) of the Condominium's By-laws reproduced in Part II below)

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://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf

Sponsor anticipates that the First Unit Closing will occur on or about September 1, 2021. Purchasers will be offered a right of rescission if: (i) the actual date of Closing of Title to the First Unit, or (ii) the projected date of Closing of Title to the First Unit occurs later than August 31, 2022, the date which is twelve (12) months after the projected date for the First Unit Closing. If the Plan is amended to provide for a later date for the First Unit Closing, the Purchasers who enter into a Purchase Agreement after such amendment extending the closing date, will be entitled to an offer of rescission if the First Unit Closing occurs beyond that amended, later date.

However, if the First Unit Closing occurs before September 1, 2021, the Sponsor may schedule the closings of title to other Units significantly later than such date. Unless a Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule a Closing thereof within any specified time frame or to ensure that closing of title to such 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.

16. In accordance with General Business Law §352-ee, Sponsor has the right to declare the Plan effective and convey title to Units prior to obtaining a temporary Certificate of Occupancy for the entire Building, so long as Sponsor obtains temporary Certificates of Occupancy for any Unit being sold and obtains a permanent Certificate of Occupancy, before the temporary Certificate of Occupancy or any renewal thereof, expires. Accordingly, Purchasers may be required to close title to their respective Residential Units without a temporary or permanent Certificate of Occupancy for the entire Building. Purchasers are advised that some lenders will not finance the purchase of a Unit which does not have a temporary or permanent Certificate of Occupancy for the entire Building.

    In the event the Sponsor wishes to Close on individual Units prior to procuring a Permanent Certificate of Occupancy ("PCO") the Sponsor will (a) obtain a written professional opinion from its licensed architect or engineer certifying the amount of money reasonably necessary to obtain such PCO, (b) deposit the amount so certified by its architect/engineer with Sponsor's counsel who will hold such funds in escrow pending Sponsor securing such PCO and (c) submit an Amendment to the Offering Plan for filing disclosing the following information:

    i. A representation that the Department of Buildings has issued a Temporary Certificate of Occupancy with a copy of the Temporary Certificate of Occupancy annexed as an exhibit to the Amendment;
    ii. A representation from Sponsor that it is establishing an escrow account from monies other than Purchasers' deposits to secure its obligation to procure a PCO and to comply with applicable law and regulation;

iii. A complete list of any mechanics' or materialmen's liens that encumber any or all of Sponsor's interest in the Condominium that must be satisfied before the local authority will issue a PCO;
iv. The identity of the escrow agent holding the funds in the special escrow account and the identity of all persons with signing authority on such account;
v. A complete copy of the Escrow Agreement entered into by the Sponsor and the Escrow Agent is to be included in such Amendment as an exhibit thereto. Any Amendments to the Escrow Agreement must be disclosed in a subsequent Amendment to the Offering Plan;
vi. The name, address and telephone number of the financial institution holding the escrow account and a description of any subaccounts;
vii. The amount of the escrow account (or balance thereof) as of the date of submission of such Amendment; and
viii. A copy of the Sponsor's architect's/engineer's certified opinion letter (as noted in [c] above) shall be included in the Amendment as an attachment thereto.

Only after (y) the Amendment has been accepted for filing by the Department of Law, and (z) the Escrow Account has been created and funded in the amount certified by the Sponsor's architect/engineer, shall Escrow Agent release any monies from such Escrow Account to Sponsor or any other person or entity. (See "Rights and Obligations of Sponsor" below.)

17. The roof and/or cellar of the Building may include certain mechanical equipment necessary (e.g., trash compactor, elevator machine room, compressors, pumps, etc.) for the maintenance and operation of the Building and the Units. The Condominium Board will be responsible for ensuring that the mechanical equipment servicing the Common Elements only, is operated in accordance with law, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for and can make no guarantees regarding the level or noise or odors resulting from the operation of the Building or the Units. It should be anticipated that any such equipment on the roof and in other Common Areas of the Building will emit some noise attendant to the operation of such equipment. (See, "Description of Property and Improvements" and "Sponsor's Statement of Building Condition", below.)

    Units on the Second Floor and above, as noted in "Schedule A" below, will each have a private balcony, which will be Limited Common Elements appurtenant to such Units. Balcony floors will have a concrete finish.

    Balconies may not be used as bedrooms, dining rooms or for any other purpose as a "habitable space" as defined in the New York City Building Code. To do so may result in an Environmental Control Board ("ECB") violation being issued by the New York City Department of Buildings.

Neither the Condominium or the Sponsor, or any of their agents, shall assume any responsibility for any personal belongings stored in any Common Area in the Building.

The Condominium's Board of Managers will have unlimited access (on reasonable notice) to all roof areas, balconies, cabanas and yards for the purpose of making inspections and/or repairs. It shall be the Unit Owners' responsibility to provide access to such terraces and balconies as are appurtenant to their Unit, so that the Condominium may make such inspections and/or repairs. No alterations or improvements to any of such Limited Common Elements may be made by any Unit Owner without the prior written consent of the Condominium's Board of Managers. (See "Rights and Obligations of Unit Owners and the Board of Managers" below.)

18. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining, separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway), which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate a Common Element as part of a newly created Unit and (d) if appropriate and in accordance with GBL §339(i), reapportion among the Unsold Units affected by any such change, their aggregate common interests. Notwithstanding the foregoing, 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 the common elements, except by amendment to this Offering Plan, and if applicable to the Declaration. Moreover, no material changes will be made in the size and quality of the common elements without the consent from all Purchasers. (See "Changes in Prices and Units" below.) Unless an affected Purchaser consents, no material change will be made in unit size, layout, or percentage of common interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default. The offering prices set forth in Schedule A must be changed by a 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. Prices and specified terms of sale are negotiable and the Sponsor may enter into an agreement with an individual Purchaser to sell one or more Units at prices lower than those set forth in schedule A without filing an amendment to this Offering Plan.

19. All Purchasers of Units will be required to execute a Power of Attorney (a) appointing the Board of Managers as their attorney-in-fact to acquire or lease Units on behalf of all Unit Owners, and (b) appointing the Sponsor as their attorney-in-fact to amend the

Condominium documents under limited specific conditions (see immediately below). A Purchaser's failure to provide the requisite Power of Attorney will be deemed a default on their Purchase Agreement and they shall be precluded from Closing on the purchase of their Unit unless and until the Power of Attorney is duly presented at the Closing.

Such Power of Attorney shall only be used by the Sponsor in the following limited specific situations: (1) when required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting there from made by the Sponsor or its designee in accordance with the Declaration or (2) when required by (a) an Institutional Lender designated by the 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 the 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 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 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. (See "Power of Attorney" reproduced in Part II below.)

20. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20 of Title 13 NYCRR (i.e., Purchase Agreements signed by bona fide Purchasers for at least 15% of the Units offered under the Plan). Purchasers should note that Sponsor may declare the Plan effective after entering into Purchase Agreements for a minimum of two (2) Units (which is equivalent to eighteen [18%] percent of all of the Units offered for sale) in the Building. Even if the Plan is declared effective with a minimum number of Purchase Agreements, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than a minimum number of Purchase Agreements if Purchasers counted towards effectiveness do not ultimately purchase a Unit. (See, "Effective Date" below.) Additionally, if all the 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 will be required to re-declare the Plan effective.

    Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of building be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as

high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions. (See "Procedure to Purchase" below.)

21. Inasmuch as the Property is new construction with all new building systems, the Sponsor does not foresee the need for any replacements and/or improvements to the Property within the first three (3) years following the First Unit Closing. Nonetheless, the Budget for the First Year of Condominium Operations (Schedule B below) includes as a separate line item, an amount equal to ten (10%) percent of the annual budget to fund replacement reserves for capital expenditures. Inasmuch as the Property is being completely renovated with new building systems, the Sponsor does not anticipate the need for any significant capital expenditures over the five year period following the First Unit Closing . However, in response to the current lending guidelines of Fannie Mae – which are applicable to some Purchasers seeking to obtain mortgages on their Units – the Condominium has budgeted an annual expense item equal to ten (10%) percent of the regular operating expense budget for each year of Condominium operations, to serve as a reserve fund for future capital repairs as determined by the Condominium's Board of Managers. (See "Working Capital Fund" below.) The Sponsor believes that this reserve fund will be sufficient to meet the capital replacement needs of the Building during the initial five (5) years following the First Unit Closing.

22. Any floor plan or sketch shown to a prospective Purchaser is only an approximation of the dimensions and layout of a typical Unit. The actual layout of a Unit may have been altered. Accordingly, each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. The square footage of each Unit listed is rounded out to the nearest tenth of a percent (0.1%) and does not include the area of Limited Common Elements (balconies or yards) appurtenant to such Unit. In addition it should be noted that inasmuch as each Unit is measured horizontally from the exterior side of an exterior wall (perimeter columns and perimeter mechanical pipes are not deducted) to the exterior of the opposite perimeter walls of the Unit or to the center-line of any interior demising wall and the areas measured vertically from the top of the floor underlayment to the underside of the plaster ceiling at its highest level, and not from interior surfaces of the interior walls of rooms, the actual square footage of carpetable floor space is significantly less than gross square footage noted in Schedule A and elsewhere in this Plan. (See, "Notes to Schedule A" and "Floor Plans", in Part II below.)

23. The Managing Agent to be retained by the Condominium for the first three (3) years of Condominium Operations, is ALG NY Management, 82-17 153rd Avenue, Suite 206, Howard Beach, NY 11414. Members of ALG NY Management are also principals of the Sponsor or are otherwise related to principals of the Sponsor. (See, "Footnote 9 to Schedule B" below).

24. All Unit Owners must notify the Condominium's Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at their sole cost and expense, the required window guards in all windows of the Unit and shall not remove them until permitted by law in any event, without the full knowledge of the Managing Agent. (See, "Description of Property and Improvements" below.

25. The Condominium's Board of Managers does not have the right to approve or disapprove prospective Purchasers. (See, "Introduction" and "Rights and Obligations of Unit Owners and the Board of Managers" below.)

26. Demising walls as well as floor/ceiling assembly designs shall have sound attenuating materials built into the construction. However, even with such sound attenuation measures, it should be anticipated that some noises will be discernable in other Units. As noted in the House Rules which are made a part of the Declaration of Condominium (reproduced in Part II below), each Unit Owner will have to carpet at least eighty (80%) percent of the floors of their Unit (excluding kitchens, baths and closets) with carpeting and pads or similar noise attenuating materials.

27. The Purchase Agreement prohibits Purchaser from listing such Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, prior to the Closing of title to such Unit, without Sponsor's prior written consent which may be withheld, conditioned or delayed in Sponsor's sole discretion. (See "Rights and Obligations of Unit Owners and the Board of Managers" below.)

28. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is applicable to this offering as the subject building contains less than five (5) stories.

29. The Purchaser Agreement provides that a Purchaser waives the right to a jury trial in the event there is a dispute between Sponsor and Purchaser in connection with the Purchase Agreement.

30. The By-laws of the Condominium provide that any dispute that may arise under Section 5.5 of the By-laws (which pertains to casualty or condemnation) between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration in accordance with Article 10 of the Condominium's By-laws.

31. Any proposed sale or lease of a Unit by a Purchaser shall be subject to the Board of Managers' right of first refusal, which requires that the Purchaser submit a written notice accompanied by a fully executed sale or lease agreement to the Board of Managers by certified mail, return receipt requested, and the Board of Managers shall have thirty (30) days from receipt of the written notice and accompanying sale or lease agreement to determine if it will purchase or lease the Unit instead of the proposed purchaser or lessee upon the same terms and conditions noted in such sale or lease

agreement presented by Purchaser. This provision does not apply to the Sponsor or its designee.

32. The current (2021/22) assessed valuation for the Property (based upon its pre-construction status) in regard to New York City Real Estate Taxes is $16,663. Purchasers should note that the assessed valuation of the Property following completion of construction is projected to increase to $584,573 in July 2022. The reason for the estimated rise in assessed valuation is due to the improvement (the new construction) to the Property, which will not be realized for tax purposes until the tax year which begins on July 1, 2021, as New York City's property tax year is from July 1 through June 30 of the following year. (See Footnote 7 to Schedule A below and "Real Estate Tax" below).

33. The Sponsor is not providing washing machines or dryers. Rather, each Residential Unit will have a laundry closet with hook-ups to accommodate a stacked washer and electric dryer to be supplied by Purchaser. Additionally, Sponsor will provide a four-burner gas range, refrigerator and dishwasher.

34. This Offering Plan does not provide for any amenities such as concierge, gym, storage bins, etc. In the event, Sponsor elects to offer amenities in the Building, Sponsor shall amend the Offering Plan accordingly.

35. The Property is presently encumbered by a mortgage (for the construction of the Building) which is held by Investors Bank, having an office at 101 JFK Parkway, Short Hills, New Jersey, 07078. The mortgagee has agreed to the conversion of the Premises to condominium ownership and requires that Sponsor pay a portion of the net sales proceeds from the sale of each of the Units to the Lender to reduce the amount of the outstanding Loan, which will result in a release of the lien for such sold Unit(s).

36. There are only seven (7) parking spaces (including one handicapped space) available for sale for the eleven (11) Residential Units in the Building. The Sponsor shall offer each of these seven (7) parking spaces for sale on a first come, first served basis. The one parking space designated as handicapped shall only be sold to a qualified (i.e., handicapped) Unit Owner living in the Building unless there are no such qualified Unit Owners in the Building, in which event the handicapped space shall be the last parking space sold to any Building resident. The parking is on a self-park basis and there will be no parking attendant. Accordingly, anyone parking a vehicle or otherwise using the parking area, does so at their own risk. Individuals must exercise care when entering or leaving the parking area so as to avoid damage to their vehicle and/or other vehicles parked in the parking area. The Condominium, Sponsor and their respective agents shall not be responsible for any injury or damage sustained by anyone using a parking spot or otherwise utilizing the parking area. Moreover, inasmuch as the parking area will be unattended the Condominium, the Sponsor and their respective agents shall have no liability for any loss as a result of theft, vandalism or other malicious activity or behavior. To the extent that any of the Parking Units offered for sale are not

purchased by a Residential Unit Owner, Sponsor or its designee shall be entitled to rent any such Unsold Parking Unit to either Building residents or others, upon such terms and conditions as they may agree upon. 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. In addition, some cracking and settlement of the parking surface (concrete) should be expected as part of the natural settlement of the new Building. (See, "Description of Property" section, in Part II below.)

As provided in the By-laws of the Condominium (Section 7.12), 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 any non-handicapped Parking Space, said Unit Owner has the right to demand that the Owner of the handicapped Parking Space (to the extent that the space is owned by a non-handicapped driver and there are no handicapped members of his/her family residing in the Unit) trade the handicapped parking space he/she owns with said handicapped Parking Space 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 attorneys' fees shall be borne by the party requesting the transfer. (See, "Parking Units" within "Description of Property and Improvements" below.)

The Owner of the handicapped Parking Space must comply with the aforementioned demand to trade spaces with a handicapped Unit Owner, within thirty (30) days of written demand, by executing such documentation as is reasonably necessary to effectuate such transfers.

37. The Building's exterior walls are constructed using rainscreen panel systems and Exterior Insulation and Finish Systems (EIFS). Repair, replacement and/or remediation of facades using these systems may be required in the future, as per current industry standards. (See, "Description of Property" section, in Part II below.)

38. The Project is located in a FEMA Special Flood Hazard Zone X according to map number 3604970379F of the Effective September 5, 2007 Flood Insurance Rate Map. Zone X indicates minimal risk areas outside the 1-percent and .2-percent-annual-chance floodplains. No base flood elevation ("BFE") or base flood depths are shown within these zones. (Zone X (unshaded) is used on new and revised maps in place of Zone C.)

The Project is located in a FEMA Special Flood Hazard Zone AE according to map number 3604970379G of the Preliminary December 5, 2013 Flood Insurance Rate Map. Building foundation is accurately sized to support the calculated load. Zone AE are subject to inundation by the 1-percent-annual-chance flood event determined by detailed methods. BFE's are shown within these zones. The Flood Elevation is set at

10 feet. (Zone AE is used on new and revised maps in place of Zones A1–A30.) For any AE zone, homeowners with mortgages held by federally regulated lenders are required to purchase flood insurance, such as from the National Flood Insurance Program (NFIP), a division of FEMA.

Because the effective flood zone rating is X, flood insurance is not required. If and when the Preliminary 2013 FIRM Map is implemented, homeowners will be required to buy flood insurance if they have a federally backed mortgage. Also, homeowners who have received federal disaster assistance for flood damage will be required to buy flood insurance in order to be eligible for future assistance.

Sponsor has owned the property since August 29, 2018. There has been no flooding since then, and the Sponsor does not know the extent of the flooding before that.

39. Windows are to be double-glazed and mainly of the top hung type, as manufactured by Pella. Glazing shall be set in hollow metal frames with a painted finish. The perimeter of window openings shall be fitted with at interior and exterior surfaces and will be flashed on the exterior surface. Air infiltration rate of windows shall not exceed 0.3 cfm per square foot and shall comply with Chapter 8 of the New York State Energy Conservation Construction Code. The manufacturer provides a guarantee of one year for parts and hardware, and five years glazing. Installation is warranted by Tahoe Development Corporation for one year. Window sills shall be constructed of wood. Corrosion resistant lintels above window openings shall be of steel fabrication. The interior finish of the lintels shall be of gypsum wallboards on steel furring channels at the inside surfaces. All exterior metals, including fasteners, screens, storm, sash, and hardware shall be corrosion resistant. All windows shall be provided with a thermal break.

40. The estimated taxes for the first year of condominium operation are $14,874, but it is estimated that the taxes for the 2022/2023 tax year will significantly increase to $71,710 beginning in July 2022. (See Footnote 7 to "Schedule A" and "Real Estate Taxes" sections below.)

INTRODUCTION

1. The Offering Plan ("Plan")

The purpose of the Plan is to set forth all of the material terms of this offering. Copies of the Plan, all documents referred to in the Plan and all exhibits submitted to the Department of Law of New York State in connection with the filing of the Plan, are available for inspection without charge (and for copying at a reasonable charge) to prospective Purchasers and their attorneys at the property whenever the sales office is open and at the office of the Selling Agent and the Sponsor's attorney, during regular business hours.

The Plan may be amended from time to time when an amendment is filed with the Department of Law of New York State. Any such amendment will be served on all Purchasers who have executed and delivered Purchase Agreements to the Selling Agent and are not in default, Unit Owners and any other persons entitled to receive such amendment pursuant to applicable law or regulation.

The Plan contains all the detailed terms of the transaction and is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description and the terms of the offer. Part II contains a copy of the basic documents necessary to create the Condominium together with a copy of the Purchase Agreement and other documents necessary to purchase a Unit under the Plan. Prospective Purchasers are advised to consult with their own attorneys and other advisors and to furnish them with a copy of the Plan.

2. Nature of the Transaction

On August 29, 2018, the Sponsor, 163 Beach 96th Street Condos LLC, acquired fee simple title to the land and the building (sometimes referred to as the "Premises") having a street address of 163 Beach 96th Street, Rockaway Beach, New York 11693. After demolition and construction to be undertaken by the Sponsor (see, "Description of Property and Specifications", below), the Premises will consist of a four (4) story Building, with twelve (12) Residential Units, eight (8) Roof Terrace Units and seven (7) grade-level Parking Units.

In accordance with the terms of this Plan, Sponsor has the right to sell Residential Units to one or more non-occupant purchasers for investment or resale, or to lease Residential Units to others or to retain Residential Units for future rental. Until such time as this Offering Plan is declared effective and the First Unit Closing, Sponsor will not rent any of the Units. Sponsor reserves the right to lease apartments to all others following this Plan being declared effective and the First Unit Closing. Accordingly, it is possible that a significant portion of Unit Owners will not be residents of the Building and that a significant portion of the tenants in the Building may not be Unit Owners. As a consequence, a Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Sponsor has further reserved the unconditional right to rent or lease any Residential Unit prior to closing the sale thereof to the Purchaser thereof or any other party and to cease marketing Residential Units for sale at any time, as such this Plan may not result in the creation of a Condominium in which the majority of the Units are owned by Owner-Occupants or investors

unrelated to Sponsor and Purchasers for their own occupancy may never gain control of the Condominium Board under the terms of this Plan. Accordingly, residents of the Condominium may be comprised of Unit Owners and tenants leasing from Sponsor or other Unit Owners after the Property is converted to Condominium Ownership. A Purchaser of a previously occupied Unit shall acquire such Unit in its "AS IS" condition. The Sponsor or its Selling Agent will disclose to a Purchaser of a previously occupied Unit that such Unit was previously occupied by a renter. Occupants who are not Unit Owners have no investment in their Residential Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities. Individuals leasing Residential Units from Sponsor will not, except as may be expressly provided in their respective leases, have any special rights to purchase such Residential Units. However, any interim lease for a Residential Unit entered into with a Purchaser who has submitted a Purchase Agreement will provide among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Residential Unit which is the subject of the lease will constitute a default under the interim lease entitling Sponsor, at its sole option, on behalf of itself and the Condominium, to terminate such lease in accordance with applicable law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any interim or other lease with respect to the Residential Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, as its sole option, on behalf of itself and the Condominium to terminate the Purchase Agreement and exercise any remedies therein provided Sponsor first obtains an order of eviction or other order or judgment from a court of competent jurisdiction against the lessee, unless the lessee has vacated the Unit. Individuals who rent vacant Unsold Units from Sponsor shall have no rights to purchase thereunder, except as may be negotiated between such tenant and the Sponsor and as may be expressly provided in such tenant's lease. Purchasers or any other persons entering into a lease or use and occupancy agreement for a Residential Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. (See, "Rights and Obligations of Sponsor" below.) If Sponsor makes a bulk sale of a block of at least three (3) Units, the successor Sponsor shall be bound by Sponsor's unfulfilled obligations for those Units under this Plan, applicable laws or regulations.

Inasmuch as there are no residential tenants in the Building prior to or at the time of the submission of this Plan to the Department of Law and there will be no tenants/occupants in the Building prior to the consummation of this Plan, there are no rent laws which apply or will apply to the Building or this Offering.

Prospective purchasers should also be aware that the Sponsor and any other non-resident owners may be at odds with owner-occupants on expenditures for items like hallway and other common area decorations and capital improvements. In addition, Sponsor will have a significant role in the governance of the Condominium by reason of its voting control of the Condominium Board during the Sponsor Board control period. Even thereafter, the Sponsor will continue to have a voice in governance due to its right to designate a specified minority of the board members for so long as the Sponsor owns one or more unsold Residential Units. All board members, including Sponsor-designees or affiliates, have a fiduciary obligation to manage in the best interest of the Unit

Owners. Moreover, the Sponsor and any other non-resident owners will at all times have the same right as owner-occupants to vote on issues that require the approval or consent of Unit owners (such as the exercise of the board's right of first refusal to purchase or lease a sold Unit or to borrow money in excess of $100,000 in any budget year).

Notwithstanding the foregoing, the Sponsor reserves the right to enter into an interim lease with any persons who have entered into a Purchase Agreement with the Sponsor for a particular apartment. The charge of the Sponsor's counsel for execution of an interim lease is $1,000.00. After the Plan has been consummated (i.e. after it is declared effective, the Declaration of Condominium is recorded and the First Unit Closing). Any interim lease for a residential Unit entered into with a Purchaser will provide, among other things, that an uncured default by the purchaser under the Purchase Agreement with respect to the Unit which is the subject of the interim lease will constitute a default under the interim lease entitling the Sponsor, at its sole option, to terminate such interim lease in accordance with applicable law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any interim lease with respect to the Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling the Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any rights and/or remedies provided therein provided Sponsor first obtains an order of eviction or other order or judgment from a court of competent jurisdiction against the lessee, unless the lessee has vacated the Unit.

The Property is presently encumbered by a mortgage (for the construction of the Building) which is held by Investors Bank, having an office at 101 JFK Parkway, Short Hills, NJ 07078. The mortgagee has agreed to the conversion of the Premises to condominium ownership and requires that Sponsor pay a portion of the net sales proceeds from the sale of each of the Units to the Lender to reduce the amount of the outstanding Loan, which will result in a release of the lien for such sold Unit(s) ("Release Fee").

As presently contemplated the Building will be configured as follows:

FLOORS	USE
First Floor Level	Lobby/Vestibule and mailboxes; Compactor/Refuse Storage Room; Water Meter Room; Seven (7) Parking Units; One (1) Apartment with raised front yard..
Second Floor	Corridor; Refuse Room; Four (4) Apartments, each with balcony.
Fourth & Third Floors	Corridor, Refuse Room; Three (3) Apartments, each with balcony.
Roof	Elevator Lobby; Elevator Control Room; Mechanical Equipment; Eight (8) Semi-private Roof Terrace Units; Aluminum Pergola; six (6') feet high fence separating each Roof Terrace.

Each Residential Unit will be a separate Condominium Unit. All of the Residential Units are offered for sale in this Offering Plan. Sponsor also reserves the right to change the number and/or configuration of any unsold Condominium Units. (See, "Changes in Prices and Units", below). Common Areas, such as hallways, lobbies and elevators, are not offered for sale.

The Sponsor presently contemplates that the Building-wide improvements will be substantially completed by May 2021. The Plan will be amended prior to or at the time the Plan is declared effective, to disclose the status, and if necessary the time table for the completion of Common Area Work and individual Unit renovations.

The Sponsor presents the Plan for the conversion of the Property to Condominium ownership pursuant to the Condominium Act of New York, (Article 9-B of the Real Property Law). The Condominium is subject to and, upon the recording of the Declaration of Condominium as provided for herein, will comply with the New York Condominium Act.

3. The Offer

The Sponsor hereby offers for sale eleven (11) individual Residential Units, the seven (7) Parking Units and eight (8) Roof Terrace Units. None of the eleven (11) Residential Units were occupied as a residence immediately prior to the first submission of the Plan to the Department of Law. For each of the Units, the Purchase Price, number of rooms and baths, percentage of Common Interest, projected Common Charges, projected real estate taxes and projected carrying charges, are set forth hereafter in Schedule A "Offering Prices and Related Information."

THE PURCHASE PRICES CONTAINED IN THE PLAN HAVE BEEN SET BY THE SPONSOR WITHOUT ARM'S LENGTH NEGOTIATIONS AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY GOVERNMENTAL AGENCY.

For complete details concerning the purchase of the Unit, the Closing of title to a Unit and the costs and adjustments with respect thereto, see Sections "Procedure to Purchase", "Effective Date" and "Closing and Terms of Sale."

4. The Offerees

This offering is made only to individuals eighteen (18) years of age or older, corporations, limited liability companies, partnerships, trusts and other business entities.

Sponsor has the right to reject a prospective Purchaser without cause or explanation, provided that such rejection is not based on race, creed, color, national origin, marital status, sex, ancestry, or any other ground prohibited by law.

5. Applicable Rent Laws

Inasmuch as there are no residential tenants in the Building prior to or at the time of the submission of this Plan to the Department of Law and there will be no tenants/occupants in the Building prior to the consummation of this Plan, there are no rent laws which apply or will apply to the Building or this offering.

6. Features of Condominium Ownership

The ownership of a Condominium Unit is similar, in many respects, to the ownership of a private home. Each Unit Owner will own fee title to his Unit outright and will be entitled to the exclusive possession of such Unit, as well as the exclusive right to use any Limited Common Elements which may be appurtenant to their specific Unit. In addition, each Unit Owner will own in common with every other Unit Owner, an undivided percentage interest in the Common Elements. The Common Elements are comprised of: Portions of the Property serving and benefiting all Units, generally, including for example, the Land upon which the Building stands, exterior walls and foundations and supports of the Building, and generally, all Building-wide plumbing, heating, electrical, elevator, ventilating and air conditioning systems and equipment. Certain portions of the Common Elements are reserved for the exclusive use of the Unit to which such spaces are appurtenant, and as such, are designated as Limited Common Elements (such as balconies and the front yard). See the Declaration (Part II of this Plan) for a detailed description of the Units and Common Elements.

In accordance with Sections 339(i) and (m) of the Condominium Act, the Board of Managers (sometimes referred to herein as the "Condominium Board" or "Board") will, from time to time, assess all Unit Owners in proportion to their respective percentage interests in the Common Elements, the Common Charges for the expenses associated with the Common Elements. Each Unit Owner will be solely responsible for the payment of all Common Charges assessed against his Unit. Each Unit will be assigned a separate tax lot designation by the City of New York. Accordingly, each Unit Owner will be responsible for paying the real estate charges attributable to their Unit. Unless and until separate water meters are installed for each Unit at a later date by the Condominium Board, water charges and sewer rents will not be separately assessed against Unit Owners and are included in the Common Charges. The Sponsor is not installing separate water meters for each Residential Unit. The Board is also empowered by the Declaration as well as its By-laws to borrow money on behalf of all Unit Owners to cover the cost of certain permitted repairs and on certain conditions, after the fifth anniversary of the First Closing. See Section "Rights and Obligations of the Unit Owners and Board of Managers."

Each Unit Owner is obligated to comply with the Declaration, the By-laws, the rules and regulations and other requirements duly imposed by the Board of Managers.

A Unit Owner may occupy his Unit for any lawful purpose, as permitted by the Certificate of Occupancy for the Building, and applicable zoning as well as other government requirement.

With certain exceptions (see following), any sale or lease of a Unit will be subject to a right of first refusal in favor of the Board of Managers to acquire or lease such Unit, or to produce a third

party to do so, on the same terms as were offered by the owner of such Unit. The aforementioned exceptions are reflected in Section 7.5(B) of the Condominium By-laws (reproduced in Part II below) as follows: (i) by a Unit Owner to any adult Family Member or to a trust for the benefit of any of them or with respect to a Unit Owner who is not an individual, to any entity or individual that owns more than fifty (50%) percent of the legal and beneficial interest of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than fifty (50%) percent of the legal and beneficial interest thereof; (ii) Declarant or its designee with respect to the Unsold Units; (iii) the Condominium Board; (iv) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; (v) any Permitted Mortgagee or its nominee who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgagee or by deed in lieu thereof delivered in a bona fide transaction. (See, "Declaration of Condominium" and "Condominium By-laws", Part II hereof.)

Subject to certain conditions contained in the By-laws, each Unit Owner may freely mortgage his Unit with such lender and in such amount as he chooses. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

As a Unit Owner, a Purchaser will have the right to vote for the Board of Managers, which will supervise and manage the affairs of the Condominium pursuant to the By-laws of the Condominium. In accordance with the By-laws (Article 4, §4.1) the First Meeting of the Unit Owners will be held within four (4) months of the First Unit Closing at which meeting there shall be an election of a new Board of Managers.

As noted above, each Unit will be taxed as a separate tax lot for real estate tax and assessment purposes and no Unit Owner will be responsible for the payment of, nor will his Unit be subject to, any lien arising from the nonpayment of taxes on any other Unit. An estimate of the real estate taxes that will be payable for each Unit during the first year of Condominium operation of the Property subsequently to the First Closing is set forth in Schedule A. It should be noted that there can be no guaranty or assurance given that the New York City Taxing Authority will allocate Real Estate taxes proportionate to each Unit's respective percentage of Common Interest. The estimated real estate taxes for each Unit assumes that the New York City taxing authority will allocate real estate taxes among Units in proportion to their respective Common Interests.

Each Unit Owner may decorate the interior of his Unit in any way that he desires, subject to compliance with the By-laws and the Rules and Regulations and will be solely responsible for the cost and expenses of maintenance and interior paintings of his Unit and for the cost of repairs or replacement of any appliances and improvements thereto. Each Unit Owner will be responsible for the cost of his own liability insurance for occurrences within his Unit as well as for casualty insurance to cover losses to his personal possessions within his Unit.

In accordance with Real Property Law Section 339-jj and the Declaration as well as the By-laws of the Condominium, the Board of Managers has the right (subject to certain restrictions) to incur debt on behalf of the Unit Owners, under certain circumstances. See section "Board of Managers".

Inasmuch as the Condominium's Board of Managers does not have the right to approve or disapprove Purchasers, there is no limit to the number of Unit Owners who may purchase for investment rather than for personal occupancy and as such, there may always be a substantial percentage of Unit Owners who are non-residents.

Units may be owned by individuals, corporations, partnerships, limited liability companies, estates, associations, trusts or other legal entities capable of owning legal title to real property under the laws of the State of New York.

The Plan contains all of the material terms of the offering. 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, are available for inspection without charge and for copying at a reasonable charge to prospective Purchasers and their attorneys at the offices of the Sponsor and Selling Agent.

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 TO PURCHASE ANY CONDOMINIUM UNIT.

7. Certain Definitions

General definitions of certain terms used in the Plan are set forth below. In the event these definitions are otherwise defined or the Condominium Act, GBL, or the regulations of the New York State Department of Law, or in the Declaration and By-laws of the Condominium, then such definitions shall prevail over any contrary definition contained herein.

1. **Appurtenant Interest**: With respect to any Unit, the undivided interest of the owner of such Unit in and to: (i) the Common Elements; (ii) any other assets of the Condominium.

2. **Board of Managers**: Sometimes "Condominium Board" or "Board". The governing board of the Condominium composed of representatives designated by the Sponsor or selected by Unit Owners voting to supervise and manage the affairs of the Condominium in accordance with the By-laws of the Condominium.

3. **Building**: The building known as 163 Beach 96th Street, Rockaway Beach, New York.

4. **Roof Terrace Unit:** Each of the eight (8) individual Roof Terrace Units which are located on the Roof of the Building.

5. **Closing Date**: The date of the transfer of title to any specific Unit, as scheduled by Sponsor by written notice to any Purchaser (which notice may not be less than 30 days) and any adjournment of such date as may be agreed by Sponsor in writing.

6. **Common Area Work**: The improvements and renovations to the Common Areas of the Building necessary to obtain a final Certificate of Occupancy pursuant to the Construction Plans and Specifications.

7. **Common Charges**: Each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.

8. **Common Elements**: All portions of the Property other than Units, including, but not limited to the land, the foundations, roofs and supports of the Building and all areas or facilities for the common use of the Units and Unit Owners.

9. **Common Expenses**: The aggregate of (a) expenses of the operation of the Property, and (b) all sums designated as Common Expenses by the Condominium Act, the Declaration or By-laws. The projected Common Expenses for the first year of operation are set forth in Schedule B.

10. **Common Interest**: The proportionate undivided interest of each Unit Owner in the Common Elements as determined in accordance with the Declaration. The total of all Common Interest percentages of all Unit Owners equals 100%. The Common Interest of a Unit is the basis for determining, among other things, a Unit Owner's undivided ownership interest in the Common Elements and share of Common Expenses and of any distributions upon termination of the Condominium.

11. **Condominium**: The Units and Common Elements constituting the Surf House 1 Condominium.

12. **Condominium Act**: Article 9B of the Real property Law of the State of New York.

13. **Condominium Board**: The Board of Managers of the Condominium.

14. **Condominium Documents**: The Declaration, the By-laws, Rules and Regulations and Floor Plans, as same may be amended from time to time.

15. **Construction Plan and Specifications**. The Plans and Specifications for the Building which are filed with and approved by the New York City Department of Buildings as same may be amended from time to time, pursuant to which the Building will be converted to its intended use as described in this Plan.

16. **Declarant/Sponsor**. Shall mean 163 Beach 96th Street Condos LLC, having an address at 82-17 153rd Avenue, Suite 200, Howard Beach, NY 11414.

17. **Declaration or Declaration of Condominium**: The instrument, including the By-laws, by which the Property is submitted to the provisions of the Condominium Act.

18. **Escrow Agent**: Turek Roth Grossman LLP, 377 Fifth Avenue, New York, New York 10016, (212) 223-3562 or its successors, as per an amendment to this Plan.

19. **Family Members**: The spouse, children (natural and adopted), stepchildren, grandchildren, siblings, parents, parents-in-law, grandparents, great-grandparents and aunts and uncles of a Unit Owner who reside in such Unit Owner's Unit.

20. **First Closing**: The Closing of title for the first Unit to be conveyed pursuant to a Purchase Agreement and this Plan.

21. **Floor Plans**: The floor plans of the Units certified by Michael Muroff, R.A., 333 Hudson Street, Suite 501, New York, NY 10013, or such other engineer or architect designated by Sponsor, and filed with the City Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

22. **Land**: All that certain tract, plot, piece and parcel of land, situate, lying and being in the County of Queens, State of New York, as more particularly described in Exhibit A to the Declaration, and located at 163 Beach 96th Street, Rockaway Beach, New York.

23. **Limited Common Elements**: Portions of the Property which are owned as Common Elements, but the exclusive use of which is granted to a single Unit Owner or several Unit Owners, such as balconies and terraces.

24. **Managing Agent**: ALGNY Management, 82-17 153rd Avenue, Suite 206, Howard Beach, New York 11414.

25. **Offering Plan**: This document, as may be amended from time to time, filed with the New York State Department of Law pursuant to which individual Units in the Condominium are offered for sale.

26. **Parking Units**: Each of the seven (7) parking spaces that are located on the grade level of the Building.

27. **Permitted Mortgage**: Any mortgage covering a Unit that is placed thereon in compliance with the terms of the By-laws.

28. **Permitted Mortgagee**: Any holder of a Permitted Mortgage.

29. **Person**: A natural person, corporation, partnership, limited liability company, association, trustee or other legal entity.

30. **Power of Attorney**: The document, signed by Unit Owners, which appoints: (a) the Board of Managers as attorney-in-fact to acquire or lease Units on behalf of all Unit Owners; and (b) the Sponsor as attorney-in-fact to amend the Condominium Documents under the conditions set forth in the Power of Attorney.

31. **Property**: Includes the Land, 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 subject to the provisions of the Condominium Act.

32. **Purchaser**: Any Person who has entered into an agreement with Sponsor to purchase a Unit and who is not in default thereunder.

33. **Residential Unit**: Any of the 11 Units on floors 1 through 4, inclusive, to be used for residential and other ancillary uses as permitted by the Building's Certificate of Occupancy.

34. **Rules and Regulations**: The rules and regulations of the Condominium, which are annexed as an addendum to the By-laws, as they may be amended, from time to time.

35. **Selling Agent**: Linda Gurino, 82-17 153rd Avenue, Suite 206, Howard Beach, New York, 11414.

36. **Special Assessments**: The charges allocated and assessed by the Board of Managers to the Unit Owners, prorated in accordance with their respective percentage interest in the Common Elements (except as may be otherwise provided in the Declaration or in the By-laws).

37. **Sponsor**: 163 Beach 96th Street Condos LLC, a New York Limited Liability Company with an office at 82-17 153rd Avenue, Suite 200, Hoard Beach, NY 11414.

38. **Sponsor Designee**: Any person designated by the Sponsor to hold title to any Unsold Unit. Sponsor Designee shall have the right to designate person(s) to succeed to its rights and any such designee shall also be deemed a "Sponsor Designee".

39. **Unavoidable Delays**: Refers to delays due to strike, lockout, or other labor, civil or industrial disturbance, existing and/or future order of any government (including without limitation, any Executive Order issued in regard to the COVID-19 medical emergency), court or regulatory body, war, act of the public enemy, riot, sabotage, blockade, embargo, shortage of, failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or act of God or any cause similar to any of the foregoing; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing, shall not be deemed to be a cause similar to the foregoing clauses.

40. **Unit**: Any one of the 11 Residential Units, the 7 Parking Units and/or the 8 Roof Terrace Units in the Building together with each such Units' respective Common Interest.

41. **Unit Deed**: The bargain and sale deed transferring title to a specified Unit from Sponsor to a Purchaser in fee simple absolute.

42. **Unit Designation**: The number, letter or combination thereof, or other official designation confirming the tax lot number of a Unit.

43. **Unit Owner**: The person owning a Unit in fee simple absolute. Collectively, the term "Unit Owners" means all of the owners of the Units.

44. **Unsold Unit**: Any Unit owned by Sponsor or a Sponsor-Designee. Collectively, the term "Unsold Units" means all Units owned by Sponsor or a Sponsor-Designee.

NOTE: A reference in the Plan to any one gender, masculine, or feminine, includes the other and the singular includes the plural and vice versa, unless the context otherwise requires and any such reference shall be deemed to include any duly formed partnership, corporation, trust, fiduciary, unincorporated association or any other entity permitted to own real property in the State of New York.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Building

The Building is located at 163 Beach 96th Street, Rockaway Beach, New York 11693, with easterly frontage on Beach 96th Street. After the Sponsor's contemplated construction (presently scheduled for substantial on or about May 2021) the Building will consist of 4 stories plus a roof with bulkheads, constructed of steel, masonry block, concrete, wood and brick or stucco. The Sponsor intends to construct the Building in accordance with the Construction Plans and Specifications.

The Residential Unit sizes range between 606 and 1056 square feet (not including Limited Common Elements). The square footage of each Unit listed is rounded out to the nearest tenth of a percent (0.1%) and does not include the area of Limited Common Elements (balconies or yards) appurtenant to such Unit. In addition it should be noted that inasmuch as each Unit is measured horizontally from the exterior side of an exterior wall (perimeter columns and perimeter mechanical pipes are not deducted) to the exterior of the opposite perimeter walls of the Unit or to the center-line of any interior demising wall and the areas measured vertically from the top of the floor underlayment to the underside of the plaster ceiling at its highest level, and not from interior surfaces of the interior walls of rooms, the actual square footage of carpetable floor space is significantly less than gross square footage noted in Schedule A and elsewhere in this Plan. There will be one (1) self-service passage elevator within the Building servicing all of the Residential Units and the Roof Terrace Units on the roof.

There is a compactor/refuse storage room on the First Floor and refuse accumulation rooms on each of floors 2 through 4. Refuse will be placed in the refuse accumulation rooms on each floor by Building residents; the Building superintendent will periodically transfer the refuse from the refuse accumulation rooms and bring them to the first floor compactor room and then transfer such refuse to curb-side for pick-up by the NYC Department of Sanitation.

See Part II of this Plan for a detailed description and outline of specifications of the Building condition.

The Building and all Units will be constructed in accordance with all applicable zoning and building codes and requirements, including without limitation, the New York State Building Code (as applicable) and the New York City Building Code. The Sponsor contemplates that the Building and the Units will be substantially completed by May 2021.

The Residential Units

Detailed descriptions of the Units including a finish schedule are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the section entitled "Changes in Prices and Units."

Except as otherwise agreed by the parties, the Units will be delivered to Purchasers with a finish coat of paint. Each Purchaser will be obligated to do all other painting and decorating of his Unit at his own cost and expense. Any special work which a Purchaser desires for his Unit prior to Closing shall only be performed following Sponsor's prior written consent thereto and Sponsor's designation or approval of all contractors and suppliers in connection therewith, which consent and approval shall be within the sole discretion of Sponsor.

Included in the sale of each Residential Unit are the following: Refrigerator/freezer, kitchen cabinets, gas range, dishwasher and microwave. Each Unit will have an individual gas tankless hot water heater and split HVAC system, which will be thermostatically controlled. All Units will have a laundry closet with hook-ups for a washing machine and electric dryer. Sponsor will not be providing the actual equipment, just the necessary hook-ups. At the closing on each Residential Unit, the Sponsor shall assign any unexpired appliance warranties to the Purchaser of such Unit. Each Purchaser of a Residential Unit shall be responsible for the maintenance, and if necessary, the replacement of any of the included appliances. The manufacturer, model number and specifications for the foregoing appliances and equipment are set forth in the "Description of Property Specifications", which fixtures, appliances and equipment are subject to change by Sponsor with equipment of Equal or Better Quality. Equal or Better Quality is defined as: Comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable. Sponsor may negotiate, to make modifications or changes in any Unit or to do special work therein or to provide different or additional appliances, equipment, furnishings or decorations or to deliver the Unit without any fixtures, appliances or equipment, provided that Sponsor shall not be bound to do so unless agreed to by Sponsor in a written instrument which is incorporated as an addendum to the Purchase Agreement. Warranties begin to run when the appliance is purchased or installed and not necessarily as of the time of the Unit Closing.

Sponsor and its designee reserve the right, without prior notice or amendment to the Plan, to use Unsold Units on any floor of the Building as sales and leasing offices and model apartments. In the event Sponsor or its designee, thereafter, elects to sell such Unsold Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furniture, furnishings, equipment or decorations therein and pay, in addition to the Purchase Price for such Unsold Unit, such amounts as Sponsor determines.

Deposits for upgrades or extras ordered by Purchasers and agreed to in writing by Sponsor will initially be placed in Escrow. However, Purchasers should note that such funds may be released from the Escrow Account by Escrow Agent to Sponsor to pay or reimburse Sponsor for such upgrades or extras. As a result, in the event Purchaser is entitled to a rescind the Purchase Agreement, Purchaser will not receive a refund for any funds applied to upgrades or extras expended by Sponsor. In the event Sponsor abandons the Plan, Sponsor shall fully refund any monies paid by Purchaser for any upgrades or extras.

A Residential Unit Owner may only use his Residential Unit for a purpose consistent with the local zoning ordinance, as amended from time to time, any other applicable ordinance or statute, and any regulation of a governmental authority with jurisdiction over the Condominium, including, but not limited to, local building codes and the Multiple Dwelling Law, as such statutes, ordinances

and regulations may be amended from time to time. In no event may a Residential Unit Owner use his Residential Unit for a use in violation of the By-laws.

Balconies and Yard

Each Residential Unit on the Second through Fourth Floors will have one (1) private balcony, except for Unit 4A which will have two (2) balconies. The floors of each such balconies will be concrete. The front yard and each balcony shall be designated as a Limited Common Element appurtenant to the Residential Unit that has exclusive use thereof. (See, "Schedule A" and "Floor Plans", Part II of the Plan). It will be the Condominium's obligation to repair the front yard and balconies when and as necessary. However, each Residential Unit Owner shall be required to keep their respective front yard or balcony clean and free of debris in order to avoid water back-ups and leaks and to provide the Condominium with access to such Limited Common Element in order for inspection and repairs to be made to such spaces. In the event such Unit Owner (or their predecessor in interest) has placed or installed any personal property or made any improvement to such Limited Common Element, it shall be such Unit Owners' responsibility to remove (and if deemed necessary, replace) such personal property or improvement, at such Unit Owners' sole cost and expense, in order to provide access to the Condominium, as required for repairs. Moreover, no improvement or addition or enclosure may be made to any of the Limited Common Elements without first obtaining the express written consent of the Board of Managers in each instance. Purchasers are referred to the Architect's Report in Part II of the Plan for further details

The Condominium Board shall have the right to require a Unit Owner to remove plantings and other installations which have been placed on any Limited Common Element if the Condominium Board determines, in its reasonable discretion, that such plantings or other installations adversely affect the integrity of the roof or any other Common Element.

Unit 1A located on the Ground Floor will have direct access and exclusive use of a raised front yard. The front yard area will have a depth of approximately twelve (12') feet measured perpendicular to the front façade of the Building and a width of approximately thirty feet five inches (30'5"). The front yard will have rip-rap grass blocks.

The rear yard area shall be a Common Element (except for the Parking Units thereupon) which is designed for limited car and bicycle parking. The surface of the rear yard shall be paved with concrete except for an area of open space, with a trellis partially overhead and rip-rap grass blocks on the surface.

Roof Deck

There shall be one (1) roof deck on the roof of the fourth floor, accessible to all Residential Units via the elevator to the Roof Elevator Lobby, with ADA compliant access to the roof. The roof deck surface shall be concrete or other pavers on pedestals and shall be partially covered overhead by an aluminum pergola and will feature composite wood fencing that separates the eight (8) semi-private Roof Terrace Units on the Roof. The floors of each Roof Terrace Unit will be finished with rubber pavers. Each Roof Terrace Unit will be a separate Unit and will be sold

individually as a separate tax lot; however, such Roof Terrace Units may not be purchased or retained by anyone who is not (or is no longer) the owner of a Residential Unit in the Building.

General Common Elements

Generally, the Common Elements consist of all Common Elements other than the Limited Common Elements and include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings, beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed concrete structural members of those walls; (c) corridors and all fire staircases, landings and stairs which are not Limited Common Elements or part of any Unit; (d) the water meter and sprinkler room; (e) general illumination fixtures; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building which are not Limited Common Elements, or part of any Unit; (g) the roof over the Building (other than the Roof Terrace Units) and the mechanical r; (h) one (1) elevator (including the shaft, pit, machinery and appurtenant facilities including the elevator control room); (i) the lobby/vestibule and the entrance; (j) the compactor room located on the first floor and refuse accumulation rooms on each floor of the Building; and (k) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance or safety of any of the Units. A detailed description of the General Common Elements is set forth in the Declaration.

Limited Common Elements

The Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners, such as balconies and the front yard.

Services and Facilities

Under the present plans, all of the services and facilities described herein will initially be provided and made available to Residential Unit Owners immediately following the First Closing, except as otherwise indicated.

A. Elevator Service

The Building contains one (1) automatic passenger elevator which will be in service twenty-four (24) hours a day, seven (7) days a week, for the exclusive use of Unit Owners, their guests and invitees.

B. Cable Television Service

Each Unit will be pre-wired for cable television service. The charges for primary connections and subsequent monthly fees related to the service will be determined by and payable directly to the cable company of Unit Owner's choice (subject to

available service). Sponsor makes no representation that cable television service will be available to any Unit Owner upon her/his initial occupancy of their Unit.

C. Electrical Systems and Telephone Service

Electrical service will be provided to Residential Unit Owners by PSE&G which will bill such Unit Owners directly for electricity utilized. Local and long distance telephone service will be provided by the telephone service provider of each Unit Owner's selection. Individual Unit Owners will be able to arrange various telecommunication services directly from such retailer at terms to be agreed upon between such Unit Owner and retailer.

D. Intercom

Each Residential Unit shall be equipped with an intercom at the entrance to such Unit, which will permit voice contact between the inside of the Residential Unit and the exterior of the lobby entrance.

E. Mail

All incoming mail addressed to the Residential Units will be delivered by the United States Postal Service to the mailboxes located in the entranceway of the Building Lobby.

F. Building Personnel

The Building personnel shall consist of one non-union, non-resident, part-time superintendent, who will be supervised by the managing agent. The superintendent shall be assigned such hours of duty as are necessary for the comfortable occupancy of Unit Owners.

F. Refuse Disposal & Recycling

The first floor will contain a trash compactor/storage room. Refuse will be placed in the refuse accumulation rooms on each of the second through the fourth floors by Building residents; the Building superintendent will periodically transfer the refuse from the refuse accumulation rooms down to the compactor room and thereafter to curb-side for pick-up by the NYC Department of Sanitation. In accordance with applicable laws, all Unit Owners are required to separate their recyclables from regular trash, before depositing them in the refuse accumulation rooms.

G. Bicycle Storage Area

There will be a communal bicycle storage area in the rear yard for use by Unit Owners on a non-exclusive basis. Under no circumstance shall the Condominium,

its Board of Managers or the Condominium's Managing Agent have any responsibility for any item stored in the bicycle storage area. Each Unit Owner storing a bicycle in the bicycle storage area is entitled to lock their own bicycle. Additionally, under no circumstance may any other items be left or stored at any time or in any quantity within the bicycle storage area.

H. **Fire Alarm Monitoring**

The Building will initially have a service contract with an outside fire alarm monitoring company.

General

All determinations with respect to the continuance of any of the foregoing services, if initially available, will be made by the Condominium Board, which will be controlled by the Sponsor for so long as the Units owned by Sponsor have appurtenant thereto a majority of the Common Interests of the Condominium. (See section entitled "Control by Sponsor".) Notwithstanding the foregoing, a Purchaser will be offered a right of rescission for the discontinuance of any service that results in a material change that adversely affects a Purchaser.

Neither Sponsor, Managing Agent, nor the Condominium Board will in any event be liable for the availability, interruption, discontinuance or quality of any of the foregoing services, including, but not limited to, any services provided by any outside company or person other than Building personnel, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or the Condominium Board, as the case may be.

Security Procedures

The Condominium Board is vested with the responsibility of devising and carrying out security procedures with respect to the Condominium. Such procedures may be adopted and from time to time changed by the Condominium Board, as it, in its discretion, determines to be appropriate to secure the Condominium. However, each individual Unit Owner should take such steps as they deem reasonable to safeguard and protect their Unit, the contents and the safety of the occupants, guests and invitees of the Unit Owner. It is anticipated that the security procedures will be as follows:

a. Entrances and Elevators

Entrance doors will be locked at all times. Visitors will be admitted to the Building interior by Unit Owners by way of a voice/audio intercom system which will have the ability to trigger an electronic door lock on the vestibule door. The elevator servicing the Residential Units will be equipped with an alarm signal.

b. Smoke Detectors and Carbon Monoxide Alarms

Hard-wired combination smoke and carbon monoxide detectors will be provided in each Unit, in compliance with applicable codes. It will be the responsibility of each individual Residential Unit Owner to test and maintain the smoke and carbon monoxide detectors located in such Unit Owner's Unit.

NO REPRESENTATION OR WARRANTY IS MADE AND NO ASSURANCE IS GIVEN THAT THE SECURITY SYSTEMS AND PROCEDURES OF THE CONDOMINIUM WILL PREVENT PERSONAL INJURY OR DAMAGE TO OR LOSS OF PERSONAL PROPERTY. WHILE UNSOLD UNITS ARE BEING OFFERED FOR SALE OR LEASE BY SPONSOR OR ITS DESIGNEES THERE WILL BE A GREATER NUMBER OF VISITORS TO THE CONDOMINIUM 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. NEITHER SPONSOR OR ITS DESIGNEE NOR THE MANAGING AGENT SHALL BE LIABLE OR RESPONSIBLE FOR ANY PERSONAL INJURY OR FOR ANY LOSS OR DAMAGE TO PERSONAL PROPERTY WHICH MAY RESULT FROM THE FAILURE OF THE CONDOMINIUM'S SECURITY SYSTEMS AND PROCEDURES, INCLUDING, WITHOUT LIMITATION, THOSE PROCEDURES WITH REGARD TO THE LOBBY AREA WHERE PACKAGES MAY BE DELIVERED TO, PROVIDED THAT ANY SUCH FAILURE IS NOT CAUSED BY THE NEGLIGENCE OF SPONSOR OR ITS DESIGNEES, THE MANAGING AGENT OR THEIR RESPECTIVE AGENTS.

PARKING UNITS

There will be a total of seven (7) Parking Units in the Building. All seven (7) of the Parking Units are offered for sale to any Unit Owner. The parking spaces are 153 square feet each. The parking spaces will be operated on a "self-park" basis as there will be no attendant on duty at any time to park vehicles or otherwise provide security. Each person using a parking space or utilizing the parking area will do so at his/her own risk. As such the Condominium, the Sponsor and their respective agents shall have no responsibility or liability in the event of any damage to vehicles due to collisions with other vehicles, columns, theft, vandalism or other casualty. One of the parking spaces is handicapped accessible and shall only be sold to a qualified (i.e., handicapped) Unit Owner living in the Building, unless there are no such qualified Unit Owners in the Building, in which event it shall be the last Parking Unit sold to any Unit Owner. Owner/Purchasers of the Residential Units will be able to purchase one of the seven (7) Parking Units, on a first come, first served basis. The Sponsor or its designee will be entitled to sell or rent out any Unsold Parking Unit, to either Building residents or others, upon such terms as they may agree upon.

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 any non-handicapped Parking Space, said Unit Owner has the right to demand that the Owner of the handicapped Parking Space (to the extent that the space is owned by a non-handicapped driver and there are no handicapped members of his/her family residing in the Unit) trade the handicapped parking space he/she owns with said handicapped Parking

Space 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 attorneys' fees shall be borne by the party requesting the transfer. The Owner of the handicapped Parking Space must comply with the aforementioned demand to trade spaces with a handicapped Unit Owner, within thirty (30) days of written demand, by executing such documentation as is reasonably necessary to effectuate such transfers.

ROOF TERRACE UNITS

There will be a total of eight (8) semi-private Roof Terrace Units on the roof of the Building. All eight (8) Roof Terrace Units are offered for sale to any Unit Owner. The Roof Terrace Units range in size from 144 to 233 square feet. Each Roof Terrace Unit will be separated by a composite wood fence and a door entrance of similar material. Neither the Condominium nor the Sponsor and their respective agents shall have any responsibility or liability in the event of any damage to personal property left in any Roof Terrace Unit. The Sponsor or its designee will be entitled to sell or rent out any Unsold Roof Terrace Unit, to either Building residents or others, upon such terms as they may agree upon.

LOCATION AND AREA INFORMATION

The Condominium is located on Beach 96th Street south of Rockaway Beach Boulevard and north of Shore Front Parkway which fronts Rockaway Beach and the Atlantic Ocean. The size of the plot of land where the Condominium is located is 50' wide on Beach 96th Street and 100' deep/perpendicular to Beach 96th Street, with a total approximate lot square footage of 5,000 square feet. Neither the Sponsor nor any of the Sponsor's principals in whole or in part, presently have an option or right to acquire in whole or in part, any adjacent areas which are not fully developed. Sponsor and its principals are not aware of any other development property publicly announced, that will be adjacent to or directly across the street from the Condominium. Additionally, there are no other projects in which the Sponsor and its principals are engaged in within a one block radius of the Condominium.

The Condominium is served by a variety of transportation facilities. Taxi and limousine service is readily available throughout the city. Municipal bus service (Q22 and Q53) is available within short walking distance from the Condominium. Subway service in the vicinity of the Condominium is the S Line. The Building is in close proximity to The Belt Parkway. New York City is serviced by three major airports located within thirty-five (35) miles of the Condominium. Kennedy International and LaGuardia Airports are located in New York City and Newark International is located in Newark, New Jersey.

Excellent educational facilities are located in New York City. The Building is located in School District 27.

Police, fire, water, sanitation and snow removal are provided by the City of New York. The Property is located within 2 blocks of the nearest Police Precinct. The nearest fire station is 2

miles from the Building. The nearest hospital is St. John's Episcopal Hospital located at 11504 Rockaway Beach Blvd. and the closest Post Office is located at 9014 Rockaway Beach Blvd.

Many restaurants offering a wide and diverse array of cuisines, are located within walking distance of the Condominium, including (as of this writing) Whit's End (on Beach 97th Street), Uma's (92-07 Rockaway Beach Blvd) and 301 Chinese Restaurant (8603 Rockaway Beach Blvd.).

The Rockaway Beach and Boardwalk are located within 500 yards of the Condominium.

Zoning and Use

The Property is located in a R6 Zoning District. This zoning allows for the intended residential use of the property.

SCHEDULE A

OFFERING PRICES RELATED INFORMATION (SCHEDULE A)

PURCHASE PRICES, PERCENTAGE OF COMMON INTEREST, ESTIMATED COMMON CHARGES/ESTIMATED REAL ESTATE TAXES

THE 163 BEACH 96TH STREET CONDOMINIUM

SEPTEMBER 1, 2021 THROUGH AUGUST 31,2022

	A	B	C	D	E	F	G	H	I	J	K	L
1	(1) UNIT	(2) BEDROOMS AND BATHS	(3) SQUARE FOOTAGE THAT IS HABITABLE	(3a)* SQUARE FOOTAGE THAT IS UNINHABITABLE	(4) PURCHASE PRICE	(5) % OF COMMON INTEREST	(6) ESTIMATED MONTHLY COMMON CHARGES	(6) ESTIMATED ANNUAL COMMON CHARGES	(7) ** ESTIMATED MONTHLY REAL ESTATE TAXES	(7) ** ESTIMATED ANNUAL REAL ESTATE TAXES	TOTAL ESTIMATED MONTHLY CARRYING CHARGES	TOTAL ESTIMATED ANNUAL CARRYING CHARGES
2	1A	1 +1	628	Yard 364	$493,675.00	7.6117	$564.26	$6,771.06	$94.35	$1,132.16	$658.60	$7,903.23
3	2A	1+1	651	Balcony 61	$502,200.00	7.7431	$574.00	$6,887.95	$95.98	$1,151.71	$669.97	$8,039.66
4	2B	1+1	607	Balcony 42	$469,650.00	7.2413	$536.80	$6,441.57	$89.76	$1,077.07	$626.55	$7,518.64
5	2C	1+1	626	Balcony 39	$469,650.00	7.2413	$536.80	$6,441.57	$89.76	$1,077.07	$626.55	$7,518.64
6	2D	1+1	614	Balcony 39	$469,650.00	7.2413	$536.80	$6,441.57	$89.76	$1,077.07	$626.55	$7,518.64
7	3A	2+2	1055	2 Balconies 39 + 61	$818,400.00	12.6184	$935.40	$11,224.82	$156.41	$1,876.86	$1,091.81	$13,101.68
8	3B	1+1	607	Balcony 39	$658,750.00	10.1569	$752.93	$9,035.17	$125.89	$1,510.74	$878.83	$10,545.91
9	3C	2+2	861	Balcony 39	$469,650.00	7.2413	$536.80	$6,441.57	$89.76	$1,077.07	$626.55	$7,518.64
10	4A	2+2	1055	2 Balconies 39 + 61	$813,750.00	12.5467	$930.09	$11,161.04	$155.52	$1,866.20	$1,085.60	$13,027.24
11	4B	1+1	607	Balcony 39	$658,750.00	10.1569	$752.93	$9,035.17	$125.89	$1,510.74	$878.83	$10,545.91
12	4C	2+2	861	Balcony 39	$469,650.00	7.2413	$536.80	$6,441.57	$89.76	$1,077.07	$626.55	$7,518.64
13	P1	n/a	n/a	153	$50,000.00	0.16	$11.86	$142.33	$1.98	$23.80	$13.84	$166.13
14	P2	n/a	n/a	153	$50,000.00	0.16	$11.86	$142.33	$1.98	$23.80	$13.84	$166.13
15	P3	n/a	n/a	153	$50,000.00	0.16	$11.86	$142.33	$1.98	$23.80	$13.84	$166.13
16	P4	n/a	n/a	153	$50,000.00	0.16	$11.86	$142.33	$1.98	$23.80	$13.84	$166.13
17	P5	n/a	n/a	153	$50,000.00	0.16	$11.86	$142.33	$1.98	$23.80	$13.84	$166.13
18	P6	n/a	n/a	153	$50,000.00	0.16	$11.86	$142.33	$1.98	$23.80	$13.84	$166.13
19	P7	n/a	n/a	153	$50,000.00	0.16	$11.86	$142.33	$1.98	$23.80	$13.84	$166.13
20	RT1	n/a	n/a	156	$20,000.00	0.23	$17.05	$204.60	$2.85	$34.21	$19.90	$238.81
21	RT2	n/a	n/a	144	$20,000.00	0.23	$17.05	$204.60	$2.85	$34.21	$19.90	$238.81
22	RT3	n/a	n/a	144	$20,000.00	0.23	$17.05	$204.60	$2.85	$34.21	$19.90	$238.81
23	RT4	n/a	n/a	212	$20,000.00	0.23	$17.05	$204.60	$2.85	$34.21	$19.90	$238.81
24	RT5	n/a	n/a	156	$20,000.00	0.23	$17.05	$204.60	$2.85	$34.21	$19.90	$238.81
25	RT6	n/a	n/a	144	$20,000.00	0.23	$17.05	$204.60	$2.85	$34.21	$19.90	$238.81
26	RT7	n/a	n/a	144	$20,000.00	0.23	$17.05	$204.60	$2.85	$34.21	$19.90	$238.81
27	RT8	n/a	n/a	233	$20,000.00	0.23	$17.05	$204.60	$2.85	$34.21	$19.90	$238.81
28	**TOTALS**		**8172**	**2404**	**$6,803,775.00**	**100**	**$7,413.01**	**$88,956.18**	**$1,239.50**	**$14,874.03**	**$8,652.52**	**$103,830.21**

RT = Rooftop Terrace P = ParkingUnit

* Any Uninhabitable space set forth in column 3a on this Schedule A, may not be legally used as a living room, bedroom or dining space and to do so may result in a building code violation issued for the Building.

The projected real estate taxes for the first year of operation contained on Schedule A are based on an assessment of the building before construction is complete. Purchasers are advised that real estate taxes may increase materially when the building is reassessed after construction is complete.the building is reassessed after construction is complete.

** The estimated taxes for the first year of operation are $14,874, but it is estimated that the taxes for the 2022/2023 tax year will significantly increase to $71,710 beginning in July 2022

NOTES TO OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A

1. None of the Residential Units are subject to any rent regulatory law or regulation.

2. Each Residential Unit is either a 1 or 2 bedroom apartment. Each apartment also contains an open kitchen/dining area and living room. The balconies may not be lawfully used as, living rooms, bedrooms or dining space and to do so may result in a building code violation being issued for the Building. The minimum dimensions of a habitable room are based upon industry standard as provided in the NYC Administrative Code, § 27-751, which provides in part as follows:

§27-751 Minimum dimensions of habitable rooms.

Habitable rooms shall have a minimum clear width of eight fee in any part; a minimum clear area of eighty square feet and a minimum clear ceiling height of eight fee for the minimum area, except:

(a) A room which complies with the requirements for natural light and ventilation and in addition has an opening of not less than sixty square feet into an immediate adjoining room may have a minimum floor area of seventh square feet and a least horizontal dimension of seven feet;
(b) A dining space which has legally required ventilation, and in which the window has an area of at least one-eighth the floor area of such dining space;
(c) One-half the number of bedrooms in a dwelling unit containing three more bedrooms may have at least minimum dimension of seven feet;
(d) A room in a class B multiple dwelling as defined in section four of the multiple dwelling law may have at least minimum dimension of seven feet.

3. Any floor plan or sketch shown to a prospective Purchaser is only an approximation (within reasonable tolerances) of the dimensions and layout of a typical Unit. The actual layout of a Unit may have been altered. Accordingly, each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. Each Unit consists of the area measured horizontally from the exterior side of an exterior wall (perimeter columns and perimeter mechanical pipes are not deducted) to the exterior of the opposite perimeter walls of the Unit or to the center-line of any interior demising wall and the areas measured vertically from the top of the floor underlayment to the underside of the plaster ceiling at its highest level. However, any Common Elements located within a Unit shall not be considered a part of such Unit. The square footage of each Unit listed is rounded out to the nearest tenth of a percent (0.1%) and does not include the area of Limited Common Elements (balconies or terraces) appurtenant to such Unit. In addition it should be noted that the actual square footage of carpetable floor space is significantly less than gross square footage noted in Schedule A and elsewhere in this Plan. (See, “Floor Plans”, in Part II below.)

4. The purchase prices and other terms of sale of Units may be negotiated by Sponsor and, therefore, may be changed. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan

at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price but rather the result of an individually negotiated transaction. See section "Changes in Prices" below.

See section "Unit Closing Costs and Adjustments" for a schedule of Closing costs payable by Purchasers, in addition to the Purchase Price contained in Schedule A.

5. Pursuant to Condominium Act 339i(1)(iv), the allocation of Common Interest for each Unit is based upon the amount of floor space and the overall dimensions of the particular Unit. See letter of Elazer Orlofsky, licensed real estate broker, dated June 3, 2020, regarding compliance with Real Property Law §339(i), reproduced below.

6. Projected Monthly Common Charges do not include the following costs to be borne by each Unit Owner: (i) The cost of utilities (electric and telephone); (ii) Unit repairs, maintenance, decorations and painting (including the equipment and appliances contained in the Unit); (iii) homeowners insurance (if desired but highly recommended by Sponsor) covering (a) furniture, and other personal property and liability to others for personal injury or property damage are a result of occurrences in his Unit; and (iii) debt service (interest and amortization) on any loan obtained to finance the purchase of his Unit; and (iv) real estate taxes.

7. Each Unit will be taxed as a separate tax lot for real estate tax purposes. Individual Unit Owners will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. As estimated by Metropolitan Realty Exemptions, Inc., 118 Middleton Street, Brooklyn, New York 11206, retained by the Sponsor, the actual assessed valuation of the Property following construction will be $584,573 based upon a September 1, 2021 First Unit Closing date. It should be noted that the 2021/22 actual assessed valuation for the Property pre-construction, is $16,663 and that the applicable tax class is Class 1 which has an applicable tax rate of 21.045% and that the reason for the estimated rise in assessed valuation is due to the improvement (the new construction) to the Property, which will not be realized for tax purposes until the tax year following April 2021, which begins on July 1, 2021, as New York City's property tax year is from July 1 through June 30 of the following year. However, as noted in the opinion of Metropolitan Realty Exemptions (copy reproduced below), the increase in assessed valuation will not be phased in over a five (5) year period as usually permitted under Real Property Tax Law Section 1805, but rather will be implemented in a single tax year (2021/22), as a result of the substantial increase in assessed valuation attributable to the construction. As such, based upon a blend of the assessed valuation for 2021/22 ($16,663) (for the period of September 1, 2021 – June 30, 2022) to be taxed at the Class 1 rate of 21.045% and the projected assessed valuation for 2021/22 ($584,573) (for the period of July 1, 2021 – August 31, 2021) to be taxed at the estimated Class 2 tax rate of 12.267% 2021/2022, the real estate taxes for the entire Building for the First Year of Condominium Operation, is projected to be $14,874. See copy of the opinion of Metropolitan Realty Exemptions, Inc., reproduced below. The estimated real estate taxes are set forth in Schedule A. Accordingly, the real estate taxes noted herein are based upon a final assessed valuation of $16,663 for ten (10) months at a tax rate of 21.045% and a projected assessed valuation of $584,573 for two (2) at a projected tax rate of 12.267%; in which event the aggregate real estate taxes for all Residential Units during the first year of Condominium ownership would be $14,874 for the First year of Condominium operations. The foregoing projected assessed valuation has been prepared by

Metropolitan Realty Exemptions, Inc. See copy of the opinion letter reproduced below. Unit Owners are advised to consult with their own tax professionals if they have any questions regarding the deductibility of real estate tax payment on their federal, state and/or city income tax returns, however if a Unit Owner is itemizing his or her deductions, the Unit Owner would be subject to a $10,000 deduction limit on all state & local taxes including real estate taxes. The projected tax deductions may vary in future years due to changes in the interest rate on the Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from changes in assessed value, the tax rate or the method of assessing real property and/or as a result of changes in applicable federal, state and city tax laws.

The projected assessed valuation, after completion of construction is $584,573. The projected tax rate used to calculate the projected real estate taxes following the completion of construction is 12.267% of assessed valuation. Based upon the projected Assessed Valuation of $584,573 following completion of the construction and a projected tax rate of 12.267% subsequent to the conclusion of the First Year of Condominium operations, the estimated real estate taxes would be $71,710.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTY OR WARRANTY THAT (i) THE NEW YORK CITY TAX ASSESSOR WILL ALLOCATE INDIVIDUAL RESIDENTIAL UNIT ASSESSMENTS ON THE BASIS OF EACH RESIDENTIAL UNIT'S PERCENTAGE IN THE COMMON ELEMENTS (ii) THAT THE FINAL ASSESSED VALUE OF THE PROPERTY WILL BE $16,663 FOR 2021/22 or $584,573 FOR 2022/23, OR (iii) THAT THE TAX RATES ON THE BUILDING WILL BE 21.045% APPLICABLE TO 2021/22 OR 12.267% APPLIABLE TO 2022/23.

SCHEDULE B
BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
SEPTEMBER 1, 2021 through AUGUST 31, 2022

PROJECTED INCOME (1):

Common Charges Allocable to All Units:	$88,956

PROJECTED EXPENSES:	Total
Labor (2)	$-0-
Utilities (3)	$15,591
Water Charges & Sewer Rents (4)	$8,911
Repairs, Maintenance & Supplies (5)	$2,000
Service Contracts (6)	$7,620
Insurance (7)	$23,440
Management Fees (8)	$15,000
Accounting and Legal Fees (9)	$6,000
Contingency (10)	$1,498
Reserve Fund (11)	$8,896
TOTAL PROJECTED EXPENSES:	**$88,956**

NOTES TO BUDGET, SCHEDULE B

1. COMMON CHARGES:

The estimate of the annual Common Charges is based upon the assumption that the First Unit Closing will transpire on or about September 1, 2021 and the First Year of Condominium Operation will be for the year commencing September 1, 2021 through August 31, 2022. The actual first year of operation may be earlier or later than that year.

If the projected commencement date of the first year of Condominium operation is six (6) months or more after the anticipated date of commencement of Condominium operations, the Plan will be amended to include a revised budget disclosing then current budget projections. If the amended projections in the revised budget exceed the original projections by twenty-five (25%) percent or more, the amendment will provide that all Purchasers shall have no less than fifteen (15) days to rescind their Purchase Agreements and have their deposits refunded to them, within ten (10) days from receipt of rescission notice by Sponsor.

2. LABOR:

Since the building has 11 Units, the Administrative Code of the City of New York, § 27-2052, et seq., requires: (1) that the owner performs the janitorial services; or (2) that there be a full time superintendent who resides in the building or within 200 feet of the building; or (3) that there be a janitorial service approved by the Department of Buildings available 24 hours per day. As such, janitorial service will be made available 24 hours per day, seven days a week.

See Footnote 8 below (Management Fees) which reflects that as part of its Management services, the managing agent shall provide janitorial services available 24 hours per day, 7 days per week, in compliance with applicable law cited above.

3. UTILITIES:

Includes the cost of (a) gas in connection with gas ranges and domestic hot water in each Residential Unit, as well as heating for the common areas and (b) electricity in connection with common area consumption only, which includes: hallway and other public lighting, elevator operation, intake and exhaust fans as well as various pumps, receptacles and heating of certain portion of the Common Areas.

The expense for common area gas is based upon a projected usage of 4,096 therms at a cost of $1.91 per therm, which includes applicable sales tax plus an additional 10% representing an inflation cushion, as projected by Nicholas P. Tucci P.E., 200 Park Avenue South, Suite 520, New York, New York 10003 and results in an estimated annual total of $7,823 for gas.

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The expense for common area electricity is based upon a projected usage of 31,070 kilowatt hours ("KWH") at an average rate of $0.25 per KWH, which includes applicable sales tax, plus an additional 10% representing an inflation cushion, as projected by Nicholas P. Tucci P.E., TSF Engineering P.C., 200 Park Avenue South, Suite 520, New York, New York 10003 and results in an estimated annual total of $7,768 for electricity.

Heat and air conditioners for each Unit will be provided by a ductless, split heating and cooling system manufactured by Mitsubishi (or similar equipment of equal or greater quality). Each Residential Unit will have one wall-mounted air handler unit provided on an interior wall of each bedroom and living room area. It will also have a remote condenser at the roof which will be operated by the occupant of such Residential Unit by a remote control device. The system will be electricity fueled. Kitchens and bathrooms will be heated and cooled by ambient conditioned air from the air handler. The cost of operating, maintaining and replacing when necessary each heating/cooling equipment will be the sole cost and expense of such Unit Owner. See Schedule B-1 below for a copy of the written opinion of Nicholas P. Tucci P.E., TSF Engineering P.C, as to the projected cost of gas.

In view of the current world energy situation it is not possible to predict whether this budgeted amount will reflect the actual cost to be incurred during the first year of Condominium operation following the First Closing. This amount may also vary depending on changes in levels of consumption. In addition it is not possible to forecast with certainty the actual amount of any increases in fuel prices. However, it is believed that the projected amount shown above should be sufficient to cover reasonable increases in the cost of gas during the first year of Condominium operation following the First Closing. Nevertheless, no fuel budget item is guaranteed hereby and Sponsor takes no responsibility with regard to any discrepancy between the estimated costs of electricity and the actual costs of electricity.

Each Unit Owner will be responsible for the electric charges attributable to their respective Units as measured by individual electric meters. The Common Charges include electricity used in the Common Elements of the Building for lighting, including Building services. Gas for heating, air conditioning and cooking shall be a Common Charge.

It is not possible to predict how closely the budgeted figure will reflect the actual expenses for electricity to be incurred during the first year of Condominium operation, in part because such expenses will vary with the level of consumption and the applicable electric rates. Many factors affect the cost of electricity including, among others, the cost of oil (which has been highly volatile and unpredictable) used to generate electricity.

4. WATER CHARGES and SEWER RENTS:

There will be one (1) water line for the entire building. It is expected that the Building will consume 759,200 gallons of water (101,490 cubic feet) during the First Year of Condominium Operation at a cost of $$3.39 per 100 cubic feet of water for all individual Units as well as the Common Areas, resulting in an estimated cost of $3,440 for the first year of Condominium operations. Sewer costs are projected to be $5,471 per year based upon a cost of $5.39 per 100 cubic feet and 101,490 cubic feet of waste. This budget projection is based upon an estimate provided by

Nicholas P. Tucci P.E., TSF Engineering P.C., 200 Park Avenue South, Suite 520, New York, New York 10003 The projected unit costs for water and sewer charges have been increased in the budget to provide a 10% cushion for inflation.(See, Schedule B-1 immediately following these footnotes to Schedule B).

5. REPAIRS, MAINTENANCE and SUPPLIES:

The budgeted figure is based upon an estimation of repairs and maintenance to the common areas of the Common Elements (including without limitation interior repairs, roofing, exterior repairs such as facades, foundations, windows, doors and locks (excluding doors and locks leading into and out of individual Units), heating system, plumbing, electrical work, grounds maintenance such as gardening and landscaping, painting and such Building services and maintenance items not included elsewhere in this Budget) including without limitation, entrance, hallways, exterior (including walls, foundations, windows, doors and locks), heating system, plumbing, electrical and cleaning supplies. Inasmuch as this is a new construction and repairs should be minimal. However, the Sponsor does not warrant that this will be the case. In addition, no funds are being provided for future capital improvements. The following is a breakdown of the projected repairs and maintenance for the first year of Condominium operations:

Plumbing	-	$ 250.00
Electrical	-	$ 350.00
Carpentry/Painting	-	$ 400.00
Supplies and Services	-	$1,000.00

Work performed in the individual Units, including but not limited to, painting, decorating and appliance repairs, are not included as these will be the obligations of the respective Unit Owners.

6. SERVICE CONTRACTS:

This figure represents the estimated annual cost of contracted services and supplies to and for the benefit of the Common Elements. The estimate for supplies was estimated by Sponsor, based on the experience of its principal in the managing newly constructed buildings of similar size, quality and amenities. The estimates are as follows:

Service	Contractor	Annual Fee
Exterminator	Dial-a-Bug	$920.00
Sprinkler	Citywide Sprinkler	$1,600.00
Elevator	D & D	$5,100.00

7. INSURANCE:

The following insurance coverage is recommended for the Property by Michael G. Collins Senior Vice-President of The Whitmore Group Ltd., having an office at 370 Old Country Road, Suite 200, Garden City, NY 11530 for the First Year of Condominium Operation.

COVERAGE	AMOUNTS or LIMITS
Building Coverage	$6,475,000 (All Risk including TRIA [Terrorism Risk and Insurance Act])
Boiler and Machinery	Included
Loss of Income	$66,000
Property Deductible	$10,000
Commercial General Liability	
Each Occurrence	$1,000,000
General Aggregate	$2,000,000
Personal & Advertising Injury	$1,000,000
Products/Completed Operations Aggregate	$1,000,000
Fire Damage Legal Liability	$50,000
Fidelity Bond	$75,000
Directors and Officers Liability Insurance	$1,000,000
Commercial Umbrella	$5,000,000

The cost of Workers Compensation and New York Disability is not included.

Although not included in the projected coverage the following additional coverage may be included at an extra cost to the Condominium: rent insurance, water damage and excess liability.

The fire, casualty and general liability insurance will provide that (i) each Unit Owner is an additional insured party (ii) there will be no cancellation of any policy without notice to the Board of Managers, (iii) a waiver of subrogation vis-à-vis the individual Unit Owners, (iv) a waiver of invalidity because of the acts of the insured and Unit Owners, and (v) a waiver of pro-rata reduction if the Unit Owners obtain additional insurance coverage.

In the opinion of The Whitmore Group Ltd., the amount of insurance coverage is adequate to avoid co-insurance. The policy will be written on a replacement cost basis.

This coverage does not include claims for personal injury or property damage resulting from occurrences in Units nor does it include coverage of the furniture or personal property of Unit Owners. Each Unit Owner is urged to consider the desirability of obtaining additional insurance at his own cost covering: (i) fire, water and casualty losses to the contents of his Unit and any structural elements, replacements, additions, fixtures, upgraded features and improvements therein; (ii) personal property; (iii) liability for personal injury as a result of occurrences in the Unit; (iv) excess liability; (v) renter's insurance; and (vi) Condominium Unit Owner Insurance. The Whitmore Group Ltd. has advised the Sponsor that such individual insurance coverage is available, at premiums vary, depending upon the value of such personal property being insured and the extent of the personal liability coverage.

8. MANAGEMENT FEES:

The management fee is based upon a Management Agreement to be entered into with ALGNY Management LLC.,82-17 153rd Avenue, Suite 206, Howard Beach, NY 11414, at the Closing of Title for a term of three (3) years at an annual fee of $15,000. As part of its services under this Agreement, ALGNY Management LLC has agreed to provide janitorial services for the building on a 24 hour 7 days per week basis for up to thirty (30) hours per month. To the extent that the Building requires in excess of thirty (30) hours of labor in regard to janitorial services in any given calendar month, management shall be entitled to an additional fee of $20.50 for each hour above and beyond the thirty (30) hour base per calendar month.

The principal of the management company is also a principal of the Sponsor. The Sponsor believes that the annual management fee inclusive of the janitorial services, is comparable to the rates that would be charged by an independent managing agent providing janitorial services on a 24 hour 7 days per week basis, based upon thirty hours of labor in each calendar month. See Section "Management Agreement, Contracts and Leases" for a full discussion of the terms of the Management Agreement.

9. ACCOUNTING and LEGAL FEES:

This amount is based upon actual estimates of $5,000 received from Robert Molinaro, CPA, Palmetto, Mollo, Molinaro & Passarello, LLP, 91 Broadhollow Road, Melville, NY 11747 for an accountant to prepare the necessary financial and income tax reports for the Condominium Board of Managers, as well as Certified Statements of Income and Expenses of the Condominium. It also includes an estimate of $1,000 for initial miscellaneous legal services required in connection with meetings of the Condominium Board and Unit Owners; to the extent, if any that the Board of Managers decides to hire an attorney, this will be an additional expense.

10. CONTINGENCY:

This item will provide a fund for possible increases in operating expenses not now foreseen. The budget may be modified from time to time prior to the commencement of, or during Condominium operation, to adjust both income and expense items which will adjust this fund. This fund is in addition to the Working Capital Fund.

11. RESERVE FUND:

In response to the current lending guidelines of Fannie Mae – which are applicable to some Purchasers seeking to obtain mortgages on their Units – the Condominium has budgeted an annual expense item equal to ten (10%) percent of the regular operating expense budget for each year of Condominium operations, to serve as a reserve fund for future capital repairs as determined by the Condominium's Board of Managers. No representation or warranty is made or intended that (a) such reserve fund will be sufficient to meet the future capital repair needs of the Condominium, (b) the Condominium, the Units and/or the governing documents of the Condominium or its

operations meet the applicable requirements of Fannie Mae or any specific lender in regard to Purchasers or Unit Owners seeking to place a mortgage upon their individual Unit. Prospective Purchasers are advised to consult with their own attorney, mortgage broker or other advisor to ascertain whether they will be able to secure financing for the purchase of a desired Unit or to otherwise place a mortgage on any Unit that they own.

NOTE: At the First Closing, the Sponsor and the Condominium Board will adjust various items of income and expense in accordance with the period that each owns or operates the Property. If the net credit is in favor of Sponsor, the same will be paid by the Condominium Board in twelve (12) equal, consecutive, monthly installments commencing six months subsequent to the First Closing with no interest, pursuant to twelve (l2) negotiable promissory notes to be executed by the Condominium and delivered to Sponsor at the First Closing. In such event, although these notes are not directly included as a separate expense of this budget, payment of the notes represents, in effect, payment of certain expenses reflected in this budget that has been prepaid by Sponsor. See Section "Working Capital Fund."

In the opinion of EBD Management Services LLC, having an address at 515 Rockaway Avenue, Valley Stream, New York 11581, the projected income is adequate to meet the estimated expense for the first year of Condominium operation. The foregoing 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 of operation of the Property by the Condominium Board will be as set forth in said budget.

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.

Sponsor has reserved the right to enter into service, maintenance, employment, and other agreements that will be binding on the Condominium Board upon commencement of Condominium operation. Sponsor will not enter into any such agreement that will materially increase the first year's projected common charges or that will be binding on the Condominium Board, unless disclosed in an amendment to this Plan.

TSF

TSF Engineering , PC
Mechanical–Electrical Consulting Engineers

Residential Units
Estimated Utility Costs
163 Beach 96th Street
Queens, NY 11693

TSF Project 18472

May, 2020

The above listed Building is a 4-story Residential Apartment Building. Eleven(11) Apartment units. The Residential portion of the Building has the following characteristics:

Heating and Air Conditioning for each Apartment Unit is provided by Air-Cooled, Split-Type Heat Pump Units.

Each apartment contains High Efficiency Gas Fired Hot Water Heaters.

Each Apartment is provided with the following Appliances:
Refrigerators, Dishwashers, Microwave, Clothes Washer, Electric Clothes Dryer, Gas Cooktop.

Bathrooms are to be provided with an electric floor warming mat.

Electric usage is individually metered per residential apartment unit.

There is one "House" / "PLP" Electric meter serving the Building's common core lighting and power equipment.

Two "House" Natural Gas Meters are utilized. One meter is for Cooking and Domestic Hot Water usage. One meter is serving the heating component of the common corridor heating, and ventilation system.

A unique feature of the Building is that each unit has a roof level cabana.



200 Park Avenue South
Suite 520
New York, NY 10003

Tel.212.253.7303
Fax. 212.253.6512
email:files@tsfengineers.com

Calculations for the estimated utility usages are based on the following:

1. Double insulated glass, thermal barrier type windows.
2. R-25 insulation for roof.
3. R-10 insulation for walls.
4. Cost of Electricity: **$0.25** per KW-hr. *
5. Cost of Gas: **$1.91** per Therm. *
6. Cost of Water: **$3.39** per 100cu.ft. *
7. Cost of Sewer: **$5.39** per 100cu.ft. *
8. Heating based on 5,026 degree days, maintaining inside space temperature at 70F with outdoor temperatures 0F with 15mph wind.
9. Cooling based on maintaining inside space temperature at 76F with outside temperatures at 90F.
10. One-bedroom units assume occupancy of two persons. Two-bedroom apartments assume occupancy of three persons. Total number of occupants assumed = **26** persons.
11. Water usage is estimated at 80 gallons of water per day per person.
12. Apartment cooking based on two meals a day.
13. Laundry based on eight loads per week.
14. Dishwasher based on four loads per week.

* Cost includes a 10% increase over current tariffs.

The estimated energy costs for the Project based upon construction complying with the New York State Energy Conservation Code. Costs can vary considerably depending upon actual usage personal habits. These figures are not intended to be a guarantee

I. Typical 1-Bedroom Unit – 1 Bathrooms, approx. 650sf-700sf (7 Units)

Electric Usage	
Lighting & General Appl.	3,120 kwhr.per year
Refrigerators	800 kwhr.per year
Dishwashers	600 kwhr.per year
Clothes Washer	800 kwhr.per year
Clothes Dryer	2,000 kwhr.per year
Cooking	500 kwhr.per year
Air Conditioning	3,290 kwhr.per year
Heating	8,650 kwhr.per year
Total kwhr	19,760 kwhr.per year
Yearly Electric Charges:	$ 4,940
Monthly Electric Charges:	$ 412



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II. 2-Bedroom Unit - 2 Bathrooms, approx. 8,50sf-9,50sf (4 Units)

Electric Usage	
Lighting & General Appl.	3,600 kwhr.per year
Refrigerators	800 kwhr per year
Dishwashers	600 kwhr.per year
Clothes Washer	800 kwhr.per year
Clothes Dryer	2,000 kwhr.per year
Cooking	500 kwhr.per year
Air Conditioning	3,850 kwhr.per year
Heating	10,120 kwhr.per year
Total kwhr	22,270 kwhr per year
Yearly Electric Charges:	$ 5,568
Monthly Electric Charges:	$ 464

III. Common Core Charges

* Note: All charges in this section shall be commonly metered and shall be a common expense attributed to all residential units based on their common interest percentage. *

A. Estimated Electric Consumption

Lighting & Gen.	3,620 kwhr per year
Mech. (Fans/Pump/Heat/AC)	19,650 kwhr per year
Elevator*	7,800 kwhr per year
Total kwhr.	31,070 kwhr per year
Yearly Electric Charges:	$ 7,768
Monthly Electric Charges:	$ 647

* Note Elevator is based on 3 trips per day per occupant.



B. Estimated Gas Consumption

Gas Ranges	80 therms x 11 ranges	=	880
Domestic Hot Water	86 therms x 26 Occupants	=	2236
Heating	980 therms	=	980
4,096 therms @ $ 1.91		=	$7,823
Monthly Gas Charges:			$ 652

C. Estimated Residential Water Consumption

The annual water consumption is estimated to be 80 gallons per person per day with a full occupancy of 26 persons = 759,200 gallons of consumption (approximately 101,490 cubic feet) annually.

Water Costs ($3.39 per 100 cu. Ft.) = $ 3,440 per year
Sewer Costs ($5.39 per 100 cu. Ft.) = $ 5,471 per year

Yearly Water Costs: $ 8,911 per year

Monthly Water Costs: $ 743 per month

The estimated energy costs for the Project based upon construction complying with the New York State Energy Conservation Code. Costs can vary considerably depending upon actual usage personal habits. These figures are not intended to be a guarantee

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ELAZAR ORLOFSKY
Licensed Real Estate Broker
License Number: 35OR1148511
515 Rockaway Avenue
Valley Stream, NY 11581
(516) 821-7200

June 3, 2020

63 Beach 96th Street Condominium
163 Beach 96th Street
Rockaway Beach, NY 11693

Re: Compliance with Real Property Law §339(i)
The 163 Beack 96th Street Condominum
163 Beach 96th Street
Rockaway Beach, NY 11414
Conversion to Condominium Ownership

Dear Sirs:

It is our opinion that each unit in your condominium has appurtenant thereto a common interest as expressed in your Declaration which are in compliance with Section 339-i(1)(iv) of the Condominium Act (Article 9-B of the Real Property Law).

The allocation of common interests are 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.

I am a licensed real estate broker and have had more than 10 years experience as a broker in connection with condominium units and approximately four (4) years as a Sponsor in connection with condominium conversions. We have no beneficial interest in the Sponsor and no interest in the profits of this offering plan other than the fee we shall receive as sales agent of the Condominium.

Very truly yours,

Elazar Orlofsky

CHANGES IN PRICES AND CHANGES IN SIZE, LAYOUT AND NUMBER OF UNITS

Changes in Prices

Sponsor reserves the right at any time in its sole discretion before and after the recording of the Declaration, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default may be made without the consent of the Purchaser. Such price change shall not alter the Common Interest of, or the amount of the Common Charges payable by, the owners of such Units. The Purchase Prices set forth in Schedule A may only be changed by a duly filed amendment to the Plan when the change in Purchase Price is an across the board increase or decrease affecting one or more lines of Units, or is to be advertised, or is a price increase for an individual Purchaser. Sponsor reserves the right to reduce the Purchase Price for a Unit or Units without filing an amendment to the Plan at any time if such price reduction does not constitute a general offering but is rather the result of individual negotiations. As a result of the negotiability of the offering prices and Sponsor's right to change prices, certain Purchasers may pay or may have paid more or less than other Purchasers for similar Units.

Changes in Size, Layout and Number of Units

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other or no reason, Sponsor reserves the right (except to the extent prohibited by law) at any time, before and after the recording of the Declaration, without prior notice, and without the consent or approval of the Board of Managers, the Managing Agent any Unit Owner or mortgagee to (i) change the layout of, or number of rooms in, any Unsold Unit; (ii) change the size and/or number of Unsold Units by subdividing one or more such Unsold Units into two or more separate Unsold Units, combining separate unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls of any Unit or unsold Unit, or otherwise, including, without limitation, incorporating within any Unit or Unsold Unit any wall, hallway space or other portion(s) of the Common Elements which is adjacent to or services or benefits only, such Unit or Unsold Unit to the extent that such portion(s) of the Common Elements are neither used for ingress or egress by other Unit Owners nor interferes with any systems (such an electric, heating, plumbing or ventilation) servicing any other Unit; and (iii) if appropriate, reapportion among the Unsold Units affected by any such change their respective Common Interests subject to the requirements of Real Property Law §339(i)(1)(iv); however (a) the aggregate amount of the Common Interest of all of the Units in the Condominium shall always remain at 100%, and (b) Sponsor may not change the size or location of Common Elements if such change(s) affect(s) the percentage of common interests or adversely affect(s) the value of any Unit to which title has already 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(s).

To the extent not prohibited by law, if the size or configuration of a Unit is changed in compliance with the Plan and the Condominium Documents and, in connection therewith, a wall,

space, hallway or other area forming a part of the Common Elements servicing and benefiting only such Unit and not affecting access to any other Unit is demolished or incorporated in the Unit, then such Common Element shall be deemed a Limited Common Element for the exclusive use and benefit of the owner of such Unit and the Unit's Common Interest will remain the same.

After the Declaration is recorded, no change may be made in the number of Units nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls or otherwise, nor may the Common Interest of any Unit be changed, unless the Declaration is amended and such amendments are duly recorded and filed and the Plan is amended to reflect such change, subject to the prior consent of any Unit Owner whose Unit is so changed. As more particularly provided in the Declaration and the Power of Attorney to be executed by each Purchaser for the benefit of the Sponsor, Sponsor or the owner of an Unsold Unit, will have the right to amend the Declaration to the extent required, or to cause the Board of Managers to do so in order to reflect such changes.

It should be noted that so long as the layout and dimensions of a Unit substantially (i.e., do not vary materially – there is a rebuttable presumption that an area that is diminished by 5% or less is not material) correspond to the Floor Plans submitted in connection with the Declaration, a Purchaser will not be excused from purchasing his Unit and will not have any claim against Sponsor or the Selling Agent, by reason of any variance in such layout or dimensions. (See, "Rights and Obligations of Sponsor" below.)

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 filed amendment to the Plan and, when applicable, by amendment to the Declaration. Furthermore, unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default of their obligations under the Purchase Agreement. Moreover, 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.

INTERIM LEASES

Following the First Unit Closing, any Purchaser of a Unit then vacant, or which will become vacant thereafter, may enter into a lease ("interim lease") for that Unit on the terms set forth below and take occupancy pursuant thereto prior to the Closing of title on such Unit, provided that the Sponsor has obtained a certificate of occupancy (permanent or temporary) prior to the effectiveness of such interim lease.

The interim lease may be prepared on a standard form of apartment lease published by the Real Estate Board of New York, Inc. or in such other form as may be required by Sponsor and as may be amended to comply with the terms hereof. The interim lease will be for such rent and upon such other terms as may be mutually agreed upon. The term of such interim lease shall be for a period which will expire on the date of Closing or for either one or two years after the date of execution of such interim lease. There are no rent protection laws (such as rent control or rent stabilization) applicable to any interim lease. Accordingly, upon the termination of any interim

lease, either at the expiration of its term or earlier termination, the tenants of such interim lease(s) shall not be entitled by law or regulation to any extension of the lease; that in the event Sponsor or the owner of any Unit occupied under an expired or otherwise terminated interim lease, agrees, in their sole and absolute discretion, to extend the term of such interim lease, there shall be no law, rule or regulation which would control the amount of rent which the Sponsor or such Unit Owner may charge the Tenant. The interim lease may not be renewed or assigned, and the Unit may not be sublet unless the Plan is abandoned. If the Plan is abandoned, the Purchaser, as tenant, shall have the choice of either (i) becoming a rent stabilized tenant should the building be subject to rent stabilization or a free market tenant, or (ii) rescinding their interim lease and vacating from the Unit within ninety (90) days after giving written notice to the Sponsor. The interim lease will also provide that an uncured default by the Purchaser under his Purchase Agreement will constitute a default under the interim lease entitling the Sponsor, at its sole option, to immediately terminate such interim lease and conversely, any uncured default by the Purchaser under his/her interim lease, will constitute a default under the Purchase Agreement; however, in the event of an uncured default under an interim lease, the Sponsor may not declare the Purchaser in default of the Purchase Agreement, unless and until the Sponsor either obtains an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit.

The Purchaser shall be required to vacate the Unit within thirty (30) days after notice of cancellation of the Purchase Agreement is sent to him. If the Purchaser defaults under the interim lease, an order of eviction or other judgment or order of a court or agency of competent jurisdiction against the Purchaser must be obtained or the Purchaser must have vacated the Unit before Sponsor may declare the down payment under the Purchase Agreement forfeited.

No portion of the rent paid under such interim lease will be credited towards the Unit's Purchase Price. Rents due under an interim lease shall be adjusted as of the Closing date.

Sponsor does not presently offer the right to rescind the Purchase Agreement, however, in the event of certain circumstance, such as an amendment which is materially adverse to the interests of a Purchaser, such Purchaser who has not already closed will be entitled to a right of rescission. A Purchaser who elects to rescind his/her Purchase Agreement if and when offered the opportunity to do so by amendment, will be required – but not as a condition to being able to rescind his/her Purchase Agreement – to vacate and surrender possession of the Unit being occupied under an Interim Lease and to also pay any rent due under his/her interim lease through the date that possession is actually surrendered. Nothing contained herein shall relieve any Purchaser of liability for any damage caused to the Unit. As an interim lessee is not the owner of the Unit until title is transferred on the closing date, any insurance covering the Unit that has been obtained by the Condominium or the Sponsor will not be available to the interim lessee. Therefore, it is advisable that an interim lessee confer with an insurance advisor.

Purchasers or any other persons entering into an Interim Lease for a Residential Unit shall be required to pay the sum of $1,000.00 to Sponsor's counsel for legal fees in connection therewith upon execution of the interim lease. All other charges or other fees due under an interim lease shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any interim lease.

Sponsor or its designee further reserves the right to use or occupy any Unsold Unit itself or to rent or lease any Unsold Unit to a tenant who is not a Purchaser at any time after this Plan is declared effective and following the First Unit Closing (for such rent and term and on such other conditions as may be agreed to between such parties) and residents of the Condominium may be comprised of both Unit Owners and tenants.

Accordingly, a Purchaser may be acquiring a Unit that has been previously occupied, but such Unit will be delivered at Closing either (i) free and clear of all leases, tenancies and rights of occupancy other than interim leases with such Purchaser or other leases or rights of occupancy of such Unit which Sponsor agreed to enter into at the request of the Purchaser of such Unit or (ii) subject to, the rights of any existing tenant or occupancy of the Unit. Any Purchaser of a previously occupied Unit, will take title and possession of such Unit in its "AS IS" condition.

PROCEDURE TO PURCHASE

A person desiring to purchase a Unit must (1) execute a Purchase Agreement, in triplicate in the form contained in Part II of the Plan, (2) execute and have notarized in triplicate the New York State Combined Real Property Transfer Tax Return and Credit Line Mortgage Certificate (TP-584) and (3) return all such documents to the Selling Agent together with a check for the down payment in the amount of 10% of the Purchase Price, drawn on a New York bank payable to the order of "Turek Roth Grossman LLP, as escrow agent." The balance of the Purchase Price will be payable simultaneously with the delivery of the Deed to the Unit.

Purchase Agreements will only be binding on the Sponsor, if, and when they have been executed by Sponsor and a fully executed original of the Purchase Agreement is mailed or personally delivered to the prospective Purchaser. Purchasers will be notified that their Purchase Agreement has been approved or rejected within thirty (30) days from the date Sponsor or the Selling Agent receives the Purchaser's executed Purchase Agreements and down payment and executed and notarized the Tax Return (Form TP-584). If a copy of the Purchase Agreement is not signed by Sponsor and returned to the Purchaser, or a notice of Sponsor's rejection of the Purchase Agreement is not received within the thirty (30) day period, such Purchase Agreement shall be deemed rejected and not accepted and any down payment will be returned promptly. Sponsor may reject any Purchase Agreement, without cause or explanation, so long as such rejection is not based upon race, creed, color, national origin, ancestry, sex, disability, marital status or any other ground proscribed by law.

Purchasers shall be afforded not less than five (5) calendar days after delivering an executed Purchase Agreement together with their down payment, to rescind their Purchase Agreements by written notice to Sponsor or the Selling Agent either delivered personally or by mail postmarked within such five (5) day period. Any Purchaser exercising such right of rescission shall receive a refund of the down payment promptly after receipt of such notice by Sponsor or the Selling Agent, as the case may be.

All down payments will be placed promptly in a segregated special interest-bearing attorney escrow account as provided below. In accordance with NYS Lien Law §71-a(3), a Purchaser who submits a Purchase Agreement prior to the Sponsor securing a permanent Certificate

of Occupancy for the Building, shall have the option of requiring that their deposit be placed into an interest bearing account to be maintained in a bank, trust company, or savings and loan association located within New York State, within five (5) days of Sponsor's or its Sales Agent's receipt of same and any such deposit, together with the interest accumulated thereon, shall remain the property of the Purchaser, except as otherwise provided herein. In the event the Plan is abandoned for any reason, then such monies shall be fully returned to the Purchasers within five (5) days of the Amendment abandoning the Offering Plan, with interest, except that Sponsor will retain the down payment (not to exceed 10% of the purchase price), as liquidated damages of any Purchaser who remains in default under his Purchase Agreement at least thirty (30) days after written demand for payment issued after such default. Such funds shall be released upon the signatures of either: Allen M. Turek, Jeremy S. Roth or Jason A. Grossman, members of the firm of Turek Roth Grossman LLP, attorney for Sponsor, at the Closing, or prior to Unit Closing if the Purchaser rescinds or defaults or if the Plan is abandoned. Messrs. Turek, Roth and Grossman are admitted to practice law in the State of New York and will comply with the Appellate Division rules for the preservation of client funds, as same are applicable.

After the Plan has been declared effective and an amendment incorporating the declaration of effectiveness is accepted for filing by the Department of Law, Purchasers will be given not less than thirty (30) days' prior written notice of the date, time and place for the transfer of title to the Unit and for the payment of the balance of the Purchase Price by unendorsed certified personal check or official cashier's check drawn on or by a member of the New York Clearing House Association, payable to the order of Sponsor. Such thirty (30) days' notice may be waived by individual Purchasers as provided in the amendment incorporating the declaration of effectiveness. Sponsor reserves the right - without undertaking any obligation - to adjourn any Closing Date in its sole and absolute discretion. Any adjournment of a Closing Date must be in writing and signed by the Sponsor in order to be effective. At the Closing, each Purchaser shall be required to sign and deliver a Power of Attorney coupled with an interest to the Board of Managers of the Condominium in the form contained in Part II of this Plan, and a New York City Real Property Transfer Tax Return in connection with such tax.

The following shall constitute "Events of Default" under the Plan and Purchase Agreement:

(i) Purchaser's failure to pay the balance of the purchase price on the Closing Date designated by Sponsor or any adjournment thereof as Sponsor may have agreed to in writing;

(ii) Purchaser's failure to execute and deliver his/her Power of Attorney, tax return, affidavit or other Closing document required to be executed by Purchaser, on the Closing Date designated by Sponsor or any adjournment thereof as Sponsor may have agreed to in writing;

(iii) If Purchaser is a tenant of the Unit pursuant to an interim or other lease agreement, Purchaser's default under his lease which has resulted in his eviction from the Unit or his abandonment of the Unit;

(iv) If Purchaser becomes a tenant of the Building after the Plan is accepted for filing, Purchaser's failure to cure a default under his interim lease within the applicable grace period (if any); or

(v) Purchaser's failure to deliver the Power of Attorney executed in recordable form; or

(vi) The failure to perform or observe any of Purchaser's other obligations under the Purchase Agreement.

Upon the occurrence of an Event of Default, Sponsor shall have the right to cancel the Purchase Agreement by sending Purchaser written notice of such default. If Sponsor sends such notice, Purchaser shall have thirty (30) days from the giving of such notice within which Purchaser must cure the specified default. TIME IS OF THE ESSENCE TO REMEDY SUCH DEFAULT WITHIN SAID THIRTY (30) DAY PERIOD before forfeiture of the down payment. If the default is not timely cured, then Sponsor shall have the right to retain as and for liquidated damages the down payment (not to exceed 10% of the purchase price) and any sums held by Sponsor in excess thereof shall be returned to Purchaser within forty-five (45) days thereafter. Upon cancellation of the Purchase Agreement and making such refund (if any) to Purchaser, Purchaser, Sponsor and Selling Agent will be deemed automatically released and discharged of all further liability and obligations under the Purchase Agreement and under the Plan. Thereafter, the Unit may be sold to another as though the Purchase Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale.

If a Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date the Closing apportionments described in the Section entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs.

Sponsor anticipates that the First Closing will occur by the date set forth in Schedule B as the commencement date for the first year of Condominium operation. If the First Closing does not occur within six (6) months after the date set forth in Schedule B as the commencement date for the first year of Condominium operation, Sponsor will amend the Plan to update the budget. If the amended projections in the revised projected budget exceeds the earlier projected budget by twenty-five (25%) or more, the amendment will offer Purchasers the right to rescind their Purchase Agreements within not less than fifteen (15) days after the presentation of the amendment disclosing the updated budget, and any Purchaser electing rescission will have their down payments and any interest earned therein returned within ten (10) days thereof. If the First Closing is delayed twelve (12) months or more, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements.

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges in proportion to the Purchaser's Common Interest, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to his Unit, whether or not he has taken possession of his Unit, and whether or not all

work required to be performed by Sponsor or anyone else in or to his Unit or the Building has been completed.

Each Purchaser may elect to make his/her Purchase Agreement contingent upon obtaining mortgage financing. The Purchase Agreement, as set forth in Part II of the Plan, contains a mortgage financing contingency clause for Purchasers of a Unit which must be completed by Purchaser in order to qualify for the mortgage contingency. If Purchaser elects such financing contingency, Purchaser must:

(a) Within ten (10) days after Sponsor accepts and delivers the fully executed Purchase Agreement, Purchaser is required to make and submit an application for financing to any institutional lender of their choice for a mortgage loan in an amount no greater than eighty (80%) percent of the Purchase Price (although there is no prohibition on Purchaser's obtaining financing in any amount, the maximum amount of mortgage financing that any Purchase Agreement may be made contingent upon is eighty[80%] percent of the Purchase Price) (the "Mortgage Loan"). In the event Purchaser's lending institution of choice does not approve the Purchaser for financing, the Sponsor has the right within ten (10) calendar days of Sponsor's receipt of a written notice that Purchaser's lending institution of choice has rejected Purchaser's loan application, to require that the Purchaser make a complete and good faith application for financing through Sponsor's preferred lender: Citizens One Home Loans, 10 Lake Center, Suite 310, Marlton, NJ 08053. In order to avoid additional time and expense for the Purchaser, Sponsor will seek to ensure that Sponsor's preferred lender will issue a pre-qualification letter prior to Purchaser's application for a loan application and at no cost to Purchaser;

(b) At this juncture, Citizens One Home Loans does not have set requirements regarding minimum sales, owner-occupancy requirements and/or reserve requirements, therefore, the Condominium complies with the requirements of Sponsor's preferred lender, and if any of the foregoing changes during the Sponsor's Control Period, Sponsor shall so amend the Offering Plan to reflect same;

(c) If 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.

(d) furnish truthful, accurate and complete information, data and documents on Purchaser and members of Purchaser's family, as required, and promptly submit such further information, data and documents requested by the institutional lender, if any;

(e) pay all fees, points and charges required in connection with such application(s) and the Mortgage Loan;

(f) pursue such application(s) with diligence;

(g) cooperate in good faith with the institutional lender, if any, to the end of securing the Mortgage Loan;

(h) promptly give notice to Seller of the name and address of the institutional lender, if any, to which Purchaser has made such application; and

(i) comply with all requirements of the Commitment (or of any Commitment accepted by Purchaser) and furnish Seller with a copy thereof promptly after receipt thereof.

The obligations of Purchaser set forth in (a) through (g) above are, collectively, referred to herein as the "Financing Obligations". Purchaser shall agree to diligently comply with all of the Financing Obligations in order to qualify for the finance contingency in the Purchase Agreement.

The mortgage financing contingency clause provides that Purchaser shall have sixty (60) days from the date Sponsor accepts and delivers the fully executed Purchase Agreement to obtain a written loan commitment for financing. In the event Purchaser fails to obtain a written loan commitment within such time period or in the event the loan commitment is subsequently withdrawn, Purchaser must notify Sponsor of same within five (5) days subsequent to such sixty (60) day period or the date the loan commitment is withdrawn, whichever is applicable, or the financing contingency is deemed waived.

If Purchaser obtains a mortgage loan commitment within the time period set forth above, the Purchase Agreement shall nonetheless be subject to Purchaser's loan commitment being in full force and effect as of the Unit Closing, provided, however, that any expiration of a commitment as a result of Purchaser's refusal, inability or unwillingness to close title or delay in closing title or the revocation of a commitment by a lending institution resulting from Purchaser's acts or omissions, including but not limited to, Purchaser's failure to satisfy any of the conditions of the commitment accordingly, shall be excepted from this requirement, and Purchaser shall be deemed to have waived any financing contingency within the Purchase Agreement. However, if a Purchase Agreement is made contingent upon the Purchaser obtaining financing and Purchaser makes a good faith effort to extend the loan commitment but the commitment is not extended, Sponsor must offer the Purchaser the right to rescind the Purchase Agreement and a reasonable period of time to exercise the right.

The Unit and the Common Elements are being sold in the condition as described in the "Sponsor's Statement of Building Condition" and the "Description of Property and Specifications" below, subject to ordinary wear and tear and/or natural deterioration. Sponsor's obligation to make repairs in any Unit shall cease upon the Closing of title to such Unit.

Each prospective Purchaser should note that Sponsor is only obligated to provide the equipment, fixtures and furnishings described in the "Description of Property" set forth in Part II of this Plan or their substantial equivalent (i.e., substitute equipment or materials of Equal or Better

Quality and/or design). In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to Purchaser unless Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the purchase price for such Unit.

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

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

The Escrow Agent:

The law firm of Turek Roth Grossman LLP, with an address at 377 Fifth Avenue, 6th Floor, New York, NY 10016, telephone number 212-223-3562, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Allen M. Turek, Jeremy S. Roth and Jason A. Grossman. 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 will establish the escrow account at JPMorgan Chase Bank, located at 349 Fifth Avenue, New York, NY 10016, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Turek Roth Grossman LLP IOLA Escrow Account ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per depositor. Any deposit in excess of $250,000 will not be insured. If a purchaser has an account at the same bank that holds the escrowed funds, purchaser's funds at the escrow bank factor into the $250,000 insurance limit.

All Deposits received from Purchaser shall be in the form of checks or money orders and shall be made payable to or endorsed by the Purchaser to the order of Turek Roth Grossman LLP, as escrow agent.

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

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

The Purchase Agreement:

The Purchase Agreement is reproduced in Part II of the Plan. The relevant escrow trust fund provisions are included in Paragraph 5 of the Purchase Agreement, which must be executed by the Escrow Agent.

That the Purchaser's obligation to purchase is not contingent on obtaining financing is a special risk. If a Purchaser's obligations are contingent on obtaining a financing commitment and the financing commitment lapses or expires prior to closing, and the Purchaser has made a good faith effort to extend the commitment, Sponsor must grant to such Purchaser a right of rescission and a reasonable period of time to exercise the right.

The Sponsor will return the down payment after receipt of Purchaser's notice of rejection by Citizens One Home Loan within ten (10) days of such notice. The Sponsor has the right to extend the time period in which a Purchaser must obtain a mortgage commitment if one has not been obtained by the original mortgage contingency date.

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 Purchase Agreement.

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

Release of Funds:

All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money, and may not be 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 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 Escrow Agent shall maintain all records concerning the Escrow Account for seven years after release of the funds. If the Escrow Agent dissolves during the seven year period after the release of the funds, the former partners of Escrow Agent shall make appropriate arrangements for the maintenance of such records regarding the Escrow Account. The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations.

Waiver Void:

Any provision in the Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent

holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Purchase Agreement, Plan, or any amendment thereto.

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:

A. The risk of loss to the Unit by fire or other casualty not covered by the Condominium's insurance is assumed by Sponsor until the earlier of (a) Closing of title or (b) possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore 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 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 provision of the preceding sentence shall survive the Closing of title.

Sponsor shall not be obligated to repair any damage from a casualty that occurs before the Closing of a Unit. Purchaser of said Unit shall have the right to cancel the Purchase Agreement in the event Sponsor fails to agree within 30 days of said damage to repair the Unit.

B. In the event Sponsor notifies Purchaser that it does not elect to repair or restore 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 within ten (10) calendar days Sponsor shall return to Purchaser all 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 such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

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

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchaser shall not have the right to assign or transfer this Purchase Agreement without the prior written consent of the Sponsor which consent may be withheld or delayed at 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. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Purchase Agreement, the Purchaser shall be required to pay Sponsor's attorney a fee of $1,000.00,

in advance, for the preparation of an Assignment Agreement. Any purported assignment or transfer by Purchaser which is not made in strict compliance with this paragraph shall be deemed void and of no effect.

EFFECTIVE DATE

The offer to sell the Units hereunder is contingent upon the Plan being declared effective. The Plan may be declared effective if written Purchase Agreements have been executed and delivered to Sponsor or the Selling Agent for at least 15% of all Residential Units (i.e., two (2) Units, which constitute approximately 18% of all Residential Units) offered under the Plan. The Plan must be declared effective when Purchase Agreements have been executed and accepted by Sponsor for eighty percent (80%) (i.e., ten (10) Residential Units, which constitute approximately 83% of all Residential Units) offered under the Plan.

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

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

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

(iii) from Purchaser(s) whose Purchase Agreement(s) were delivered to the Sponsor or its Selling Agent, within seven (7) days of the date the Plan is declared effective.

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20 of Title 13 NYCRR (i.e., Purchase Agreements signed by bona fide Purchasers for 15% of the Units offered under the Plan). Purchasers should note that Sponsor may declare the Plan effective after entering into Purchase Agreements for a minimum of fifteen (15%) percent of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of Purchase Agreements, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with few than a minimum number of Purchase Agreements if Purchasers counted towards effectiveness do not ultimately purchase a Unit. Moreover, notwithstanding the fact that not all purchasers used for purposes of declaring the Plan effective may actually close, Sponsor will re-declare the Plan effective if all purchase agreements used for purposes of declaring the Plan effective are either rescinded or terminated prior to the date of the First Unit Closing, regardless of whether the Declaration of Condominium has been recorded.

The Plan will be declared effective by (a) an amendment to the Plan duly filed with the Department of Law, or (b) written notice to all Purchasers sent by mail or personally delivered followed by an amendment disclosing the declaration of effectiveness, to be submitted for filing,

within five (5) days after such notice is given to all Purchasers. The Closing of title to any Unit shall not be held until the Plan is declared effective and such amendment is accepted for filing by the Department of Law.

Sponsor may declare the Plan abandoned for any or no reason before the Plan is declared effective. Once the Plan has been declared effective or the eighty percent (80%) quota referred to above has been reached, the Plan may not be abandoned, except (a) for a defect in title which cannot be removed, cured or complied with, without litigation or cost in excess of .5% of the Total Purchase Price in the aggregate for all Units; (b) any substantial damage to the Property by fire or other casualty and the cost to repair same would exceed 1/2 of 1% of the Total Purchase Price in the aggregate for all Units, unless Sponsor elects to repair the same; or (c) the taking of any material portion of the Property by condemnation or by eminent domain. Any stated dollar amount relied upon as basis for abandonment of the Plan after effectiveness must 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.

If the Offering Plan is to be abandoned after the filing and the Sponsor has accepted Purchase Agreements, the Sponsor shall promptly submit an amendment to the Office of the Attorney General together with form RS-3 as promulgated by the Office of the Attorney General. If payments under Purchase Agreements have been received, the amount of such funds and the manner and time when these funds will be returned to Purchasers will be returned to Purchasers within five (5) days after the amendment abandoning the Plan has been accepted for filing. Upon the return or retention of the down payments, together with any interest earned thereon, the Purchase Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Purchase Agreements. If the Sponsor has not accepted 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 simultaneously be served by the Sponsor on all tenants, if any.

TERMS OF SALE

A date for the First Closing(s) will be set by Sponsor, no sooner than thirty (30) days after the Plan is declared effective. Title to each Unit will be transferred by bargain and sale deed with covenants against grantor's acts. A form of Unit Deed is contained in Part II of this Plan.

The Closing of title to each Unit will be held at the offices of Sponsor's counsel, Turek Roth Grossman LLP, 377 Fifth Avenue, 6th Floor, New York, New York 10016 or such other place in the City of New York, as Sponsor shall designate. Sponsor has the right to postpone the Closing date and to fix a new Closing Date; but in such event, Sponsor shall give Purchasers not less than ten (10) days' notice of the new date and time of their Unit Closing. Furthermore, in the event Sponsor adjourns the closing for more than 180 days from the originally scheduled Closing Date, Sponsor shall provide the Purchasers with an option to rescind their respective Purchase Agreements.

The First Unit Closing will only take place concurrently with or after the occurrence of the following events:

1. The filing of an amendment to the Plan by Sponsor to disclose that the Plan has been declared effective.

2. The recording or filing in the Register's Office of the City of New York, County of Queens, of the Declaration of Condominium, By-laws, floor plans and such other documents as required by law, in accordance with the New York Condominium Act.

3. The issuance of a temporary or permanent Certificate of Occupancy for the entire Building or the issuance of a partial, temporary or permanent Certificate of Occupancy for the Unit(s) to be closed.

4. Discharge or partial release duly recorded of all liens affecting the Unit to be closed.

5. The Holder of any blanket mortgage on the Property shall either (1) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units and their appurtenant interests in the Common Elements, and/or (2) subordinate the lien of its mortgage to the Declaration.

6. Purchaser's Execution of a Power of Attorney, in the form provided in the Plan, designating the Board of Managers as his attorney-in-fact, coupled with an interest (i.e., thereby effectively precluding such Purchaser from unilaterally revoking such designation).

7. The assignment to the Purchaser of any manufacturers' warranties (to the extent available and/or assignable) with respect to all equipment and appliances owned by Sponsor and installed in the Unit and the assignment of any warranties (to the extent available and/or assignable) with respect to all equipment and appliances installed in Common Elements to the Board Managers.

8. The delivery of a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser, in proper form for recording.

9. If ordered by Purchaser, the issuance of a title policy by a title insurance company licensed to do business in New York State and a member of the New York Board of Title Underwriters, to insure that (a) the Purchaser has good and marketable fee title in the Unit, free and clear of all liens and encumbrances, except for (1) permitted encumbrances and standard permitted exceptions; (2) liens and encumbrances (other than Permitted Encumbrances – immediately following this paragraph) to which said Unit is subject, which have been expressly accepted by Purchaser; and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the purchase price of the Unit; and (b) the Condominium has been validly created pursuant to the Condominium Act.

The Permitted Encumbrances are as follows:

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

B. Survey exceptions. Title to each unit and its appurtenant interest in the common elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the plan and Exhibit A to the proposed Unit deed (as provided in Part II of this plan.

C. The terms, covenants, restrictions and easements, all set forth in the Declaration, the By-laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Condominium Board and the Sponsor and the Floor Plans, all as may be amended from time to time.

D. Consents by the Sponsor or any former owner of the Land for the erection of any structure on any street on which the Land may abut.

E. Any easement in favor of any utility company for construction, use, maintenance, of all utility lines, wires, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Land and Building.

F. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

G. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and stand pipes, and similar projections, if any, on, the Property or the streets or sidewalks abutting the Property and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

H. Leases, and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

I. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, provided the same is adjusted at the Closing of title.

J. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such Closing Date.

K. Any declaration or any other instrument affecting the Property which the Grantor 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.

L. Any encumbrance as to which either Ridge Abstract Corp., 9201 4th Avenue, Brooklyn, NY 11209 (718/338-0065) or the title insurance company which insures Purchaser's title

to the Unit would be willing, without additional premium, to insure Purchaser that such encumbrance (a) will not be collected out of or enforced against the Unit or common elements and (b) will not prevent the use of the Unit for any lawful purpose.

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

N. Title to any personal property, whether the same be attached to or used in connection with the Property.

O. Any lease or tenancy or occupancy of, the Unit.

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

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

The Property is presently encumbered by a mortgage (for the construction of the Building) which is held by Investors Bank, having an office at 101 JFK Parkway, Short Hills, NJ 07078. The mortgagee has agreed to the conversion of the Premises to condominium ownership and requires that Sponsor pay a portion of the net sales proceeds from the sale of each of the Units to the Lender to reduce the amount of the outstanding Loan, which will result in a release of the lien for such sold Unit(s) ("Release Fee").

10. Sponsor will not be obligated to bring any action or to expend any sum except as discussed above to render title to any Unit marketable. If Sponsor fails or refuses to correct any title defect, then, provided Purchaser is not then in default, Purchaser's sole right will be to either (i) take title subject to the title defect (without abatement in or credit against the Purchase Price or claim or right of action against Sponsor for damages or otherwise) or (ii) cancel the Purchase Agreement by written notice to Sponsor, in which event the Sponsor shall return to Purchaser within thirty (30) days, all monies deposited by Purchaser (with interest earned thereon, if any). Upon making such refund, the parties shall be relieved of all further obligations and liabilities under the Purchase Agreement and the Plan.

The existence of mortgages, liens and/or encumbrances other than Permitted Encumbrances, shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor shall bear the responsibility and cost of recording or filing such instruments.

With respect to all violations noted before the First Closing (other than those to be cured by tenants or which result from the acts or omissions of tenants or which will be cured by the

completion of the Building construction substantially in accordance with the "Description of Property and Specifications", more fully set forth in Part II of this Plan), Sponsor will complete all corrective work by the First Closing or within a reasonable period of time thereafter. In the event the Sponsor elects to complete the corrective work after the First Closing then the Sponsor shall establish an escrow account in an amount equal to the cost of curing such violations in accordance with the escrow provisions contained in the Plan. Notwithstanding the foregoing, Sponsor shall not be obligated to correct or remove any violations that are the obligations of tenants to cure or which result from the acts or omissions of tenants or violations noted with respect thereto.

Title to each individual Unit and its appurtenant interest in the common elements will be conveyed at the Closing free and clear of all liens, encumbrances and title exceptions, other than those described in the Plan and the proposed Unit deed, provided that such liens, encumbrances and title exceptions (including the state of facts shown on any current or subsequent survey) do not render title unmarketable.

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 of Condominium is files, that is owned by the Sponsor, is included in the conveyance, unless specifically excepted in this Offering Plan.

All representations under the Plan, and/or pursuant to the General Business Law, and such additional obligations under the Plan which are to be performed subsequent to the Closing Date will survive delivery of the Unit Deed. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and the Purchaser in question will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement. A Purchaser shall receive five (5) business days' notice that a Unit is available for inspection pursuant to this Paragraph. A Purchaser who fails to inspect such Unit within said five (5) day period shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan.

UNIT CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Purchase Agreement, at the time of title Closing to any Unit, each Purchaser will pay certain closing costs, legal fees of Purchaser's counsel and the closing fees of the Sponsor's attorney described hereafter. In addition, each Purchaser will be required to pay at Closing the amount of any net credit in favor of the Sponsor resulting from Closing adjustments described below. Recording charges, fees and taxes are based upon rates in effect on the date of each Unit Closing and are subject to change without further notice.

A. Closing Costs

1. Purchaser may order title insurance from any title or abstract company licensed to do business in the State of New York. The Sponsor has insured its title to the Building premises through Ridge Abstract Corp., 9201 4th Avenue, Brooklyn, NY 11209 (718/338-0065). Regardless of which company a Purchaser elects to order title insurance from, Purchaser will pay the premium therefor, which will vary depending upon the purchase price of the Unit. Based upon information provided to us by Ridge Abstract Corp. (which information is included herein for illustrative purposes only and is not intended as a representation that these are the same rates which other title insurance companies would charge), the premium for owner's title insurance is seventy percent of the sum of $402 for the first $35,000 of fee insurance plus from $6.67 to $2.76 for each $1,000 of additional fee insurance or fraction thereof depending on the amount of insurance. Mortgage title insurance may also be obtained by a Purchaser or his mortgagee. Such insurance is commonly required by banks and other institutional lenders for Condominium mortgage loans. The mortgage title insurance rates are similarly discounted and are seventy percent of the sum of $344 for the first $35,000 of coverage plus from $5.55 to $2.31 for each $1,000 of additional mortgage title insurance or fraction thereof depending on the amount of insurance. Ridge Abstract Corp., will insure lenders at additionally discounted simultaneous rates if a fee policy and mortgage policy are both obtained by Purchaser.

Each Purchaser may obtain title insurance from any company other than Ridge Abstract Corp. without penalty. However, Sponsor makes no representation with respect to cost, terms or availability of such title insurance and related fees and charges if obtained from a different title insurance company; Although it is noted that premiums for Title Insurance coverage are uniform state-wide regardless of which title company is used. In addition, Sponsor shall not be obligated to satisfy any exceptions to title already satisfied by Ridge Abstract Corp. Rather, should Purchaser utilize a title company other than Ridge Abstract Corp., Purchaser's title company shall be required to contact Ridge Abstract Corp. directly in order to obtain clearance of such pre-cleared objection(s). The title company selected by the Purchaser or the Purchaser's attorney may also insure lender at additionally discounted simultaneous rates if a fee and mortgage policy are both obtained by the Purchaser.

2. A fee for recording the Unit Deed and Owner's power of attorney in favor of the Board of Managers, being $177.00 for a three page Deed and $77 for a three page Power of Attorney plus $5.00 per additional page as collected by the Purchaser's title company, in addition to a fee for the preparation of required electronic filing forms (ACRIS) as required by New York City Department of Finance in an amount of $150-$200 (each title company establishes its own additional service and surcharges in this regard), together with a $75.00 handling fee, per instrument, which is subject to change.

3. If Purchaser obtains a mortgage loan, he will pay:

(a) a fee and service charge for recording the mortgage at the same rates given above for recording the deed; and

(b) a mortgage recording tax in the amount provided for by law. At the date of the Plan, the tax is 2% of the face amount of the mortgage for mortgages under $500,000 and 2.125% for mortgages of $500,000 or more (less $25 irrespective of the amount of the mortgage). Certain institutional lenders may be required to pay a portion of the mortgage recording tax equal to 1/4% of the loan amount which would reduce Purchaser's obligation to 1.25% or 1.375% of the amount of the loan.

Section 339-ee(2) of the Condominium Acts provides for a credit against the mortgage recording tax described above upon the first conveyance of each Unit. In the event that such mortgage recording tax credit becomes available it shall inure to the benefit of the Sponsor so that Purchaser shall pay to Sponsor at Closing the amount of any such mortgage recording tax credit allowed. Purchaser shall execute and deliver such forms or affidavits required by the Sponsor in connection with such mortgage recording tax credit in the event the Purchaser s lender cooperates and such mortgage recording tax becomes available.

4. All Closing costs and expenses in connection with obtaining a mortgage loan to finance the purchase of the Unit in amounts determined by the lender. In the case of banks and other institutional lenders, these costs customarily include, loan application fee, origination fees, commitment fees, fee for credit checks, mortgage title insurance, bank attorneys' fees and appraisal fees.

In addition, the lender may require a financing Purchaser to deposit monthly with the lender, an escrow for the payment of annual real estate taxes using the actual or anticipated assessed valuation. The amount of the escrow, if any, commonly depends on the number of months remaining between the Closing of title and the date when such amounts are next due to be paid and the estimated amounts then payable.

No representation or warranty is made or intended with respect to the amounts of such closing costs and expense associated with mortgage loans or the availability or cost of mortgage loans from any sources.

5. The Purchaser of a Unit will be required to pay the New York State Documentary Stamps and the New York City Real Property Transfer Taxes (collectively, "Transfer Taxes") at Closing, although such taxes are statutorily paid by the seller in conventional real estate transactions, and Sponsor is transferring responsibility for these charges to the Purchaser. The current (May 2020) effective rate of the New York City Real Property Transfer Tax for a Unit of $500,000 or less is 1.00% of the Purchase Price (1.425% if the Purchase Price is over $500,000), and the New York State Documentary Stamp Tax is $2.00 for each $500.00 (or part thereof) of the Purchase Price of a Unit.

6. If the Purchase Price of a Residential Unit is $1,000,000 or more, the New York State Additional Tax pursuant to Article 31 of the Tax Law, currently calculated at 1% of the Purchase Price.

7. Closing Fees of Sponsor's attorneys in the amount of $2,750.00 per Unit, payable at Closing. If a Purchaser does not close on the date designated for the transfer of title by the

Sponsor, the Purchaser shall pay an additional legal fee at Closing to Sponsor's attorney of $300. If the Purchaser requests the Closing to occur other than at the offices of Turek Roth Grossman LLP, or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Unit Closing held within Manhattan and $700 for each Unit Closing held in any borough of New York City outside Manhattan (closings will not take place outside of New York City). In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement. Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit. In addition to an attendance fee in connection with a completed Unit transfer, Sponsor's attorneys shall also be entitled to an attendance fee if they attend a scheduled Closing but the Closing is adjourned due to Purchaser's failure to comply with its Closing obligations, the determination of which shall be within the sole discretion of Sponsor's attorneys. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request.

8. The brokerage commission of any real estate broker with whom Purchaser has dealt in connection with the purchase of his Unit other than the Selling Agent.

9. The fee of Purchaser's attorney, accountant or other advisors.

If Units have not been separately assessed for real estate tax purposes prior to the First Closing, the Sponsor shall place in a special escrow account on behalf of the Board of Managers an amount estimated to be sufficient to pay real estate taxes for the entire property for half of the tax year following the half of tax year in which the first Closing occurs (the "Half Tax Year"). The Board of Managers will pay out of such escrow account the real estate taxes as and when same become due and payable. The amount deposited into a special escrow account for the payment of real estate taxes will be disclosed in the initial post-closing amendment.

To the extent necessary as provided in the foregoing paragraph, at the Closing of each Unit, the Managing Agent of the Board of Managers will collect from each Purchaser a sum reasonably estimated to pay the real estate taxes for the Half Tax Year. Such sums shall be held in a separate escrow account by the Board of Managers pending payment of such real estate taxes. Upon the payment of such real estate taxes, the Board of Managers will promptly reimburse the Sponsor for the sum deposited in escrow by it for the Half Tax Year in an amount equal to the proportionate share of the real estate taxes allocable to the Units for which title has closed prior to the Half Tax Year.

If the actual taxes due for any period for which the Board of Mangers collected from the Unit Owners are higher than such estimated sums for real estate taxes, the Board shall nevertheless reimburse Sponsor as indicated and bill Unit Owners for their proportionate share of any deficiency. If the actual taxes are lower, the Board of Managers shall also reimburse the Sponsor with the actual sum due it, and shall return to Purchasers their proportionate share of any excess actually paid by such Purchaser.

The Purchaser of each Unit shall be required at Closing to make a contribution to the Condominium in an amount equal to two (2) months Common Charges in effect for their Unit to be used as working capital by the Condominium.

As an example, the following closing costs would be applicable if the Purchase Price for a given Unit was $658,750 (e.g. Unit 3B) (expressly excluding any costs associated with financing, Purchaser's legal fee, brokerage commission [if Purchaser has dealt with any broker other than Selling Agent], real estate taxes, moving expenses or other costs and/or expenses incidental to Purchaser's unique circumstances [such as closing costs and expenses in connection with Purchaser's sale of an existing home]):

A.	Fee Title Insurance	$ 3,696.00
B.	Recording of Deed and Power of Attorney	$ 254.00
C.	NYS Transfer Tax	$ 2,636.00
D.	NYC Real Property Transfer Tax	$ 9,387.19
	- Mansion Tax (for Units $1,000,000+)	$ 0.00
E.	Sponsor's Attorney's Legal Fees:	$ 2,750.00
	- Adjournment Fee (if applicable)	$ 300.00
	- Attendance Fee outside Manhattan (if applicable)	$ 700.00
F.	Assignment Fee (if applicable)	$ 1,000.00
G.	Working Capital Contribution	$ 1,423.38
	Total (Assuming All Applicable):	$22,146.57

Moreover, to the extent the Purchaser is obtaining mortgage financing (assuming a mortgage of 75% of the Purchase Price: 75% of $658,750 = $494.062.50) simultaneous with the acquisition of the Unit, additional title charges would include $2,584 representing mortgage title insurance plus $8,893 representing New York State mortgage recording tax in addition to a filing fee which is determined by the number of pages in the mortgage documents to be recorded. Purchasers are urged to consult with the own title or abstract company to obtain the actual charges applicable to their transaction.

This Plan will be amended by Sponsor in the event any of the foregoing Closing Costs increase by 25% or more.

B. Closing Adjustments

At the Closing of title to each Unit, Sponsor and the Purchaser shall apportion, as of midnight of the day preceding the Closing:

(i) Rent and any other accrued charges pursuant to any interim lease (if applicable) paid by Purchaser for the month in which the Closing occurs;

(ii) Common Charges for the month in which the Closing occurs;

(iii) real estate taxes and assessments, if any (including water charges and sewer rents if separately assessed), on the basis of the period for which they are assessed. If

the Units have not been separately assessed for such period, the Purchaser will pay his share of said payments in proportion to said Purchaser's Common Interest.

Immediately prior to the First Closing, Sponsor shall apportion the following items with the Condominium Board as of the midnight of the day immediately preceding such First Closing:

(a) employee's wages

(b) fees for assignable permits and licenses, if any;

(c) charges for electricity, gas and other utilities for the Common Elements;

(e) payments under assignable service and maintenance contracts and concession agreements, if any;

(f) water and sewer charges;

(g) premiums for transferable insurance policies; and

(h) cost of building supplies on hand, at Sponsor's cost, plus sales tax.

The "Customs in Respect to 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 therein. Any errors or omissions in computing apportionments at Closing shall be corrected and payments made to the proper party promptly after discovery. This provision will survive the Closing of title.

RIGHTS AND OBLIGATIONS OF SPONSOR

The rights and obligations of the Sponsor pursuant to the Plan and subject to its terms and conditions, shall include the following:

1. 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 with respect to claims arising out of the acts, omissions or representations expressly set forth in the Sponsor's Plan.

2. All representations and additional obligations under the Plan and all obligations of Sponsor pursuant to the General Business Law which are to be performed subsequent to the Closing shall survive delivery of the Deed of the applicable Unit, until the stated or legal expiration of any such representation or obligation.

3. The Sponsor will pay all Common Charges, Special Assessments and real estate taxes for all 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 from the proceeds realized from the sales of Units, rental income from residential tenants (if any) and financing. Sponsor has not furnished any bond or other security for the performance of such obligations.

4. In the event of dissolution or liquidation of Sponsor or the transfer of ten (10%) percent or more of the total Units of the Condominium, the principals of Sponsor will provide financially responsible entities or individuals who will assume the obligations of Sponsor under the Plan, applicable laws or regulations for those Units.

5. Sponsor shall not be obligated to repair any damage from a casualty that occurs before the Closing of a Unit. Purchaser of said Unit shall have the right to cancel the Purchase Agreement in the event Sponsor fails to agree within 30 days of said damage to repair the Unit.

6. The Sponsor will bear all costs and expenses to be incurred in connection with the creation of the Condominium and the preparation, filing and distribution of the Plan.

7. Immediately following the First Closing, the Sponsor will assign all assignable service and maintenance contracts and agreements relating to the Property, if any, to the Condominium Board, and the Condominium Board will, on behalf of all Unit Owners, assume the same and indemnify the Sponsor against all claims and liability thereunder that relate to matters and events occurring on or after the day upon which the First Closing occurs. Purchasers should be aware that warranties vary in length, depending partly upon when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit.

8. Sponsor further reserves the right, without prior notice or amendment, to use any vacant unsold Unit(s) as a sales office(s) or model Unit(s).

9. Sponsor will diligently, expeditiously and at its sole cost and expense, perform or cause to be performed such work, and will supply or cause to be supplied all materials necessary to complete construction of the Building in accordance with the "Description of Property and Specifications" more fully set forth in Part II of this Plan. Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of any insubstantial variations from the "Description of Property and Specifications" or the description of the Building or a Unit set forth in the Plan. Sponsor reserves the right to amend or modify in any way, the "Description of Property and Specifications" (including without limitation, changing materials, appliances, equipment, fixtures and other construction details), provided however, that:

(i) any materials, appliances, equipment and fixtures which Sponsor may substitute shall be similar products of substantially Equal or Better Quality or design; and

(ii) Sponsor shall not materially change the size or location of the Units or Common Elements or adversely affect the value of any Unit to which title has closed or for

which a Purchase Agreement is in effect, except as more specifically provided in the Section entitled "Changes in Prices and Units."

Under the present construction schedule, it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner, a first temporary certificate of occupancy could be issued in August 2021 and the Building will be substantially completed by May 2021, subject to Unavoidable Delays and that the projected commencement date of Condominium operations is September 1, 2021. Sponsor, however, makes no warranty or representation as to the date of substantial completion.

10. Purchasers are advised that in some jurisdictions, 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 municipality in this jurisdiction. A TCO is intended to indicate that the property conforms substantially to the plans and specifications approved by the municipality, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell Units. As such, 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 years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the municipality will issue the PCO within such two (2) year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PERMANENT CERTIFICATE OF OCCUPANCY 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.

Moreover, so long as the Sponsor is working toward and waiting to obtain such PCO, the Condominium Board will not approve any Purchaser or non-Sponsor Unit Owner's request for permission to do alterations which require a permit, until such time as Sponsor secures such Permanent Certificate of Occupancy.

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://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf

11. In the event the Sponsor wishes to Close on individual Units prior to procuring a PCO the Sponsor will (a) obtain a written professional opinion for its licensed architect or engineer

certifying the amount of money reasonably necessary to obtain such PCO, (b) deposit the amount so certified by its architect/engineer with Sponsor's counsel who will hold such funds in escrow pending Sponsor securing such PCO and (c) submit an Amendment to the Offering Plan for filing disclosing the following information:

i. A representation that the Department of Buildings has issued a Temporary Certificate of Occupancy with a copy of the Temporary Certificate of Occupancy annexed as an exhibit to the Amendment;
ii. A representation from Sponsor that it is establishing an escrow account from monies other than Purchasers' deposits to secure its obligation to procure a PCO and to comply with applicable law and regulation;
iii. A complete list of any mechanics' or materialmen's liens that encumber any or all of Sponsor's interest in the Condominium that must be satisfied before the local authority will issue a PCO;
iv. The identity of the escrow agent holding the funds in the special escrow account and the identity of all persons with signing authority on such account;
v. A complete copy of the Escrow Agreement entered into by the Sponsor and the Escrow Agent is to be included in such Amendment as an exhibit thereto. Any Amendments to the Escrow Agreement must be disclosed in a subsequent Amendment to the Offering Plan;
vi. The name, address and telephone number of the financial institution holding the escrow account and a description of any subaccounts;
vii. The amount of the escrow account (or balance thereof) as of the date of submission of such Amendment; and
viii. A copy of the Sponsor's architect's/engineer's certified opinion letter (as noted in [c] above) shall be included in the Amendment as an attachment thereto.

Only after (y) the Amendment has been accepted for filing by the Department of Law, and (z) the Escrow Account has been created and funded in the amount certified by the Sponsor's architect/engineer, shall Escrow Agent release any monies from such Escrow Account to Sponsor or any other person or entity.

After the foregoing is accomplished, Sponsor may direct Escrow Agent in writing to release portions of the Escrow Funds to contractors, materialmen and/or Sponsor's construction professionals to pay for completed portions of the Common Area Work certified by the architect or engineer as necessary to obtain the PCO and any amount held in escrow, in excess of the amount certified as reasonably necessary to complete the Common Area Work, can be released from escrow upon receipt by Escrow Agent of a written request by Sponsor. In the event Sponsor fails to obtain the permanent Certificate of Occupancy within two years from the issuance of the first temporary Certificate of Occupancy and the Condominium Board undertakes to obtain same, the funds in the special escrow account will be released to the Condominium Board to the extent funds are required to obtain the permanent Certificate of Occupancy. Notwithstanding anything to the contrary set forth above, in the event that the amount escrowed is insufficient to complete the Common Area Work, Sponsor shall nevertheless complete the Common Area Work at its sole cost and expense.

12. Each Unit and the fixtures and personal property contained herein, are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Unit, and the fixtures and personalty contained therein, up to the time of the transfer of title to the Unit in question; however, Purchasers who obtain possession of their Unit prior to Closing on such Unit, shall be responsible for maintaining their Unit subsequent to the date that they obtained possession of their Unit. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if the Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed (i.e., completed to the condition that a reasonable person could safely and comfortably reside in the Unit), then Sponsor and Purchaser in question will immediately thereafter agree to include on the inspection statement a list of incomplete work of a nature to be completed in the Unit by Sponsor within a reasonable period of time following the Closing for the Unit in question. The failure of Sponsor to complete such work shall not be an automatic ground for Purchaser delaying the Closing; rather, if any such incomplete work is material to the ability of the Purchaser to live in the Unit comfortably, purchaser shall not be required to close on the Unit until such work is completed. Except as otherwise expressly provided in this Plan, Sponsor shall have no obligation to complete any work described herein which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations A Purchaser can inspect the Unit __ days prior to the closing date. The time period for which the Sponsor will correct the defects noted on the inspection statement is thirty (30) days following Closing.

13. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is applicable to his offering as the subject building contains less than five (5) residential floors.

14. Prior to the Closing of title for each Unit, Sponsor will cause such Unit and its appurtenant Common Interest, benefits, rights and easements as described in the Declaration and By-laws to be released from the lien of any mortgages or security agreements encumbering the Unit (other than any mortgage or security agreements obtained by the Purchasers).

15. Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the renovation of the Building in accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all mechanics' liens arising out of such renovation, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

16. 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 with respect to claims arising out of the acts, omissions or representations expressly set forth in the Sponsor's Plan.

17. Following the issuance of a permanent Certificate of Occupancy for the Building, Sponsor will deliver to the Condominium Board a complete set of "as built" mechanical, electrical and plumbing drawings for the entire Building.

18. In accordance with Section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental authority having jurisdiction over the issuance of permits for the renovation of the Building, and, in addition, such architect or professional engineer shall make periodic inspections at various stages of construction to determine that the Building is renovated in accordance with such plans.

The Sponsor is obligated to build and complete the Condominium in accordance with the building plans and specifications identified in the Plan, allowing for 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 buildings or units other improvements or common elements if such changes affect the percentage of common interests or adversely affect the value of any unit to which title has closed or for which a purchase agreement has been executed and is in effect, unless all affected unit owners and contract vendees consent in writing to such change.

19. Sponsor will initially procure on behalf of the Board of Managers (and at the expense of the Condominium) fire and casualty and any other insurance relating to the Condominium which is required to be maintained by the Board of Managers in accordance with the provisions of the By-laws (see the Section entitled "Rights and Obligations of Boards of Managers") the cost of which insurance has been reflected in the Projected Budget set forth in Schedule B. As noted in Footnote 8 to Schedule B, the Sponsor has obtained an opinion from a licensed insurance broker that the amount of insurance coverage is adequate to protect against co-insurance.

20. Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective Purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of the City of New York as conforming to the official tax loan number for each such Unit, will be filed in the City Register's Office when the Declaration is recorded, and an additional set will be furnished to the Board of Managers.

21. Except for the Sponsor's obligations to pay Common Charges and to perform other duties as a Unit Owner with respect to any Unsold Unit (for as long as the Sponsor owns same), the foregoing sets forth the entire extent of the obligations of the Sponsor under the Plan and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers relative to their Units under their respective Purchase Agreements. The Sponsor makes no representations or warranties other than as set forth in this Section.

22. At or prior to the closing of any Unit, the Sponsor shall assign any unexpired manufacturer's warranties with respect to equipment and appliances installed in the Unit, to the

Purchasers thereof and shall assign any warranties with respect to equipment and appliances installed in the Common Elements, to the Board of Managers prior to the First Unit Closing.

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Unsold Units. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for is permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personalty or fixtures contained therein.

Obligations of the Sponsor under this Section with respect to the Condominium and the Common Elements shall be enforceable only by the Condominium Board on behalf of all Unit Owners; however, if there are non-Sponsor members on the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's Board representatives can't lawfully vote on that issue. It should be noted that it may be difficult for the Condominium Board to enforce the Sponsor's obligation during the period that Sponsor controls the Board of Managers. If Unit Owners are unsuccessful in forcing the Sponsor to comply with its obligations while the Sponsor controls the Board of Managers, under the New York State Business Corporations Law, the Units Owners have the right to file a derivative action on behalf of the Condominium against the Board of Managers and in certain circumstances, have the right to recover their legal fees as part of such action. In no event shall any obligations of the Sponsor be enforceable by individual Unit Owners unless the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of written notice of such claims by a Unit Owner to the Condominium Board.

Except as may be set forth above or as required by law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective Unit deeds.

There is no construction financing or mortgage encumbering the Property. Sponsor anticipates obtaining a permanent Certificate of Occupancy for the Building within two (2) years after the First Closing.

CONTROL BY SPONSOR

Under the Condominium By-laws, until the first meeting of Unit Owners, the Board of Managers will consist of three (3) members designated by the Sponsor. Within 180 days after the date of the First Unit Closing, the Sponsor will call the first meeting of Unit Owners. At the first meeting of Unit Owners, a new Board shall be elected.

Sponsor as the owner of the Unsold Units has the right to designate a majority of the board members during the Sponsor Control Period until the sale by the Sponsor of more than fifty (50%) percent of the aggregate Units, which amounts to six (6) or more Units (the "Sponsor Control Period"). Thereafter, Sponsor can continue to control the board in all elections through the exercise of the voting control it has by virtue of its majority ownership interest. Since Sponsor is only obligated to sell 15% of the Units to declare the Plan effective and is reserving the unlimited right to rent Unsold Units after consummation, the Sponsor may control the Board of Managers indefinitely. Sponsor as the owner of Unsold Units will have voting control of the Condominium Board for so long as Sponsor has sufficient votes at any meeting of the Unit Owners to elect a majority of the Condominium Board. Sponsor may lose control of the Condominium Board at any meeting of the Unit Owners at which the votes cast for Sponsor's designees do not constitute a majority of the Common Interest of the Condominium. Within thirty (30) days after the date when Sponsor no longer owns Unsold Units constituting more than fifty (50%) percent of the Common Elements Sponsor shall call a special meeting of the Unit Owners for the purpose of electing a new Board of Managers, which shall not be controlled by the Sponsor. Notice of such special meeting of the Unit Owners shall be given prior to such meeting in the manner prescribed by the Condominium's By-laws. In addition, Sponsor, for so long as Sponsor owns at least two (2) Units, shall have the right, at is option, to designate at least one member of the Condominium's Board of Managers; but in no event, shall the Sponsor be able to designate more than the number of managers that the Sponsor could elect into office by virtue of the percentage of common interest still owned by the Sponsor at such time. During the period that Sponsor controls the Condominium Board, Sponsor will thus have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners and the enforcement of Sponsor's obligations by said Board(s). However, any modification by to the Common Charges by the Sponsor Controlled Board, shall be in compliance with Real Property Article 9-B, Section 339-e, which defines "Common Charges" as "each unit's proportionate share of the common expenses in accordance with its common interest".

Sponsor or its designee may exercise veto power over the expenses described herein for a period not ending 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, which is sooner, and during such time period the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, material alteration or improvement to the Common Elements or to any Residential Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, (c) increase or decrease the number, or change the kind of employees referred to in the Plan, (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, (e) borrow in excess of $100,000 on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above on any matter adversely affecting the health and safety of the occupants of the property. or if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to (i) comply with applicable laws, rules or regulations of any governmental authority having jurisdiction over

the Condominium; (ii) to remedy any notice of violation; or (iii) to remedy any work ordered by an insurer.

So long as the Sponsor owns at least one Unit, the Sponsor will be entitled to vote its interest in the Condominium in favor of any candidate to the Board of Managers subject only to the restrictions contained in this section and elsewhere in this Offering Plan on the Sponsor's ability to control the Board of Managers.

BOARD OF MANAGERS

The affairs of the Condominium shall be governed by the Board of Managers, which shall consist initially of three (3) members designated by the Sponsor. At the first meeting of the Unit Owners, which will be held within four (4) months after the date of the First Unit Closing, the Board of Managers shall resign in favor of new Condominium Board, to be elected by Unit Owners (including Sponsor in its capacity as a Unit Owner) at such meeting. Sponsor will have voting control of the Condominium Board for so long as Sponsor has sufficient votes at any meeting of the Unit Owners to elect a majority of the Condominium Board. Thereafter, elections to the Condominium Board shall be held at the regular annual meeting of Unit Owners held in June of each succeeding year. Following the conclusion of the period of Sponsor control of the Board of Managers, a majority of the managers must be owner-occupants of the Units in the building and must be unrelated to the Sponsor or its principals. Special meetings of Unit Owners may be called by resolution of the Board of Managers or on petition of Unit Owners having in the aggregate not less than 25% of the Common Interest of all Unit Owners. Managers need not be Unit Owners, but must be at least 18 years of age.

At present, Sponsor intends to designate the following persons (all of whom are either principals or employees of the Sponsor) as the initial managers: Anthony Gurino, Linda Gurino and Angelo Gurino.

Members of the Condominium Board are subject to removal, with or without cause, by vote of Unit Owners owning a majority of the Common Interest attending a meeting at which a quorum is present. However, members elected by the Sponsor or its designee may only be removed by the Sponsor or said designee, who alone will have the right to designate a replacement. Any officer may be removed, without cause, by vote of a majority of the Condominium Board at a meeting called for such purpose.

The term of office of each of the members of the Board of Managers shall normally be one year. Except for Managers designated or elected by Declarant or its designee, all members of the Condominium Board shall be either: (i) individual Unit Owners; (ii) individual Permitted Mortgagees; (iii) individual officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing. Moreover, a majority of the managers must be owner-occupants of the building who are unrelated to the Sponsor or its principals, following the conclusion of the period of Sponsor control of the Board of Managers.

Each Unit Owner shall be entitled to cast one vote at all meetings of the Unit Owners for each .01% of Common Interest attributable to the Unit(s) owned by him and shall have the right to cumulate his votes in favor of any one or more members to be elected. Elections of members of the Condominium shall be determined by plurality vote. See Section "Control By Sponsor" for special voting rights held by the Sponsor or its designee.

The Board of Managers will be responsible for management and maintenance of the Condominium. It shall have the powers and duties necessary for the administration of the affairs of the Condominium and may perform any acts necessary therefor, consistent with the Condominium Documents and applicable law. Such acts include determination, collection and enforcement of the obligation of Unit Owners to pay common charges, employment and dismissal of personnel, providing for insurance as to Common Elements and adoption of rules relating to use and operation of Condominium property.

In accordance with Section 339-JJ of the Real Property Law, the Board of Managers, on behalf of the Unit Owners, may incur debt. In connection with any debt incurred by it, the Board of Managers on behalf of the Unit Owners may (a) assign the rights in and to receive future income and Common Charges, (b) create a security interest in, assign, pledge, mortgage or otherwise encumber funds that it holds, (c) agree that, all Common Charges received and to be received by the Board of Managers, and the right to receive such funds, shall constitute trust funds for the purposes of paying such debt and the same shall be expended for such purpose before expending any part of such funds for any other purpose, and (d) agree that at the lender's direction, it will increase Common Charges to the extent necessary to pay any amounts when due under any debt agreement.

The members of the Board of Managers shall not be liable to the Unit Owners for any error in judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith (e.g., self-dealing or any other conduct which is prohibited by law).

To the fullest extent permitted by law, each Unit Owners shall severally indemnify each member of the Condominium Board against any liability or claim, except those arising out of the bad faith or willful misconduct of such member. However, the liability of any Unit Owner on account of such indemnification will be limited to such proportionate share thereof as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners. The insurance coverage contemplated in Schedule B, includes Directors and Officers Liability Insurance. All members of the Board of Managers shall serve without compensation

The officers shall consist of President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board of Managers. The President and the Vice President must be members of the Board of Managers. The Board may appoint such other officers as in its judgment may be necessary or appropriate. All officers shall serve without compensation from the Condominium.

The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and the Board of Managers. He shall have all of the general

powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York.

The Vice President shall act as the President when the President is not available to do so and to perform such other duties as may from time to time be required by the Board of Managers.

The Secretary shall keep the minutes of all meetings of Unit Owners and the Board of Managers. He shall, in general, perform all of the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

The Treasurer shall have the responsibility for Condominium funds and shall be responsible for keeping full and accurate financial records and books of account. He shall, in general, perform all duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

As more fully set forth in the By-laws, (i) all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present, and (ii) determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present.

Generally, subject to certain exceptions concerning, among other things, Sponsor, and provided that required consents of the mortgagee, if any, are obtained, any provision of the Declaration, By-laws or Rules and Regulations may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

Every contract made by or on behalf of the Condominium Board or by any managing agent or manager thereof shall state that (a) it is made by such Condominium Board, managing agent or manager, only as agent for all Unit Owners and such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) to the extent permitted by law, unless otherwise determined by the Condominium Board in its sole and absolute discretion, such Unit Owner's interest in his Unit and its appurtenant Common Interest. To the extent permitted by applicable law, Board Members shall have no liability to Unit Owners except that a Board member shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such Board member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Board member, any Unit Owners, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct. The Condominium Board will disclose such dealings to the Unit Owners in each instance, no later than the Annual Unit Owners' meeting next ensuing.

The By-laws of the Condominium (Article II, Section 2.5) provides that after initial Sponsor voting control period (concluding upon the earlier of (i) the fifth anniversary of the First Unit Closing and (ii) when the Sponsor no longer owns a majority of the Units) the Board of Managers to be elected at all subsequent meetings of the Unit Owners must be Owner-Occupants or members of a Unit Owner household who are unrelated to Sponsor and/or its principals.

Notwithstanding any provision contained in the By-laws to the contrary, no amendment, modification, addition or deletion of or to the By-laws, the Declaration or the Rules and Regulations shall be effective in any way, for as long as Sponsor owns at least one (1) Unit in the Condominium, (a) without the prior written consent of the Sponsor or its designee or the owner of any Unsold Unit with respect to any amendment, modifications, addition or deletion of or to the By-laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit or (b) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Residential Unit with respect to any amendment, modification, addition or deletion of or to the By-laws, the Declaration or the Rules and Regulations modifying the permitted uses such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

A. Sale or Lease of Unit/Right of First Refusal of Board of Managers

Except for the Sponsor or its designee who are exempt from this provision, each Unit Owner has the right to sell or lease his Unit provided that he shall first give to the Board of Managers thirty (30) days prior written notice of the terms of any bona fide sale or lease which he desires to make. If the Board of Managers disapproves the transaction, it shall, within such 30 day period, either (a) produce a Purchaser who will purchase or lease the Unit, upon the same terms as stated in the Unit Owner's notice to the Board of Managers, or (b) agree to purchase or lease the Unit on behalf of all other Unit Owners upon the same terms as stated in the Unit Owner's notice to the Board of Managers. The Board of Managers, however, may not purchase or lease a Unit without the approval of a majority of the Unit Owners and without first receiving the Sponsor's prior written consent. If the Board of Managers does not have sufficient funds on hand for the purchase or lease of a Unit, the Board of Managers may either borrow such funds or may assess the Unit Owners therefor in proportion to their respective Common Interests after either consent by each Unit Owner or a majority vote by the Board of Managers. If the Board of Managers does not either produce a Purchaser or lessee for the Unit or agree to purchase or lease the Unit within the aforesaid 30day period, the Unit Owner shall have the right to consummate the sale or lease on the terms submitted to the Board of Managers.

Notwithstanding anything contained herein to the contrary, prior to the closing of title to a Unit, the Purchase Agreement prohibits Purchaser from listing such Unit for resale or rental with

any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent.

Any Unit acquired or leased by the Board of Managers or its designee shall be held on behalf of all Unit Owners in proportion to their respective Common Interests. The rents received or the proceeds from the lease or sale of such Units, after deduction of expenses incurred in generating same, shall constitute income to the Unit Owners.

With respect to the leasing of a Unit, any lease for such Unit (other than an Unsold Unit) shall be in the form of apartment lease then approved by the Real Estate Board of New York, Inc., except for such changes thereto as may be provided for in the By-laws.

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

Any such Deed given by a transferor of a 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. Any such lease shall be consistent with the By-laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by applicable law, shall have the power to terminate such lease and/or bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease.

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

The restrictions upon the sale and lease of Units shall not: (a) restrict a Unit Owner from transferring, or leasing his Unit to any of his adult Family Members; (b) apply to the Sponsor or its designee and (c) apply to a mortgagee acquiring title in foreclosure or by deed in lieu of foreclosure; all of whom shall be free to sell or lease without first notifying or obtaining the consent of the Board of Managers. Moreover, the terms of any lease which the Sponsor or its designee may desire to enter into regarding the renting of their respective Units, shall not be subject to state or local rent laws. The Board of Managers shall cooperate in providing appropriate physical access to any such Unit and the Common Elements, as well as all financial information regarding same.

No part of an Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

Any Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to Closing. In addition,

the Condominium Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the selling or leasing Unit Owner, as the case may be, to the Managing Agent.

B. Mortgaging of Units

Each Unit Owner shall have the right to mortgage his Unit, without restriction subject to the Condominium Documents. Each Unit Owner (other than the Sponsor or owner of an Unsold Unit) shall inform the Board of Managers of the identity of any mortgagee and, if requested, to furnish a copy of the mortgage to the Board.

A mortgage on any Unit shall not be a lien on any other Unit, without the express written consent of the owner of such other Unit.

C. Common Charges and Assessments

The Board of Managers will prepare from time to time and at least annually, a budget setting forth a projection of the Common Expenses for the Condominium. Common Charges include expenses for maintenance and operation of the Common Elements, such as those provided for in Schedule B and such other costs and expenses set forth in the By-laws. Subject to the rights of Sponsor as noted in "Control by Sponsor" above, the Board of Managers may include in the Common Charges amounts for a reserve for capital expenditures.

Each Unit Owner shall pay Common Charges and any assessments proportionate to his respective interest in the Common Elements. A Unit Owner's liability for Common Charges and assessments attributable to their respective Unit, terminates only with the (i) sale of such Unit in accordance with the terms of this Offering Plan, the Declaration of Condominium and the Condominium's By-laws or the Termination of the Condominium in accordance with Article 15 of the Declaration of Condominium which may be triggered in the event of (a) a significant casualty loss, condemnation or eminent domain or (b) withdrawal of the Property from the provisions of the Condominium Act upon the affirmative vote of at least 80% of all the Unit Owners, in both number and in aggregate Common Interests.

Any Unit Owner may, subject to the terms and conditions specified in the By-laws, convey his Unit to the Board of Managers or its nominee on behalf of all other Unit Owners, without any compensation. In such event the Unit Owner shall be exempt from Common Charges thereafter assessed.

Under the provisions of Section 339z of the Condominium Act, the Board of Managers, on behalf of the Unit Owners, will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers. This lien will be subordinate only to liens for real estate taxes and to sums unpaid on a first mortgage of record thereon. Such lien may be foreclosed by a suit, brought in the name of the Board of Managers, similar to a foreclosure of a mortgage on real property or an action may be brought by the Board of Managers to recover the unpaid Common Charges, without filing the lien. If a foreclosure action is brought as a result of the unpaid Common Charges or other assessments, then the Unit Owner shall be required to pay a reasonable rental rate (which

shall be based upon the market rate for the rental of a unit of similar quality and size in the geographical area where the Building is located) for the use and occupancy of such Unit, and the Board of Managers shall be entitled to the appointment of a receiver to collect such rent. So long as Sponsor is in control of the Condominium Board, the Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the Condominium Act on which the Sponsor is more than thirty (30) days in arrears of its Common Charge obligations to the Condominium.

In the event a Unit Owner who is renting out his or her apartment falls behind in the payment of their obligations to the Condominium, Real Property Law §339-kk will apply as follows:

i. For purposes of this Section, "non-occupying owner" means a Unit Owner who does not occupy the dwelling Unit;

ii. If a non-occupying owner rents any dwelling Unit to a rental tenant and thereafter fails to make payment on any obligation to the Condominium within sixty (60) days of the expiration of any grace period, the Condominium's Board of Managers may provide written notice to the tenant and the non-occupying owner that rental payments from the tenant shall be paid directly to the Condominium;

iii. The notice to the tenant and the non-occupying owner shall provide that effective immediately and until such time as all delinquent payments are made current by or on behalf of the non-occupying owner, all rental payments due and payable subsequent to the issuance of such notice are to be made to the Condominium at the address listed on the notice;

iv. When the account(s) of the non-occupying owner are brought current, written notice of this fact shall be given within three (3) business days to the rental tenant and non-occupying owner; in which event all subsequent rental payments (so long as such account is not sixty [60] days or more in arrears) shall be made payable to the non-occupying owner or its agent;

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

vi. Nothing within §339-kk limits any right of Unit Owners and/or the Condominium's Board of Manager under any other law or agreement; and

vii. Payment by a rental tenant to the Condominium's Board of Managers in connection with §339-kk shall relieve such 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.

D. Repairs and Maintenance, Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements (a) to any Unit shall be performed by the Owner of such Unit at his sole cost and expense; (b) to the Common Elements shall be performed by the Board of Managers as a Common Expense. However, any such maintenance, repair and replacement to the Common Elements that is necessitated by the negligence, misuse, or abuse of a Unit Owner, will be made by the Board of Managers at such Unit Owner's sole cost.

In the event that any Unit Owner fails to maintain or repair his Unit or in the event of any breach of the Condominium Documents, then the Board of Managers shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

E. Rights of Access

The Board of Managers, the managing agent, the superintendent and other authorized persons will have a right of reasonable access to any Unit for the purposes of making inspections, or removing violations of governmental laws or regulations against any Unit, curing defaults committed by the Owner of such Unit, making general repairs or correcting any conditions originating in such Unit and threatening another Unit. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of reasonable access to each Unit and to all of the Common Elements for purposes of fulfilling Sponsor's obligations under the Plan, provided that access to any Unit shall be exercised to the extent reasonably practicable, in such a manner as will not unreasonably interfere with the use of such Unit for its permitted purposes. Sponsor and/or its contractors will make reasonable efforts to give each Unit Owner written advance notice each and every time such access is required. Nevertheless, it should be anticipated that until such time as Sponsor concludes its renovation of the Building, that certain Building services (such as plumbing, electrical and limited elevator) may be temporarily interrupted in order to complete such renovations.

F. Alterations, Additions and Improvements of Units and Common Elements

No Unit Owner (except Sponsor), may make any structural alteration, to his Unit without the prior written approval of the Board of Managers, which approval shall not be unreasonably withheld or delayed. However, inasmuch as the filing for a permit to make certain alterations in a Unit may cause a delay in the Sponsor's ability to obtain a Final Certificate of Occupancy for the Building, the Condominium Board will not approve any Purchaser or non-Sponsor Unit Owner's request for permission to do alterations which require a permit, until such time as Sponsor secures such Final Certificate of Occupancy. (See, "Rights and Obligations of Sponsor" and Section 5.2(D) of the Condominium's By-laws reproduced in Part II below). No Unit Owner may make any alteration, to the Common Elements. Nonstructural alterations or decorations to a Unit do not require the consent of the Condominium Board. However, each Unit Owner shall be responsible for obtaining any permits or other municipal approvals as may be required by local law in connection with such alterations.

The Sponsor shall have the right, without the approval of the Board of Managers, to: (a) make alterations, additions, improvements or repairs to any Unsold Unit, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, and (b) subdivide, combine and change the boundary walls of Unsold Units. However, no change will be made in the size or number of Units and/or their percentage of Common Interest. No material change will be made in the size or quality of Common Elements, except by amendment to this Plan and when applicable, to the Declaration. Furthermore, unless all Purchasers, if any, consent, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements. See Section "Changes in Prices and Units".

Notwithstanding the above, all normal maintenance, repairs and replacements of any Limited Common Area shall be made by the Unit Owner having direct access to same, at his own cost and expense, but any structural repairs to such Limited Common Area (including any leaks which are not caused by the negligence of the Unit Owner having access to the same) will be made by the Condominium and the cost and expense thereof will be charged to all Condominium Unit Owners as a Common Expense. Any Unit having direct access to a Limited Common Area shall keep it free of snow, ice and accumulation of water. In accordance with the By-laws, the Condominium Board may require a Unit Owner to remove plantings and other installations on such Limited Common Area, if the Condominium Board, in its sole reasonable discretion determines that such plantings and/or other installments adversely affects the integrity of such Limited Common Area and/or any other portion of the Building.

The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be colored or painted and the interiors and exteriors are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Condominium at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be the sole cost and expense of the Condominium Board or such other Unit Owner).

The By-laws provide that each Unit and all portions of the Common Elements shall be kept in first class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep his Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts are necessary to cure such default at such Unit Owner's expense.

The By-laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner as a Limited Common Element, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner.

At the request of a Unit Owner, the Board of Managers will execute any application or other document required to be filed with any governmental authority having jurisdiction in connection with any addition, alteration, improvement, or repair proposed to be made by such Unit Owner provided that such request complies with the rules and regulations as may be promulgated

by the Board of Managers, at which time such Unit Owner shall indemnify and hold harmless the Condominium, Board of Managers, and the other Unit Owners from any expense or liability by virtue of such work.

G. Insurance

The Board of Managers will secure and maintain, to the extent obtainable: (1) fire insurance with extended coverage, vandalism and malicious mischief endorsements normal for a Condominium of this type insuring the Property, including all of the Units, partitions, floors and ceilings within the Units (but not including any wall, ceiling or floor decorations or coverings or furniture or other personal property within the Unit), in an amount of not less than 80% of the full replacement value of the Building (exclusive of the cost of excavations and foundations) which in any event shall be in an amount to avoid coinsurance; (2) water damage legal liability insurance; and (3) such other insurance as the Board of Managers may determine.

The proceeds of all such policies of physical damage insurance shall be payable to the Condominium Board. Such proceeds shall be applied for the purpose of repairing, restoring, or rebuilding the Building, unless otherwise determined by a majority of the Unit Owners.

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

All policies of physical damage insurance shall provide that each Unit Owner is an additional insured party and shall contain, to the extent obtainable, waivers of subrogation and of any defense based on coinsurance or of pro rata reduction of liability or of invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled by the insurance carrier or substantially modified without at least ten (10) days' prior written notice to all of the insured, including all mortgagees of Units.

The amount of fire insurance to be maintained on the Building until the first meeting of the Board of Managers elected by the Unit Owners will be $50,000. (See, Schedule B, above.)

The Board of Managers shall also obtain and maintain to the extent obtainable: (1) fidelity insurance covering the Managing Agent and all employees and members of the Board of Managers who handle Condominium funds; (2) workmen's compensation insurance for Condominium employees; (3) elevator liability and collision insurance; (4) boiler and machinery insurance; and (5) public liability insurance covering each member of the Board of Managers and each Unit Owner in such limits as the Board of Managers may deem proper, and covering all claims for bodily injury with respect to any one occurrence.

Unit Owners are permitted and encouraged to carry their own insurance for their own benefit at their own expense, which may include: (i) Condominium Unit Owner Insurance; (ii) renter's insurance; (iii) fire, water and casualty losses to the contents of the Unit and any structural elements, replacements, additions, fixtures, upgraded features and improvements therein; (iv) personal property; (v) liability for personal property; and (vi) excess liability. Unit Owners are strongly urged to consider the advisability of obtaining insurance to cover personal property as well as other items not included in the policies obtained by the Board of Managers and Unit Owners should confer with their insurance professionals to see the full availability of insurance products available to them.

H. Restrictions on Uses and Occupancy

The By-laws provide that the use of the Units shall be in accordance with the following provisions:

(a) Units shall be used only as a residence (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary or other entity (including, but not limited to, embassies and consulates or foreign governments) may only be occupied by said individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, the fiduciary or beneficiary of said fiduciary, a principal or employee or such other entity, respectively, or by members of the immediate family, guests or domestic employees of any of the foregoing. A Unit may be used for any lawful purpose which does not violate the then existing Certificate of Occupancy covering such Unit, complies with all applicable governmental regulations and the Board of Managers, in its sole discretion, grants permission for such use. NO REPRESENTATION IS MADE OR INTENDED TO THE EFFECT THAT ANY RESIDENTIAL UNIT MAY BE LAWFULLY UTILIZED FOR ANY PURPOSE OTHER THAN AS A RESIDENCE.

(b) Notwithstanding the preceding paragraph, Sponsor or its designee may, without the permission of the Board of Managers (a) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by law, does not violate the then existing Certificate of Occupancy covering such Unit and the user of such Unit complies with all applicable governmental regulations and (b) retain ownership of one or more Residential Units for use a model and sales, rental and/or promotion offices in connection with the sale or rental of the other Units in the Condominium or in buildings in the vicinity in which principals of Sponsor may have an interest.

(c) The current zoning law permits a person who resides in a Unit to use up to one-third (1/3) of the floor area of his Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four persons.

(d) No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Residential Units or any Common Element or Limited Common Element. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof relating to

any portion of the Property shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

(e) No "For Sale", "For Rent", "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Unit, except that these sign restrictions shall not apply with respect to Unsold Units.

(f) No awnings, air conditioning equipment or ventilators shall be installed or modified in any Unit(s) without the prior written approval of the Condominium Board. No radio or television aerial or other similar device shall be erected by individual Unit Owners on the roof or exterior walls of the Building or on the Property, without obtaining in each instance the written consent of the Condominium Board.

(g) No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in any Unit without the consent of the Condominium Board or the Managing Agent. Each Unit Owner who keeps any type of pet in his Unit will be required to: (a) register their pet with the Managing Agent; (b) indemnify and hold harmless the Condominium, Board of Managers and all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pets; and (c) abide by any and all reasonable Rules and Regulations of the Residential Board adopted with respect thereto.

(h) Each Unit Owner shall keep his Unit in good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit in accordance with the provisions of the By-laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Units may be amended from time to time by the Condominium Board provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units may be made unless agreed to by the Sponsor or its designee, as the case may be for as long as Sponsor owns at least one (1) Unit in the Condominium). Further restrictions on the use and leasing of Units are set forth in the By-laws and Rules and Regulations, as same may be amended from time to time.

I. Liability of Boards of Managers and Unit Owners

Every contract made by or on behalf of the Condominium Board or by any managing agent or manager thereof shall state that (a) it is made by such Condominium Board, managing agent or manager, only as agent for all Unit Owners and such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) to the extent permitted by law, unless otherwise determined by the Condominium Board in its sole and absolute discretion, such Unit Owner's interest in his Unit and its appurtenant Common Interest. To the extent permitted by applicable law, Board Members shall have no liability to Unit Owners except that a Board member shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the

extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such Board member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Board member, any Unit Owners, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

J. Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Condominium Board and to all Unit Owners within four months after the end of each fiscal year. See section "Reports to Unit Owners", below.

K. Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from Sponsor, until such time as Sponsor and its designees have conveyed title to all Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his Unit (other than mortgages which are not Permitted Mortgages), in order of priority of such liens.

L. Procedure to Review Real Estate Tax Assessments

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

M. Mechanics' Lien

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

N. Easements and Name of Condominium

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Limited Common Elements, provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the normal use of the Units for their permitted purposes. Sponsor shall have an easement to erect, maintain, repair and replace lights and lighting fixtures and to erect, maintain, and replace satellite communication equipment and similar equipment, as permitted by law, on the roofs of the Property which shall entitle Sponsor to utilize such easement for its own account or the account of any licensee of Sponsor for the purpose of servicing the Condominium. In addition, Sponsor and its designees shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "The 505 Clinton Avenue Condominium". Any and all rights and interests appurtenant to such name, if same exist are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. Only Sponsor shall have the right to change the name of the Condominium and/or Building, and such right may be exercised by Sponsor at any time without the vote or consent of any Board or Unit Owner.

O. The Declaration and By-laws

A copy of the Declaration and a copy of the By-laws are set forth in Part II of the Plan. A prospective Purchaser should read the Plan in its entirety including the Declaration and By-laws.

P. Compliance with the Terms of the Condominium Documents

Each Unit Owner must strictly comply with the provisions of the Condominium Documents, as the same may be amended from time to time pursuant to the terms thereof. Failure to strictly comply with the provisions of the Condominium Documents is grounds for an action for damages, injunctive relief, or both.

REAL ESTATE TAXES

Each Unit will be taxed as a separate tax lot for real estate tax purposes. The Unit Owner will not be responsible for the payment, nor will his Unit be subjected to any lien arising from the nonpayment of taxes on other Units. Generally, the Units will not be separately assessed until the tax year following the tax year in which the Declaration is recorded.

Until the Units are separately assessed by the New York City Department of Finance, the Condominium Board will pay all real estate taxes with respect to the Property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest. See Section "Unit Closing Costs and Adjustments".

It is estimated that the aggregate real estate taxes attributable to all Unit Owners for the first year of Condominium operation will total approximately $14,874, based on an opinion prepared by Metropolitan Realty Exemptions, Inc. (reproduced below) which assumes (a) a blended assessed valuation upon completion of the Building of $16,663 for the period September 1 – June 30, 2022 (based upon the final 2021/22 assessment) and $584,573 for the period July 1, 2022 – August 31, 2022 (based upon the projected 2022/23 assessment) and (b) a projected tax rate of $12.267 per $100 of assessed valuation. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUES OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATES WILL NOT BE CHANGED.

Accordingly, based upon the actual assessed valuation of $16,663 for tax year 2021/22 and the projected assessed valuation following completion of the construction of $584,573 for the 2022/23 tax year and the tax rate for the same periods would be 21.045% and 12.267% respective;u and that there are no further increases in the assessed valuation or tax rate for such year, the projected real estate taxes for the entire Building for the first year of Condominium operations following the first Unit Closing (i.e. September 1, 2021 through August 31, 2022) would be $14,874.

It is important to note that the foregoing is not intended as a guaranty or warranty that there will not be further tax liability as a result of any such increases (in the assessed valuation or tax rate).

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) that the New York City tax assessor will allocate individual Unit assessments on the basis of each Unit's percentage interest in the Common Elements; (ii) that the assessed valuation of the Property for 2022/23 will be $584,573, or (iii) the tax rate will be 12.267% per $100 of assessed value for fiscal year 2021/22.

The By-laws (Section 2.3[xxiii]) provide that the Board is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Unit Owners, for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings. As of the date of this Plan, there are no outstanding certiorari proceedings pending or contemplated.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay his pro rata share (in the proportion that his Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. There are no tax certiorari proceedings pending.

Section 581 of the Real Property Tax Law provides that real property owned on a Condominium basis shall be assessed for real estate tax purposes at a sum not exceeding the assessment which would be placed thereon if the Property were not owned on a Condominium basis. Section 339y of the Condominium Act provides in part that each Condominium Unit and its common interest shall be separately assessed for tax purposes and that in no event shall the aggregate of the assessment of the Units plus their common interests exceed the total valuation of the property were the property assessed as one parcel.

The projected assessed valuation, after completion of construction is $584,573. The projected tax rate used to calculate the projected real estate taxes following the completion of construction is 12.267 of assessed valuation. Based upon the projected Assessed Valuation of $584,573 following completion of the construction and a projected tax rate of 12.267% subsequent to the conclusion of the First Year of Condominium operations, the estimated real estate taxes would be $71,710.

Metropolitan Realty Exemptions Inc.
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April 5, 2021

163 Beach 96th Street Condos LLC
82-17 153rd Avenue
Howard Beach, NY 11414

RE: 163 Beach 96 Street
Queens, NY
Block & Lot: 16169 - 63

Letter of Opinion regarding proposed real estate tax liabilities for the project located at 163 Beach 96 Street, Queens, NY

Project Details: Eleven (11) Residential Condominium Units

To Whom It May Concern;

You have requested an opinion concerning the real property assessment to be levied upon the above property for the first full tax year after completion of construction, to be included in the Condominium Offering Plan.

In order to prepare this letter and the opinion set forth herein, you have supplied us with the following information upon which we have relied:

1. The subject property is located at 163 Beach 96 Street, Queens, NY 11693, and is known as Block: 16169, Lot 63 with the New York City Department of Finance ("DOF").

2. The proposed is to construct eleven (11) residential condo units pursuant to Department of Buildings job number **420665131** with a job type "NB – New Building".

3. There will be seven (7) car parking spaces and eight (8) rooftop cabanas.

4. According to the information provided to our firm, the approximate gross square footage of the entire building will be **10,500 SF**.

5. There will be separate condominium tax lots filed with the DOF for each residential unit.

6. Based on assessment guidelines, the DOF Surveyor's Office shall class the condominium units as a tax class two (2) and thus levy the assessed value on a 45% rate of the market value.

7. The First Year of Condominium operations is projected to commence on September 1, 2021 and end on August 31, 2022.

You have also supplied us with architectural drawings of the proposed building prepared by Michael Muroff of Michael Muroff Architect. The data contained in the architectural drawings indicates that the building will have 4 (four) main levels.

DOF Assessment Guidelines
The New York City Department of Finance assesses the values in regard to all New York City residential and commercial properties annually. Based on the assessor's determination of the assessment on taxable status date January 5th, the Department of Finance releases tentative assessments of the property value in January of every year and final assessments every May, prior to the beginning of each tax year. Assessments in New York City are made on a fiscal year basis, beginning on July 1st of each year and ending on June 30th the following year.

The property tax assessment process commences when the city's assessors determine the market value of the property. Property tax is only levied on a portion of the market value. This portion is called the assessed value. Regarding 1-3 family homes and condominiums with no more than three (3) stories, provided such property was previous classified as class one (1), the assessed values are levied on 6% of the market value. Regarding all other properties, taxes are levied on 45% of the market value.

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore, the prices that you set in your offering plan and any subsequent sales or re-sales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The residential units will be designated as tax class 2C property and will pay on the class 2 tax rate. Real Property tax rates set each year by the City Council are applied to these property values, to determine each homeowner's annual tax liability. The current 2020/21 tax rates are 21.045% of assessed valuation for tax class 1 properties and 12.267% of assessed valuation for tax class 2 properties.

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year and the next is phased in over a five-year period in equal installments. The five-year phase in does not apply to new construction or other increases due to physical improvements to the property. Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transition assessed valuation.

We believe there will be a substantial increase in value for 2022/23 as a result of the new construction, and that such increase will be placed on the assessment roll immediately and not subject to the limitation on increases described above.

However, in future years increases in assessed value will likely result in the taxable assessment being based on a phased-in transition assessment.

Proposed Real Estate Tax Liabilities
We have taken the following factors in account when formulating our opinion: (a) the recent tax assessment history on the property; (b) the potential income for the new structure (if operated as a rental); (c) comparable condominium projects in Queens (specifically, in Rockaway Beach neighborhood) which have been recently constructed; (d) market conditions in the general area; (e) proposed estimate of the cost of construction; and (f) calculation of the gross floor area mentioned above.

Post-Completion Projected Assessed Value and Tax Liability
Considering the aforementioned factors, we are estimating that for the post construction tax year the DOF will set the **Assessed Value at approximately $584,573.**

Assuming the 2020/21 tax rates of 12.267% for tax class 2 (i.e., $12.267 per $100 of AV), the Projected Tax Liability will be approximately $72,914.

Blended Taxes for First Year of Condo Operation
The first year of condominium operation will begin on September 1, 2021 and end on August 31, 2022. Taxes for the first year of condominium operation will be as follows:

Estimated Full Tax Liability for the 2021/22 and 2022/23 Tax Years

	Assessed Value	Tax Rate	Real Estate Tax
2021/22 Tax Year	$16,663	21.045%	$3,507
2022/23 Tax Year	$584,573	12.267%	$71,710

Estimated Taxes First Year of Condominium Operation

	Assessed Value	Tax Rate	Real Estate Tax
83.33% of 2021/22 Tax Year	$13,886	21.045%	$2,922
16.67% of 2022/23 Tax Year	$97,429	12.267%	$11,952
First year of Condominium Operation	$111,315		$14,874

Taxes for the first year of condominium operation will be comprised of 83.33% of the taxes due for the 2021/22 tax year and 16.67% of the taxes due for the 2022/23 tax year.

In determining the assessed values for the individual units, the Department of Finance may use the common interest percentages set forth in the condominium declaration if such percentages are rationally and fairly determined.

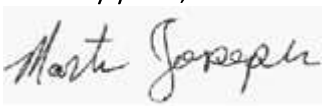
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Disclaimer

Though the aforesaid estimate of the Actual Assessed Valuation is a good-faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, when made, may be lesser or greater based on the interpretation of the administrative code and the applicable rules and regulations of the City of New York.

Although we believe our opinions are well-founded, they are not intended, and should not be construed as warranties or guaranties or representations as to future assessed valuations of the property under discussion and we accept no responsibility or liability in the event that the figures or projections set forth herein are incorrect or inaccurate. In no event will this firm, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater that that estimated above, or if the administrative code and the applicable rules and regulations of the City of New York are changed in the future, or if the facts as represented prove to be untrue.

Sincerely yours,



Martin Joseph
Metropolitan Realty Exemptions, Inc.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Units is based upon the income tax opinion of Sponsor's counsel, Turek Roth Grossman LLP, a copy of which is set forth in the Plan. The opinion of Turek Roth Grossman LLP does not address the tax consequences which might result from ownership of a Unit in connection with the Unit Owner's trade or business or for purposes of investment or the production of income or which may result to a foreign Unit Owner by reason of his foreign status.

EACH PURCHASER SHOULD CONSULT WITH HIS OWN TAX COUNSEL OR ADVISOR AS TO THE TAX CONSEQUENCES OF OWNERSHIP OF A UNIT.

It is the opinion of Turek Roth Grossman LLP that under present law, Unit Owners who use their Units solely as their principal residence and who itemize their deductions will, in general, be entitled to a deduction for mortgage interest on a mortgage that has a principal amount up to a maximum of $750,000 for any period ($375,000 in the case of a married individual filing a separate return) and real estate taxes for New York State and New York City income tax purposes in the taxable year in which the same are actually paid or accrued by such Unit Owners in accordance with their method of accounting. Additionally, it must also be noted that a Unit Owner who is itemizing his or her deductions, is subject to a $10,000 deduction limit on all state & local taxes including real estate taxes.

Pursuant to Section 458 of the New York Real Property Tax Law, certain owners of Condominium Units who are veterans of the United States Armed Forces or who are related to such veterans may under certain circumstances be entitled to exemptions covering part of the real estate taxes otherwise assessed by the tax authorities against their Units.

Common Charges will be borne by the Unit Owners and assessed and collected by the Condominium Board. The status of the Condominium Board for Federal, New York State and New York City income tax purposes is uncertain. If the Condominium Board were deemed to be merely a conduit for the Unit Owners, all income earned by the Condominium Board, less the expenses incurred in earning such income, would be deemed income to the Unit Owners and taxable to them. Common Charges would not be considered income to the Condominium Board.

The Internal Revenue Service may contend that the Unit Owners, acting through the Condominium Board, constitute an association taxable as a corporation because of certain of its features such as centralized management, the attempt to limit the contractual liability of the Unit Owners and the possibility of perpetual life. If the Unit Owners, acting through the Condominium Board, were treated as an association taxable as a corporation, such association would be subject to Federal, New York State and New York City corporate income tax on earned income, if any, for the portion of the Common Charges deemed to constitute gross income less deductible expenses.

If it satisfies the requirements of Internal Revenue Code §528, the Condominium Board may elect to be exempt from Federal income tax on the Common Charges. Generally, those requirements are:

(i) The Condominium must be organized and operated solely to provide for the acquisition, construction, management, maintenance and care of association property;

(ii) Sixty percent or more of the gross income of the Condominium must consist of assessments from residential Unit owners ("Exempt Function Income");

(iii) Ninety percent of the expenditures of the Condominium must be for the acquisition, construction, management, maintenance, and care of the Condominium's property;

(iv) No part of the net earnings can inure to the benefit of private individuals other than by the acquisition, construction, management, or maintenance of the Condominium's property or by rebates of excess assessments; and

(v) Substantially all of the Units must be used as residences.

Under the Treasury regulations issued pursuant to §528, a Condominium must qualify annually for the election under §528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of §528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

A Condominium management association meeting the requirements of §528 and electing to be exempt from Federal income tax on Exempt Function Income would be taxable at a rate of 30% on the amount by which its other income exceeds the amount of allowable deductions that are directly connected with the production of such income. Such an association, however, would not be allowed certain deductions that are available to corporations that are not taxable under §528.

If the Condominium Board either cannot qualify or chooses not to elect the benefits of §528, certain published rulings of the Internal Revenue Service implicitly state that a Condominium management association will be treated as an association taxable as a corporation. Consequently, unless a valid election pursuant to §528 has been made, it appears that the Condominium Board would be taxable on that portion of the Common Charges which exceeds the deductible expenses paid or incurred by the Condominium Board for the operation of the Condominium property. The Condominium would also be taxed on income derived from the interim investment of the Common Charges, on income from nonresidential leases of Common Elements, and on income from the operation of facilities that are available to outsiders, net of deductible expenses related to the production of such income.

If the Condominium is treated as a corporation for Federal income tax purposes, the Condominium Board might still contend that a portion of the Common Charges which it receives should not be includable in its gross income. For example, published rulings of the Service indicate that assessments collected by a Condominium management association and

expressly designated for use for specified capital improvements that are owned in common, and which are not commingled with funds collected for operating expenses or as contingency reserves, should not be included in the gross income of a Condominium management association. No part of such an assessment may, however, be expended by a Condominium management association for the benefit of an individual owner.

In addition, in connection with assessments for ordinary operating expenses, such as the Common Charges, a Condominium management association may not have any taxable income if the expenses of the Condominium management association with respect to managing, operating and replacing the common elements of the Condominium either equal the assessment or any excess amount is annually returned to Units owners or applied to the next year's assessment. Based on the facts in existence at the present time, it appears that the Condominium Board is unlikely to have a substantial amount of income other than the Common Charges.

If the Condominium Board makes additional assessments to cover the amounts of any Federal, New York State, or New York City tax liabilities incurred, such additional assessments may also be taxable to the Condominium.

It is the opinion of Sponsor's counsel, Turek Roth Grossman LLP (see opinion letter immediately following), that subject to the assumptions contained therein, The 505 Clinton Avenue Condominium will qualify as a "homeowners association" under section 528 of the IRC, provided that the Condominium elects to have such section apply for such taxable year.

EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF THE PLAN AND OF RESIDENTIAL UNIT OWNERSHIP.

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June 3, 2020

The 163 Beach 96th Street Condominium
c/o 163 Beach 96th Street Condos LLC
82-17 153rd Street
Howard Beach, NY 11414

Re: Tax Opinion
The 163 Beach 96th Street Condominium ("**Condominium**")

Gentlemen:

You have requested my opinion concerning (i) the deductibility, for Federal and/or 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 residential use pursuant to the above-referenced Condominium Offering Plan (the "**Plan**"), (ii) the availability of any specific exemptions from real estate taxes for veterans or other Purchasers, and (iii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (in effect from 1/1/2018-12/31/2025) by H.R. 1, the "Tax Cuts and Jobs Act," Public law no. 115-97 (the "**Code**"). This opinion does not address the tax consequences of the ownership of Condominium Units by corporations, other entities or foreign persons. 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 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 offered Condominium Units will acquire their Condominium Units and that the relevant facts are as set forth therein.

Pursuant to the Plan, the Purchaser of an offered Condominium Unit will receive legal title in fee simple to his or her Condominium Unit, coupled with ownership of an undivided interest in the Condominium Property held in common with the other owners of Condominium Units. Such Purchaser will have the right to sell, lease, or place an individual mortgage on his or her separate Condominium Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Condominium Unit. Under these circumstances, the Internal Revenue Service (the "**IRS**") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness if the property is held as his or her principal residence and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part 1) C.B. 300. as amended by Public law no. 115-97, Sec. 11043.

Accordingly, based on the foregoing, it is my opinion that an owner of an offered Residential Unit who itemizes his or her deductions will be entitled under current law as amended by Public law no. 115-97 for years after 2017, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code as amended by Public law no. 115-97, for years after 2017, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority, subject to a $10,000 deduction limit (if you itemize your deductions) on all state & local taxes including real estate taxes. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the offered Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

It is also my opinion that, pursuant to Section 458 of the New York Real Property Tax Law, certain owners of Condominium Units, who are veterans of the United States Armed Forces or who are related to such veterans may under certain circumstances be entitled to exemptions covering part of the real estate taxes otherwise assessed by the tax authorities against their Condominium Units. Each potential Purchaser should consult his or her own tax adviser as to the availability of such exemptions.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal 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 for any period ($375,000 in the case of a married individual filing a separate return). Accordingly, a Residential Unit Owner who itemizes deductions and uses his or her offered Residential Unit as a qualified 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 set forth in Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition

indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, does not exceed $750,000 ($375,000 in the case of a married individual filing a separate return). 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, Residential Unit Owners should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

After 1/1/2026, the tax law is scheduled to revert to the tax law that was in effect prior to the changes by H.R. 1, the "Tax Cuts and Jobs Act," Public law no. 115-97, which is: 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) the acquisition indebtedness is up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("**home equity indebtedness**"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. Accordingly, a Residential Unit Owner who itemizes deductions and uses his or her offered Residential Unit as a qualified 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 set forth in Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). However, it is not presently known if the legislature will extend the reverter scheduled for 1/1/2026 to a later date or eliminate the reverter altogether.

Each Residential Unit Owner who uses his or her Residential Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Residential Unit for New York State income tax purposes as is allowed for Federal (regular) income tax purposes. 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 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 funds (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: (i) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (ii) 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, (iii) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (iv) 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), (v) the Condominium must elect to be treated as a homeowners association, and (vi) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulations § 1.528-4(b). The qualification of an organization under the provisions of Code 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 upon and subject to the assumption that all of the factual statements and representations set forth in the Plan are true and correct and will remain so in all material respects, in my opinion the Condominium will qualify as a "homeowners association" under §528 of the Code.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. A new 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 the new entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Condominium Board will act as the agent of the Unit Owners, 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 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 Common Charges would not be considered income earned by the Condominium through the Condominium Board. If, however, the Condominium is considered a separate entity it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for federal income tax purposes. If the Condominium is taxable as a corporation, 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 tax purposes is also unclear. The relevant New York State law incorporates 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 corporation for federal income tax purposes, it appears likely that the Condominium would be subject to the New York State Corporation Franchise Tax. If the Condominium does not constitute an association that is taxable as a corporation for federal income tax purposes, it is still possible, although not certain, that the Condominium might be subject to the New York State Franchise Tax.

* * * * * * * * *

I express no view as to any Federal and/or New York State 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 Turek Roth Grossman LLP or the Sponsor, 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, decisional law or IRS rulings on which we have relied which cause the Unit Owners not to be entitled to the income tax deductions described herein.

I hereby authorize the use of this opinion, or a reproduction hereof, in the Plan.

Very truly yours,



Allen M. Turek

AMT/amg

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June 3, 2020

The 163 Beach 96th Street Condominium
c/o 163 Beach 96th Street Condos LLC
82-17 153rd Street
Howard Beach, NY 11414

Re: Offering Plan for the conversion of premises
163 Beach 96th Street, Rockaway Beach, NY
to Condominium Ownership

Dear Sponsor:

It is our opinion that the allocation of common interests as shown on Schedule A included in this Offering Plan is in compliance with Section 339(i)(1)(iv) of the New York Real Property Law.

The common interests have been allocated to each Condominium Unit 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 the Common Elements for exclusive or shared use and the overall dimension of a particular Unit. This allocation utilizes measurements and calculations of net square footage made by Wu Chen, P.E., Sponsor's engineer.

This opinion is based in part upon the opinion of Elazer Orlfosky, licensed real estate broker.

Very truly yours,



Allen M. Turek

WORKING CAPITAL FUND

The Purchaser of each Unit shall be required to make a contribution at Closing of his Unit(s) to the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) month's Common Charges in effect for such Unit(s).

At the First Closing, Sponsor will apportion with the Board of Managers the following items as of midnight of the date preceding said Closing:

1. Employees' wages, vacation and severance pay, pension and welfare benefits, accruals and all other payments or obligations relative to the employees of the Building;
2. Deposits with utility companies, if any, and fees for assignable permits and/or licenses, if any;
3. Charges for electricity and other utilities for the Common Elements and Limited Common Elements;
4. Cost of fuel on hand (plus sales tax), if any;
5. Charges and receipts in connection with service, maintenance and concession contracts;
6. Water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);
7. Cost of Building supplies on hand at Sponsor's cost (including sales tax);
8. Premiums for transferable insurance policies, if any;
9. Management fees; and
10. Other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned, as follows:

I. All adjustments of interest, rents, taxes, water rates, sewer rents and insurance premiums shall be made as of the day immediately preceding the day on which title is closed.

II. Adjustment should be made of accrued vacations of building service employees (including resident managers) under the provisions applicable thereto in all labor contract obligations such as retroactive wage determinations, sick pay, welfare and pension obligations and "job security" and other severance obligations.

III. Taxes, water rates, sewer rents and insurance shall be computed on the basis of the actual number of days elapsed within the applicable payment period of the taxing authority or insurer. Interest shall be computed on the same basis as it is payable to the lender, if ascertainable

by the parties and, if not ascertainable, interest shall be computed by the 360-day method, each month representing 1/12 of the annual charge and each day 1/30 of the monthly charge.

IV. Rent shall be computed on the basis of the actual number of days in the particular month in which title is closed.

V. If interest is to be computed by the 360-day method, where the period for which the computation is to be made is more than one month, the elapsed time shall be computed by full months and by the actual number of days in excess of such full months.

VI. If interest is to be computed by the 360-day method, where the period for which the computation is to be made is less than one month, the actual number of days shall be counted, excluding the first day and including the last.

Note: These rules mean that the seller shall be charged with interest, taxes, water rates, sewer rents and insurance up to and including the day immediately preceding the day on which title is closed and that the purchaser shall bear these items from the day on which title is closed and receive the rents for that day. This has always been the practice when title is closed on the first day of the month and the purpose of these rules is to apply the same practice to closings occurring during the month.

For example: A title closes on June 4. Mortgage interest was paid up to but not including March 15. The second half of the taxes has been paid. Insurance has been paid through June 15. Rent has been collected for the month of June. The computation would be as follows:

Allow purchaser:

Interest from March 15 to June 3 both inclusive (a) if computed on actual days - 81 days. (b) if computed on the 360-day method - 2 months, 20 days. Rent from June 4 to June 30 - 27 days.

Allow seller:

Insurance premium from June 4 to June 15 - 12 days. Taxes from June 4 to June 30 - 27 days

VII. When the time for closing a title is adjourned without any specific provisions as to adjustments, all adjustments shall be made as of the day prior to the adjourned date and the seller shall not be entitled to interest from the original date, either on the unpaid balance of the purchase price or on any purchase money mortgages.

VIII. When the time for closing a title is adjourned under a stipulation that all adjustments are to be made as of the original date, the seller shall be entitled to interest at the legal rate on the unpaid balance of the purchase price which is to be paid on closing and interest on the amount of any purchase money mortgage at the rate provided in the contract to be paid on such mortgage, from the original date set for closing title.

IX. Whenever the contract provides that taxes are to be apportioned, this shall be deemed to include water charges and sewer rents.

X. Even if no reference is made in the contract to the liability of purchaser to pay recording charges and recording tax on a purchase money mortgage, the purchaser shall nevertheless be deemed under obligation to pay the same.

XI. If the contract provides that one of the parties is to pay for drawing papers and no charge therefor is stated in the contract, the charge shall be a reasonable and customary legal fee as agreed between the attorney drawing the papers and the party who agreed to pay for such service.

The Working Capital Fund will be held and used for working capital, or for any such other appropriate purposes as will be determined by the Board of Managers and may be augmented by allocations from the Common Charges collected from each Unit. While Sponsor controls the Board of Managers (see the section entitled "Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Common Charges.

The Board of Managers will be able to utilize the money in the Working Capital Fund at any time; accordingly, no representation or warranty can be made and no assurance can be given to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to any Unsold Unit.

RESERVE FUND

Inasmuch as the Property is being completely renovated with new building systems, it does not appear to Sponsor that there is any need to provide for a reserve fund to pay for capital expenditures over the next five years. However, in response to the current lending guidelines of Fannie Mae – which are applicable to some Purchasers seeking to obtain mortgages on their Units – the Condominium has budgeted an annual expense item equal to ten (10%) percent of the regular operating expense budget for each year of Condominium operations, to serve as a reserve fund for future capital repairs as determined by the Condominium's Board of Managers. No representation or warranty is made or intended that (a) such reserve fund will be sufficient to meet the future capital repair needs of the Condominium, (b) the Condominium, the Units and/or the governing documents of the Condominium or its operations meet the applicable requirements of Fannie Mae or any specific lender in regard to Purchasers or Unit Owners seeking to place a mortgage upon their individual Unit. Prospective Purchasers are advised to consult with their own attorney, mortgage broker or other advisor to ascertain whether they will be able to secure financing for the purchase of a desired Unit or to otherwise place a mortgage on any Unit that they own.

Inasmuch as the Reserve Fund is being funded as part of the Condominium's annual budget, neither the Sponsor or any Purchaser is required to make a contribution to the Reserve Fund. The Reserve Fund may only be used for capital expenditures. In accordance with the New York City Reserve Fund Law, capital replacements must include only building-wide replacements of a major component of certain systems, specifically the elevator, heating, ventilation and air conditioning, plumbing, wiring, windows, as well as a major structural replacement to the Building. Replacements made to cure code violations are not considered capital replacements and thus the reserve funds may not be used to cure violations of record. Additionally, 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 Department of Law or any other government agency has passed upon the adequacy of the Working Capital Fund or Reserve Fund.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Prior to the First Unit Closing, the Board of Managers will enter into a management agreement with ALGNY Management LLC, 82-17 153rd Avenue, Suite 206, Howard Beach, NY 11414 (the "Managing Agent") for a term of three (3) years. The sole member of the management company is also a principal of the Sponsor. The management agreement may not be canceled by either party during its term except for cause.

The principal of ALG NY Management has over ten (10) years prior experience managing properties in the New York metropolitan area. ALG NY Management LLC manages fifteen (15) Condominium and rental buildings in the Metropolitan area.

The Managing Agent will receive a stated annual fee of $15,000.00 for each of the three (3) years, payable in equal monthly installments. However, the Managing Agent will be entitled to additional fees for certain services performed by it. The Managing Agent's fee will be paid by the Board of Managers and will be deemed to be a Common Expense. The Management Agreement may be cancelled by either party upon thirty (30) days prior written notice.

As part of its services under this Agreement, ALGNY Management LLC has agreed to provide janitorial services for the building on a 24 hour 7 days per week basis for up to thirty (30) hours per month. To the extent that the Building requires in excess of thirty (30) hours of labor in regard to janitorial services in any given calendar month, management shall be entitled to an additional fee of $20.50 for each hour above and beyond the thirty (30) hour base per calendar month.

The duties and services to be rendered by the Managing Agent include, among others:

(a) Billing and collecting Common Charges;

(b) Causing the Common Elements to be maintained, and repaired in the manner deemed advisable by the Board of Managers, except that the approval of the Board of Managers is not necessary for any expenditure of less than $2,500 for any one item of ordinary repairs of alterations or in the instance of emergency repairs;

(c) Contracting for necessary services for the Common Elements (such as utility, exterminator, elevator and fuel services);

(d) Purchasing all supplies necessary to properly maintain and operate the Common Elements;

(e) Checking all bills received in connection with the operation of the Common Elements and causing all such bills and other expenses to be paid;

(f) Supervising, hiring and discharging employees;

(g) Rendering monthly statements of receipts and disbursements to the Board of Managers;

(h) Maintaining payroll records and filing the necessary forms for unemployment insurance, withholding and social security tax statements and other forms relating to employment of Building employees;

(i) Maintaining accurate sets of books for the Condominium and orderly files of common charges, insurance policies, leases, receipted bills, Unit mortgages, and the like;

(j) Preparing and submitting to the Board of Managers, on an annual basis, proposed operating budgets setting forth the anticipated income and expenses for the ensuing year; and

(k) Sending notices, preparing agendas and attending meetings of the Board of Managers and Unit Owners and keeping minutes thereof.

The Board of Managers of the Condominium shall have the obligation to reimburse the Managing Agent for expenses it incurs on behalf of the Condominium in accordance with its agreement and the Board of Managers of the Condominium shall have the obligation to indemnify the Managing Agent against liability for acts performed by it pursuant to the agreement.

The agreement is assignable by the managing agent and may be cancelled by either party for cause.

After the First Closing, the Property will be subject to the then existing, insurance policies and maintenance, service contracts.

Sponsor has reserved the right, prior to the First Closing to modify, renew and replace existing service, and other agreements and insurance policies, and to enter into new agreements and policies that will be binding on the Condominium. Any such new agreement or policy which has the effect of materially increasing the first year's estimated Common Charges or is binding on the Condominium for more than two (2) years will be disclosed in a duly filed amendment to the Plan.

IDENTITY OF PARTIES

A. Sponsor:

The Sponsor is 163 Beach 96th Street Condos LLC ("Sponsor"), a New York limited liability company with a principal place of business at 82-17 153rd Avenue, Suite 200, Howard Beach, New York, 11414. Anthony Gurino is the managing member of the Sponsor entity and is the only member with more than a ten (10%) percent or controlling interest in the project.

Anthony Gurino has an address at 82-17 153rd Avenue, Suite 200, Howard Beach, NY 11414. Since 1998, Mr. Gurino has been involved in the real estate and construction industries in various capacities, including property management and real estate development and renovations. Mr. Gurino has converted other properties to cooperative or condominium ownership, during the preceding five (5) years, including without limitation the following:

Property	AG File No.	Filing Date of Offering Plan	Closed or Pending Closing
225 East 138th Street, Bronx, NY	CD17-0134	09/07/2017	Closed
6334 Fresh Pond Rd, Ridgewood, NY	CD14-0229	12/05/2014	Closed

There are no felony convictions, prior convictions, injunctions or judgments against any of the members of 163 Beach 96th Street Condos LLC that are material to this Offering Plan or offering of securities.

B. Attorneys for Sponsor:

Turek Roth Grossman LLP, 377 Fifth Avenue, 6th Floor, New York, New York 10016, represents the Sponsor in connection with the conversion of the Property to Condominium ownership and at the Closing of individual Units. Allen M. Turek, Esq. prepared the Plan. The fees of the Sponsor's counsel shall be paid by Sponsor, except for certain Closing fees payable by Purchasers (See Section "Unit Closing Costs and Adjustments").

D. Managing Agent:

ALGY NY Management LLC, the Managing Agent, has a place of business at 82-17 153rd Avenue, Suite 206, Howard Beach, NY 11414. The members of the Managing Agent are Linda Gurino and Anthony Gurino. Mr. Gurino is the husband of Linda Gurino and also the principal of the Sponsor. The principals of ALG NY Management have over ten (10) years combined prior experience managing properties in the New York metropolitan area. ALG NY Management LLC manages fifteen (15) buildings in the Metropolitan area. The managing agent and its principals do not have any prior felonies, prior convictions, injunctions or judgments against any of them.

E. Sponsor's Engineer:

REFORM Architects by its licensed principal, Karim Ahmed, an architect licensed by the State of New York, has examined the physical condition of the Building and has rendered the report included in Part II of this Plan. The architect maintains an office at 728 East 136th Street, #7, Bronx, NY 10454. Mr. Ahmed has been a licensed architect since 2017. The architect has no financial interest in the Property, the Sponsor, the Condominium, the Selling Agent or any other party interested in this transaction, except that it has been paid a fee for services rendered in connection with the report contained herein.

F. Selling Agent:

The Selling Agent for this offering is The ALG NY Management LLC and its principal, Linda Gurino, which maintains an office located at 82-17 153rd Avenue, Howard Beach, NY 11414.

Ms. Gurino is licensed as a real estate broker firm in the State of New York. The principals of the Selling Agent have been engaged in the real estate brokerage business for over ten (10) years and have been actively associated with the sale of condominium and cooperative units and buildings in Kings and Queens Counties and the surrounding areas.

The Selling Agent is also the principal of the managing agent and the spouse of the principal of the Sponsor. There are no felony convictions or prior convictions and no injunctions or judgments that may be material to this offering Plan, against the Selling Agent.

REPORTS TO UNIT OWNERS

All Unit Owners will be entitled to receive annually from the Board of Managers copies of:

1. The proposed annual budget of the Condominium at least ten (10) days prior to the date set for adoption by the Board of Managers; while the Sponsor is in control of the Board of Managers, such budget shall be certified in compliance with applicable regulations of the Department of Law;

2. An annual financial statement prepared by a certified public accountant or public accountant and issued within four (4) months after the end of the fiscal year. Such statement shall be certified so long as the Sponsor is in control of the Board of Managers; and

3. Notice of the annual Unit Owner's Meeting for the purpose of electing the Board of Managers, to be sent not less than ten (10) days before the meeting.

The above dates may be changed pursuant to the By-laws.

DOCUMENTS ON FILE

Copies of the Plan and all exhibit

s or documents referred to herein or submitted to the Department of Law in connection with the filing of the Plan will be available, for six (6) years from the date of the First Closing at the office of the Sponsor or at another designated place for inspection or copying at a reasonable charge by actual and prospective Purchasers of Units offered under the Plan or by those who have participated in the offering of such Units. All documents to be filed in connection with the recording of the Declaration of Condominium shall be delivered to the Board of Managers promptly after the First Closing and shall be available at the office of the Board of Managers.

GENERAL

The Plan contains a fair summary of the pertinent material provisions of the various documents referred to herein. Sponsor has not knowingly omitted any material facts from the Plan and the Plan does not contain any untrue statement of any material fact. The documents in Part II hereof are exact copies of the originals. To the extent any document in Part II is materially revised, the Plan shall be amended to disclose such material revision.

In accordance with the provisions of the laws of the State and City of New York, Sponsor represents that neither Sponsor, its agents, nor Sponsor as holder of Unsold Units will discriminate against any person because of race, creed, color, national origin, marital status, sex, sexual preference, or ancestry, or any other basis prohibited by civil rights laws in the sale of Units under the Plan, or in leasing Units in the Building.

As of the date of presentation of the Plan, neither Sponsor, the Selling Agent, nor any representative or agent thereof, has received funds, or made any preliminary offering, or binding agreement to or with tenants in occupancy, subtenants, or prospective Purchasers with respect to the Units in the Building.

There are no lawsuits, administrative proceedings, or other proceedings, the outcome of which may materially affect this Offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium, or the operation of the Condominium. Neither the Property nor the Building has been the subject of any prior public offering.

The Property is not subject to any 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.

The Plan may be amended at any time, provided that, if the amendment is a material and substantial modification which adversely affects Purchasers, then each Purchaser who has not closed on his Unit shall be given no less than fifteen (15) days after mailing or personal delivery, of such a duly filed adverse amendment to cancel his or her Purchase Agreement and to obtain a refund, in full, of all monies paid under the Purchase Agreement, together with interest, if any, earned thereon.

The Sponsor has not accepted or otherwise entered into any contracts or agreements and has not accepted deposits or advances of funds in connection with any of the Units, prior to the date that the Department of Law accepted this Offering Plan for filing.

No person has been authorized to make any representation, or to provide any information which is not set forth herein. Any information, data, or representations not contained in this Plan or in the documents and/or exhibits referred to herein must not be relied upon by any Purchaser.

The Plan may not be changed or modified orally.

163 BEACH 96TH STREET CONDOS LLC , SPONSOR

LEAD PAINT DISCLOSURE

To alert home dwellers about the hazards of lead-based paint, Congress passed the Residential Lead-Based Paint Hazard Reduction Act of 1992 (the "Act"). On March 2, 1996 the Environmental Protection Agency ("EPA") approved final regulations to implement the Act. Under the Act and the 1996 regulations, sellers and lessors of residential Condominiums and their agents are required to disclose known information about lead-based paint and lead-based paint hazards before selling or leasing their Condominium Units in buildings constructed prior to 1978, when the use of lead-based paint was banned in the United States. The Sponsor will comply with the Act and the 1996 regulations promulgated thereunder.

Purchasers of the Residential Units are advised that under the 1996 regulations, owners of individual residential Condominium Units are required to comply with the disclosure requirements in connection with a proposed sale or leasing of their respective Unit.

A copy of the pamphlet Protect Your Family From Lead in Your Home, published by the EPA, is reproduced in Part II below.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property as 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 may be set forth in such Description of Property.

PART II

SURF HOUSE 1 CONDOMINIUM

PURCHASE AGREEMENT
(TO BE EXECUTED IN TRIPLICATE)

Unit No.: _____ (the "**Unit**")
Appurtenant Common Interest: _____ ("**Common Interest**")
Purchaser's Name:_____ ("**Purchaser**")
Address: _____
Telephone: (Home)_____(Business)_____
Social Security No./Federal Employment I.D. No.: _____
Name(s) and Manner in Which Title to the Unit Will be Taken:_____

Sponsor: 163 BEACH 96TH STREET CONDOS LLC

PURCHASE PRICE $_____

Down Payment (10% of Purchase Price) $_____

Balance Due at Closing $_____

Financing Contingency:*
Amount of Total Purchase Price Being Financed $_____

* Delete, If Inapplicable.

1. Plan. Purchaser acknowledges having received and read the Condominium Offering Plan to convert to Condominium ownership the Property at 163 Beach 96th Street, Rockaway Beach, New York 11693 (the "Plan") at least five (5) full business days prior to Purchaser's signing this Purchase Agreement. The Plan is hereby incorporated in this Purchase Agreement with the same force and effect as if set forth at length. In the event of any conflict between the provisions of this Purchase Agreement and those contained in the Plan, the provisions of the Plan shall govern. Capitalized terms contained in this Purchase Agreement shall have the same meaning as defined in the Plan unless otherwise expressly stated herein.

2. Agreement to Purchase and Sell. Purchaser agrees to purchase from Sponsor, and Sponsor agrees to sell, the above-numbered Unit, together with its appurtenant undivided interest in the Common Elements (i.e., the Common Interest) and subject to, the terms and conditions set forth herein.

3. Payment of Purchase Price.

The Purchase Price for the Unit is set forth on page 1 of this Purchase Agreement, and is payable as follows:

(i) The Down Payment as set forth on page 1 hereof is due when Purchaser signs and submits this Purchase Agreement and is to be paid by check payable to the order of "TUREK ROTH GROSSMAN LLP, as Attorney", receipt of which (subject to collection) is hereby acknowledged.

(ii) The balance of the Purchase Price as set forth on page 1 hereof is due at Closing of title to the Unit and must be paid by unendorsed certified check or official cashier's check, drawn on a New York Bank to the order of the Sponsor.

If any check is returned for insufficient funds or for any other reason, Sponsor may, at its option, declare this Purchase Agreement void *ab initio* and of no further force and effect and may institute an action against Purchaser for the collection of the Down Payment as liquidated damages or may declare a default by Purchaser under this Purchase Agreement which shall entitle Sponsor to exercise any of the remedies set forth in paragraph 15 hereof.

4. Financing Contingency. (DELETE THIS PARAGRAPH IF THE PURCHASE AGREEMENT WILL NOT BE CONDITIONED ON FINANCING) This Purchase Agreement is conditioned upon Purchaser obtaining a written mortgage loan commitment from a lending institution in the amount of not less than $_____ at the prevailing term and rate of interest (the "Mortgage Loan"). Purchaser agrees to:

(a) Within ten (10) days after Sponsor accepts and delivers the fully executed Purchase Agreement, Purchaser is required to make and submit an application for financing to any institutional lender of their choice for a mortgage loan in an amount no greater than eighty (80%) percent of the Purchase Price (the "Mortgage Loan"). In the event Purchaser's lending institution of choice does not approve the Purchaser for financing, the Sponsor has the right within ten (10) calendar days of Sponsor's receipt of a written notice that Purchaser's lending institution of choice has rejected Purchaser's loan application, to require that the Purchaser make a complete and good faith application for financing through Sponsor's preferred lender: Citizens One Home Loans, 10 Lake Center, Suite 310, Marlton, NJ 08053, which has approved the project for financing. In order to avoid additional time and expense for Purchasers, Sponsor will seek to ensure that Sponsor's preferred lender will issue a pre-qualification letter prior to Purchaser's application for a loan application and at no cost to Purchaser;

(b) furnish truthful, accurate and complete information, data and documents on Purchaser and members of Purchaser's family, as required, and promptly submit such further information, data and documents requested by the institutional lender, if any;

(c) pay all fees, points and charges required in connection with such application(s) and the Mortgage Loan;

(d) pursue such application(s) with diligence;

(e) cooperate in good faith with the institutional lender, if any, and the to the end of securing the Mortgage Loan;

(f) promptly give notice to Seller of the name and address of the institutional lender, if any, to which Purchaser has made such application; and

(g) comply with all requirements of the Commitment (or of any Commitment accepted by Purchaser) and furnish Seller with a copy thereof promptly after receipt thereof.

The obligations of Purchaser set forth in (a) through (g) above are, collectively, referred to herein as the "Financing Obligations". Purchaser agrees to diligently comply with all of the Financing Obligations in order to qualify for the finance contingency in the Purchase Agreement.

Purchaser shall have sixty (60) days from the date Sponsor accepts and delivers the fully executed Purchase Agreement to obtain a written loan commitment for financing. In the event Purchaser fails to obtain a written loan commitment within such time period or in the event the loan commitment is subsequently withdrawn, Purchaser must notify Sponsor of such withdrawal within five (5) days subsequent to such sixty (60) day period or the date the loan commitment is withdrawn, whichever is applicable, or this financing contingency is deemed waived.

Notwithstanding the preceding provisions of this paragraph 4, if Purchaser obtains a mortgage loan commitment within the time period set forth above and the financing commitment lapses or expires prior to closing, and the Purchaser has made a good faith effort to extend the commitment, Sponsor shall grant such Purchaser a right of rescission and a reasonable period of time to exercise the right; provided, however, that any expiration of a commitment as a result of Purchaser's refusal, inability or unwillingness to close title or delay in closing title or the revocation of a commitment by a lending institution resulting from Purchaser's acts or omissions, including but not limited to, Purchaser's failure to satisfy any of the conditions of the commitment, shall be excepted from this requirement, and Purchaser shall be deemed to have waived any financing contingency within this Purchase Agreement. Purchaser shall take all possible steps to maintain his/her commitment, including good faith application for an extension of such commitment through the same lending institution at the prevailing rate of interest. In the event Purchaser notifies Sponsor within thirty (30) days after the expiration date of his/her previous loan commitment by registered mail of his/her inability to obtain an extension of such previous loan commitment or a new loan commitment, this Purchase Agreement shall be null and void and Purchaser's down payment shall be returned by Sponsor. Failure to provide such notification shall be deemed a waiver of this paragraph 4 by Purchaser and this Agreement shall be deemed binding.

The Sponsor will return the down payment after receipt of Purchaser's notice of rejection by Citizens One Home Loan within ten (10) calendar days of such notice. The Sponsor has the right to extend the time period in which a Purchaser must obtain a mortgage commitment if one has not been obtained by the original mortgage contingency date.

5. Down Payment Held in Trust.

The law firm of Turek Roth Grossman LLP, with an address at 377 Fifth Avenue, 6th Floor, New York, NY 10016, telephone number 212-223-3562, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Allen M. Turek, Jeremy Roth and Jason Grossman. 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.

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.

The Escrow Agent will establish the escrow account at JP Morgan Chase Bank, located at 349 Fifth Avenue, County of New York, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account will be entitled Turek Roth Grossman LLP – IOLA Escrow Account ("Escrow Account"). The Escrow Account is an IOLA account (NYS Interest On Lawyer Account Fund) and as such any interest earned on such deposit will be retained by the IOLA Fund. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured.

All Deposits received from Purchaser shall be in the form of check or money order and shall be made payable to Turek Roth Grossman, LLP, as Escrow Agent. 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.

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

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

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

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 Purchase Agreement in Paragraph 7 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.

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.

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

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).

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.

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.

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.

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 Contingent on the Plan Being Declared Effective. The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time.

7. Closing Date and Place. The Closing of title shall occur on the date and at the time and place in the City of New York as Sponsor shall designate to Purchaser on not less than thirty (30) days' prior written notice. Sponsor shall have the right, from time to time, to adjourn such Closing date and time for Closing on written notice to Purchaser. The Closing shall not occur more than one hundred eighty (180) days after such notice unless the Closing Date is adjourned.

8. Delivery of the Deed and Residential Unit Power of Attorney.

A. At the closing of title, Sponsor shall deliver to Purchaser a Bargain and Sale Deed with covenants against grantor's acts conveying title to the Unit(s) to Purchaser. The Deed shall be prepared by Sponsor in substantially 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 execute a New York State Real Property Tax Return, New York City Real Property Transfer Tax return and any other forms then required by law, all of which shall be prepared by Sponsor's attorney.

B. At the closing of title and simultaneously with the delivery of the Deed conveying the Unit(s) to Purchaser, Purchaser shall execute and acknowledge a Power of Attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

C. The Deed and Power of Attorney to the Board of Managers and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, 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 sent to the Managing Agent.

9. Marketable Title. At Closing, Sponsor shall convey to Purchaser good and marketable title to the Unit subject only to the liens, encumbrances and title conditions (hereinafter called the "Permitted Encumbrances") enumerated in Exhibit A to this Purchase Agreement. Any other liens, encumbrances, or conditions shall not be an objection to title if National Granite Title Insurance Agency Inc., 600 Third Avenue, Suite 1500, New York, New York 10016, (212) 665-0644, will insure Purchaser against its collection or enforcement out of the Unit.

10. Title Approval. Sponsor shall give, and Purchaser shall accept, such title as National Granite Title Insurance Agency Inc., will approve and insure. Notwithstanding the foregoing, each Purchaser may obtain title insurance from any company whether or not National Granite Title Insurance Agency Inc. However, Sponsor makes no representation with respect to cost, terms or availability of such title insurance if obtained from a different title insurance company. In addition, Sponsor shall not be obligated to satisfy any exceptions to title already omitted or otherwise satisfied by National Granite Title Insurance Agency Inc. Rather, should Purchaser utilize a title company other than National Granite Title Insurance Agency Inc.,

Purchaser's title company shall be required to contact National Granite Title Insurance Agency Inc. directly in order to obtain clearance of such pre-cleared objection(s).

11. Closing Adjustments.

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

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

(ii). Common Charges for the month in which title closes; and

(iii). Rent and other charges, if any, pursuant to any Interim Lease for the Unit.

(iv). Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit(s), 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(s) in question. The provisions of this subsection shall survive the Closing of title.

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

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

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

12. Purchaser's Closing Costs. At Closing, Purchaser will pay certain costs set forth in the Section of the Plan entitled "Unit Closing Costs and Adjustments". Any such Closing costs payable to the Sponsor or its attorneys will be payable by unendorsed certified check or official cashier's check drawn on a New York Bank.

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

14. New York City/New York State Real Property Transfer Tax. Purchaser shall pay any New York City Real Property Transfer Tax and New York State Transfer Tax due in connection with this transaction. Sponsor and Purchaser shall each duly complete and sign before a notary public the transfer tax returns required to be filed with the City of New York and the State of New York, respectively. The transfer tax returns shall be delivered at Closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer, together with Purchaser's check in payment of each such tax. Any service or handling fee in connection with the filing of such documents, shall be paid by the Purchaser, at Closing. The provisions of this Paragraph shall survive the Closing hereunder.

15. Mortgage Tax Credit. In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay to Sponsor, as an adjustment, the full amount (but not in excess thereof) of the mortgage recording tax otherwise chargeable on the entire amount being financed, notwithstanding the credit available pursuant to Section 339-ee(2).

16. Default.

A. Upon default of this Purchase Agreement by Purchaser, Sponsor shall have the right to cancel this Purchase Agreement by sending Purchaser thirty (30) days' prior written notice of its intention to do so. Purchaser shall have thirty (30) days from the giving of the cancellation notice within which to cure the default. TIME IS OF THE ESSENCE TO REMEDY SUCH DEFAULT WITHIN SAID THIRTY (30) DAY PERIOD. If the default is not timely cured, then Sponsor shall have the right to retain the Down Payment, as liquidated damages (but in no event to exceed 10% of the Purchase Price) and any sums in excess thereof shall be returned to Purchaser within forty-five (45) days thereafter; except for any payment made in regard to special ordered finishes or changes to the Unit negotiated by and being paid for by Purchaser. Upon cancellation of this Purchase Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and the Selling Agent will be automatically released of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as though this Purchase Agreement had never been made, and without accounting to Purchaser for the proceeds from such other sale.

B. If Purchaser fails for any reason to close title to his Unit(s) on the originally scheduled Closing Date, the closing apportionments described in Section 11(A) 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. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit(s) on the rescheduled Closing Date.

17. Acceptance of Condition of Building and Unit. Purchaser shall accept title (without abatement) in, or credit against, the Purchase Price or any provision for escrow deposits at the Closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not

prevent Purchaser's use of the Unit. Purchaser shall carefully inspect the Unit prior to the Closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, the Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the Closing of title. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent Certificate of Occupancy covering the Unit. Purchaser will receive five (5) business days' notice that the Unit(s) is available for inspection. If Purchaser fails to inspect the Unit within said five (5) day period, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (f) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property.

Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

Notwithstanding the foregoing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

18. Agreement Subject to Construction and/or Building Loan Mortgage. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made 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, 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 each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof with approval of such mortgagee. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit(s) and its (their) 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 its 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.

19. Abandonment of Plan. The Plan may be abandoned by Sponsor only under certain conditions and at certain times, as set forth in Part I of the Plan. Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if the Plan is abandoned, this Agreement shall be deemed cancelled and, not later than five (5) days following the filing of an amendment to the Plan complete with form RS-3, Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, and, upon making such payment, neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement and Plan.

20. Sponsor's Inability to Convey the Units. If Sponsor is unable to deliver title to the Unit(s) to Purchaser in accordance with the provisions of this Agreement and the Plan, 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, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability 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 inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder and, 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 fifteen (15) days after the giving of Sponsor's notice of refusal 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).

21. Fixtures, Appliances and Personal Property. Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan or their equivalent, as being part of the Unit(s) are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit(s).

22. 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:

A. A Purchaser who takes possession of an apartment that they are buying prior to Closing, assumes the risk of losses not covered by insurance. The risk of loss to the Unit by fire or other casualty is assumed by Sponsor until the earlier of Closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore 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 prior to the Closing on such apartment shall, subject to the rights of the 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 provision of the preceding sentence shall survive the Closing of title.

B. In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto and 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 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 such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

23. No Representation. Purchaser acknowledges that Purchaser has not relied upon any architect's or professional engineer'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 of 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 having relied solely on his 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.

24. Notices. Any notice 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 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, Turek Roth Grossman LLP, 377 Fifth Avenue, 6th Floor, New York, New York 10016), 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 sha11 be deemed given on the date when persona11y 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. Broker. Purchaser represents that the Selling Agent is the only broker with whom Purchaser has dealt in connection with this transaction. Sponsor agrees to pay the commission due the Selling Agent pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent, Purchaser will indemnify and hold harmless the Sponsor from any and all liabilities and expenses in connection therewith, including reasonable legal fees and disbursements. The provisions of this Paragraph shall survive the Closing.

26. Entire Agreement. This Purchase Agreement, constitutes the entire agreement between the parties.

27. Agreement May Not Be Assigned. Purchaser shall not have the right to assign or transfer this Purchase Agreement without the prior written consent of the Sponsor which consent may be withheld, conditioned or delayed at Sponsor's sole and absolute discretion. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Purchase Agreement, the Purchaser shall be required to pay Sponsor's attorney a fee of $1,000.00, in advance, for the preparation of an Assignment Agreement. Any purported assignment or transfer by Purchaser which is not made in strict compliance with this paragraph shall be void.

28. Further Assurances. Either party shall execute, acknowledge and deliver to the other party such instruments, as such other party may reasonably request in order to effectuate the provisions of this Purchase Agreement.

29. Waiver of Jury Trial. The parties expressly waive trial by jury in any action arising out of, or connected with, or relating to, this Purchase Agreement.

30. 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.

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

32. Successors and Assigns. Subject to the provisions of Paragraph 27 hereof, the provisions of this Purchase Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives and successors and shall bind and inure to the benefit of Sponsor and its successors and assigns.

33. Performance By and Liability of Sponsor. Purchaser' acceptance of the Deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law Section 352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed.

34. 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 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.

35. 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.

36. Strict Compliance. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

37. 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.

38. Rule of Construction. There shall be no presumption against the draftsman of this Agreement.

39. Lead-Based Paint Disclosure. Annexed hereto and incorporated herein as Schedule B, is the "Disclosure of Information on Lead-Based Paint and/or Lead Based Paint Hazards" required to be executed pursuant to the provisions of Federal regulation and the brochure "Protect Your Family From Lead In Your Home", prepared by the U.S. Environmental Protection Agency.

40. Amendments to the Plan. Subject to any provisions of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Down Payment, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

41. Smoking Policy. The Condominium has a smoking policy in place which prohibits smoking in any enclosed Common Areas of the Building as well as exterior Common Areas of the Building and Property. Smoking is generally permitted in the Units provided it does not interfere with the use and enjoyment of other Unit Owners or their tenants. The Smoking Policy is set forth in the Condominium's Rules and Regulations Number 22.

42. Counterparts. This Agreement may be executed in any number of counterparts and facsimile and/or other electronically transmitted signatures hereupon shall be deemed the equivalent of originals in all respects. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement.

43. No Oral Changes. **THIS PURCHASE AGREEMENT CANNOT BE CHANGED ORALLY. ALL CHANGES MUST BE SIGNED BY BOTH PARTIES TO THIS PURCHASE AGREEMENT.**

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

Date: Purchaser(s):

_____
(Signature)

_____
(Signature)

_____
(Print Name(s))

Sponsor: 163 BEACH 96TH STREET CONDOS LLC

By: _____

Escrow Agent: TUREK ROTH GROSSMAN LLP

By:_____

EXHIBIT A
Permitted Encumbrances

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

2. Survey exceptions, provided that same do not render title unmarketable.

3. The terms, covenants, restrictions and easements, all set forth in the Declaration, the By-laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Condominium Board and the Sponsor and the Floor Plans, all as may be amended from time to time.

4. Consents by the Sponsor or any former owner of the Land for the erection of any structure on any street on which the Land may abut.

5. Any easement in favor of any utility company for construction, use, maintenance, of all utility lines, wires, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Land and Building.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and stand pipes, and similar projections, if any, on, the Property or the streets or sidewalks abutting the Property and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases, and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, provided the same is adjusted at the Closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such Closing Date.

11. Any declaration or any other instrument affecting the Property which the Grantor 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.

12. Any encumbrance as to which either Ridge Abstract Corp, or the title insurance company which insures Purchaser's title to the Unit would be willing, without additional premium, to insure Purchaser that such encumbrance (a) will not be collected out of or enforced against the Unit and (b) will not prevent the use of the Unit for any lawful purpose.

13. Any recorded covenant, restriction and encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes including without limitation:

(a) Zoning Lot Description in CRFN 2019000179472; and
(b) Owner's Certification in CRFN 2019000179473.

14. Title to any personal property, whether the same be attached to or used in connection with the Property.

15. Any lease or tenancy or occupancy of, the Unit.

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

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

Disclosure Form for Target Housing Sales
Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure (initial)

_____(a) Presence of lead-based paint and/or lead-based paint hazards (check one below):

☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).
_____
_____

☐ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing

_____(b) Records and reports available to the seller (check one below):

☐ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).
_____
_____

☐ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (initial)

_____ (c) Purchaser has received copies of all information listed above.
_____ (d) Purchaser has received the pamphlet *Protect Your Family From Lead in Your Home*.
_____ (e) Purchaser has (check one below):

☐ Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

_____(f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

_____	_____	_____	_____
Seller	Date	Seller	Date
_____	_____	_____	_____
Purchaser	Date	Purchaser	Date
_____	_____	_____	_____
Agent	Date	Agent	Date

TP-584 (4/13)

New York State Department of Taxation and Finance

Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from the Payment of Estimated Personal Income Tax

Recording office time stamp

See Form TP-584-I, Instructions for Form TP-584, *before completing this form. Print or type.*

Schedule A — Information relating to conveyance

Grantor/Transferor	Name *(if individual, last, first, middle initial)* (☐ *check if more than one grantor)*	Social security number
☐ Individual ☐ Corporation ☐ Partnership ☐ Estate/Trust ☐ Single member LLC ☐ Other	Mailing address	Social security number
	City State ZIP code	Federal EIN
	Single member's name if grantor is a single member LLC *(see instructions)*	Single member EIN or SSN

Grantee/Transferee	Name *(if individual, last, first, middle initial)* (☐ *check if more than one grantee)*	Social security number
☐ Individual ☐ Corporation ☐ Partnership ☐ Estate/Trust ☐ Single member LLC ☐ Other	Mailing address	Social security number
	City State ZIP code	Federal EIN
	Single member's name if grantee is a single member LLC *(see instructions)*	Single member EIN or SSN

Location and description of property conveyed

Tax map designation – Section, block & lot *(include dots and dashes)*	SWIS code (six digits)	Street address	City, town, or village	County

Type of property conveyed *(check applicable box)*

1 ☐ One- to three-family house
2 ☐ Residential cooperative
3 ☐ Residential condominium
4 ☐ Vacant land
5 ☐ Commercial/Industrial
6 ☐ Apartment building
7 ☐ Office building
8 ☐ Other _____

Date of conveyance
month day year

Percentage of real property conveyed which is residential real property _____ %
(see instructions)

Condition of conveyance *(check all that apply)*

a. ☐ Conveyance of fee interest
b. ☐ Acquisition of a controlling interest (state percentage acquired _____ %)
c. ☐ Transfer of a controlling interest (state percentage transferred _____ %)
d. ☐ Conveyance to cooperative housing corporation
e. ☐ Conveyance pursuant to or in lieu of foreclosure or enforcement of security interest *(attach Form TP-584.1, Schedule E)*
f. ☐ Conveyance which consists of a mere change of identity or form of ownership or organization *(attach Form TP-584.1, Schedule F)*
g. ☐ Conveyance for which credit for tax previously paid will be claimed *(attach Form TP-584.1, Schedule G)*
h. ☐ Conveyance of cooperative apartment(s)
i. ☐ Syndication
j. ☐ Conveyance of air rights or development rights
k. ☐ Contract assignment
l. ☐ Option assignment or surrender
m. ☐ Leasehold assignment or surrender
n. ☐ Leasehold grant
o. ☐ Conveyance of an easement
p. ☐ Conveyance for which exemption from transfer tax claimed *(complete Schedule B, Part III)*
q. ☐ Conveyance of property partly within and partly outside the state
r. ☐ Conveyance pursuant to divorce or separation
s. ☐ Other *(describe)* _____

For recording officer's use	Amount received Schedule B., Part I $ Schedule B., Part II $	Date received	Transaction number

Schedule B — Real estate transfer tax return (Tax Law, Article 31)

Part I – Computation of tax due

1	Enter amount of consideration for the conveyance *(if you are claiming a total exemption from tax, check the exemption claimed box, enter consideration and proceed to Part III)* ☐ **Exemption claimed**	1.	
2	Continuing lien deduction *(see instructions if property is taken subject to mortgage or lien)*	2.	
3	Taxable consideration *(subtract line 2 from line 1)*	3.	
4	Tax: $2 for each $500, or fractional part thereof, of consideration on line 3	4.	
5	Amount of credit claimed for tax previously paid *(see instructions and attach Form TP-584.1,* Schedule G*)*	5.	
6	Total tax due* *(subtract line 5 from line 4)*	6.	

Part II – Computation of additional tax due on the conveyance of residential real property for $1 million or more

1	Enter amount of consideration for conveyance *(from* Part I*, line 1)*	1.	
2	Taxable consideration *(multiply line 1 by the percentage of the premises which is residential real property, as shown in* Schedule A*)*	2.	
3	Total additional transfer tax due* *(multiply line 2 by 1% (.01))*	3.	

Part III – Explanation of exemption claimed on Part I, line 1 *(check any boxes that apply)*

The conveyance of real property is exempt from the real estate transfer tax for the following reason:

a. Conveyance is to the United Nations, the United States of America, the state of New York, or any of their instrumentalities, agencies, or political subdivisions (or any public corporation, including a public corporation created pursuant to agreement or compact with another state or Canada) ..... a ☐

b. Conveyance is to secure a debt or other obligation ..... b ☐

c. Conveyance is without additional consideration to confirm, correct, modify, or supplement a prior conveyance ..... c ☐

d. Conveyance of real property is without consideration and not in connection with a sale, including conveyances conveying realty as bona fide gifts ..... d ☐

e. Conveyance is given in connection with a tax sale ..... e ☐

f. Conveyance is a mere change of identity or form of ownership or organization where there is no change in beneficial ownership. (This exemption cannot be claimed for a conveyance to a cooperative housing corporation of real property comprising the cooperative dwelling or dwellings.) Attach Form TP-584.1, Schedule F ..... f ☐

g. Conveyance consists of deed of partition ..... g ☐

h. Conveyance is given pursuant to the federal Bankruptcy Act ..... h ☐

i. Conveyance consists of the execution of a contract to sell real property, without the use or occupancy of such property, or the granting of an option to purchase real property, without the use or occupancy of such property ..... i ☐

j. Conveyance of an option or contract to purchase real property with the use or occupancy of such property where the consideration is less than $200,000 and such property was used solely by the grantor as the grantor's personal residence and consists of a one-, two-, or three-family house, an individual residential condominium unit, or the sale of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold covering an individual residential cooperative apartment ..... j ☐

k. Conveyance is not a conveyance within the meaning of Tax Law, Article 31, section 1401(e) *(attach documents supporting such claim)* ..... k ☐

*The total tax (from Part I, line 6 and Part II, line 3 above) is due within 15 days from the date conveyance. Please make check(s) payable to the county clerk where the recording is to take place. If the recording is to take place in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, make check(s) payable to the ***NYC Department of Finance.*** If a recording is not required, send this return and your check(s) made payable to the ***NYS Department of Taxation and Finance,*** directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-0045.

Schedule C — Credit Line Mortgage Certificate (Tax Law, Article 11)

Complete the following only if the interest being transferred is a fee simple interest.
I (we) certify that: *(check the appropriate box)*

1. ☐ The real property being sold or transferred is not subject to an outstanding credit line mortgage.

2. ☐ The real property being sold or transferred is subject to an outstanding credit line mortgage. However, an exemption from the tax is claimed for the following reason:
   - ☐ The transfer of real property is a transfer of a fee simple interest to a person or persons who held a fee simple interest in the real property (whether as a joint tenant, a tenant in common or otherwise) immediately before the transfer.
   - ☐ The transfer of real property is (A) to a person or persons related by blood, marriage or adoption to the original obligor or to one or more of the original obligors or (B) to a person or entity where 50% or more of the beneficial interest in such real property after the transfer is held by the transferor or such related person or persons (as in the case of a transfer to a trustee for the benefit of a minor or the transfer to a trust for the benefit of the transferor).
   - ☐ The transfer of real property is a transfer to a trustee in bankruptcy, a receiver, assignee, or other officer of a court.
   - ☐ The maximum principal amount secured by the credit line mortgage is $3,000,000 or more, and the real property being sold or transferred is **not** principally improved nor will it be improved by a one- to six-family owner-occupied residence or dwelling.

     Please note: for purposes of determining whether the maximum principal amount secured is $3,000,000 or more as described above, the amounts secured by two or more credit line mortgages may be aggregated under certain circumstances. See TSB-M-96(6)-R for more information regarding these aggregation requirements.
   - ☐ Other *(attach detailed explanation)*.

3. ☐ The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:
   - ☐ A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.
   - ☐ A check has been drawn payable for transmission to the credit line mortgagee or his agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.

4. ☐ The real property being transferred is subject to an outstanding credit line mortgage recorded in _____ (insert liber and page or reel or other identification of the mortgage). The maximum principal amount of debt or obligation secured by the mortgage is _____. No exemption from tax is claimed and the tax of _____ is being paid herewith. *(Make check payable to county clerk where deed will be recorded or, if the recording is to take place in New York City but not in Richmond County, make check payable to the **NYC Department of Finance.**)*

Signature (both the grantor(s) and grantee(s) must sign)

The undersigned certify that the above information contained in schedules A, B, and C, including any return, certification, schedule, or attachment, is to the best of his/her knowledge, true and complete, and authorize the person(s) submitting such form on their behalf to receive a copy for purposes of recording the deed or other instrument effecting the conveyance.

Grantor signature	Title	Grantee signature	Title

Grantor signature	Title	Grantee signature	Title

Reminder: Did you complete all of the required information in Schedules A, B, and C? Are you required to complete Schedule D? If you checked *e*, *f*, or *g* in Schedule A, did you complete Form TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place or, if the recording is in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, to the ***NYC Department of Finance***? If no recording is required, send your check(s), made payable to the ***Department of Taxation and Finance,*** directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-0045.

Schedule D - Certification of exemption from the payment of estimated personal income tax (Tax Law, Article 22, section 663)

Complete the following only if a fee simple interest or a cooperative unit is being transferred by an individual or estate or trust.

If the property is being conveyed by a referee pursuant to a foreclosure proceeding, proceed to Part II, and check the second box under *Exemptions for nonresident transferor(s)/seller(s)* and sign at bottom.

Part I - New York State residents

If you are a New York State resident transferor(s)/seller(s) listed in Schedule A of Form TP-584 (or an attachment to Form TP-584), you must sign the certification below. If one or more transferors/sellers of the real property or cooperative unit is a resident of New York State, **each** resident transferor/seller must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all resident transferors/sellers.

Certification of resident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) as signed below was a resident of New York State, and therefore is not required to pay estimated personal income tax under Tax Law, section 663(a) upon the sale or transfer of this real property or cooperative unit.

Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date

Note: A resident of New York State may still be required to pay estimated tax under Tax Law, section 685(c), but not as a condition of recording a deed.

Part II - Nonresidents of New York State

If you are a nonresident of New York State listed as a transferor/seller in Schedule A of Form TP-584 (or an attachment to Form TP-584) but are not required to pay estimated personal income tax because one of the exemptions below applies under Tax Law, section 663(c), check the box of the appropriate exemption below. If any one of the exemptions below applies to the transferor(s)/seller(s), that transferor(s)/seller(s) is not required to pay estimated personal income tax to New York State under Tax Law, section 663. **Each** nonresident transferor/seller who qualifies under one of the exemptions below must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all nonresident transferors/sellers.

If none of these exemption statements apply, you must complete Form IT-2663, *Nonresident Real Property Estimated Income Tax Payment Form*, or Form IT-2664, *Nonresident Cooperative Unit Estimated Income Tax Payment Form.* For more information, see *Payment of estimated personal income tax,* on page 1 of Form TP-584-I.

Exemption for nonresident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) (grantor) of this real property or cooperative unit was a nonresident of New York State, but is not required to pay estimated personal income tax under Tax Law, section 663 due to one of the following exemptions:

☐ The real property or cooperative unit being sold or transferred qualifies in total as the transferor's/seller's principal residence (within the meaning of Internal Revenue Code, section 121) from _____ (Date) to _____ (Date) *(see instructions)*.

☐ The transferor/seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure, or in lieu of foreclosure with no additional consideration.

☐ The transferor or transferee is an agency or authority of the United States of America, an agency or authority of the state of New York, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.

Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date

Department of Taxation and Finance

Change in Mailing Address for Certain Real Estate Transfer Tax Forms if Using a Private Delivery Service

TP-39
(1/17)

There has been a change to the address that must be used when submitting certain forms through a private delivery service rather than by U.S. Mail.

Send **Form TP-584**, *Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from the Payment of Estimated Personal Income Tax,* to:

NYS TAX DEPARTMENT
RETT PROCESSING UNIT
90 COHOES AVE
GREEN ISLAND NY 12183-1515

Send **Form TP-588**, *Cooperative Housing Corporation Information Return,* to:

NYS TAX DEPARTMENT
TDAB – TRANSFER TAX
90 COHOES AVE
GREEN ISLAND NY 12183-1515

See Publication 55, *Designated Private Delivery Services,* for information about establishing the date you filed, and for the address to use for other forms.

Department of Taxation and Finance

Important Notice to Home Buyers

TP-41
(6/16)

If you are buying residential property and you plan to make it your primary residence, you may be entitled to school tax relief through the New York State STAR credit. To receive this credit, you must register with the Tax Department after you have taken title to the property. To register or to get more information, visit our website at *www.tax.ny.gov* or call 518-457-2036. Do **not** file an application for the STAR "exemption" with your assessor, since new STAR exemptions will no longer be granted. School tax relief is now provided to new applicants through the STAR credit.

POWER OF ATTORNEY

All terms used in this Power of Attorney that are used (a) in the Declaration establishing a plan for Condominium ownership of the premises known as Surf House 1 Condominium (the "Condominium") and by the street number 163 Beach 96th Street, Rockaway Beach, New York, under Article 9B of the Real Property Law of the State of New York, dated _____, 20__, and recorded in the Kings County office of The Register of the City of New York on _____, 20__, in Reel ___, at page ___, (herein referred to in the "Declaration"), or (b) in the By-laws of the Condominium (herein referred to us the "By-laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-laws.

The undersigned, _____ residing at _____, _____, _____, the owner of the Condominium Unit known as Unit No. ___ in the Condominium located at 163 Beach 96th Street, Rockaway Beach, New York as designated and described in the Declaration as Unit No.___ and also designated as Tax Lot ___ in Block 16169 in the Borough of Queens on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of the Condominium ("Floor Plans"), does hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of the Condominium, and their successors in office, true and lawful attorneys-in-fact for the undersigned, with a power coupled with an interest, with power of substitution, (1) to acquire, in their own names as members of the Board of Managers or in the name of their designee, corporate or otherwise, on behalf of all owners of Units in said Condominium, in accordance with their respective common interests, any Condominium Unit whose owner desires to abandon or sell, transfer or assign the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale or lease thereof, if any, and the interest of such Unit Owner in all other assets of the Condominium (herein collectively called the "Appurtenant Interests"), or which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose owner desires to rent the same, at such prices or at such rental, as the case may be, and on such other terms, and conditions as such attorneys-in-fact shall deem proper and thereafter to convey, sell, lease, mortgage, vote the votes appurtenant thereto (except for election of Managers), or otherwise deal in any such Unit so acquired by them, or to sublease any such Unit so leased by them, on such terms and conditions 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 and (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium which the Board of Managers of the Condominium deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium or (b) any agreement, consent, covenant, restriction, easement or declaration, or any amendment thereto affecting the Condominium or the Common Elements, that the Board of Managers deems necessary or appropriate, provided that such change is consistent with such Declaration and applicable Law.

The undersigned does hereby further irrevocably nominate, constitute and appoint 163 BEACH 96TH STREET CONDOS LLC (herein the "Sponsor") and its successors as my (our) true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in the undersigned's name and on the undersigned's behalf to vote at any Unit Owners' meeting for, and to file an amendment to the Declaration, By-laws, Rules and Regulations and Floor Plans 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 there from made by the Sponsor or its designee in accordance with the Declaration or (2) shall be required by (a) an Institutional Lender designated by the 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 the 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 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 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 its designees shall cease to own any of the Units in Surf House 1 Condominium.

This Power of Attorney is irrevocable and coupled with an interest.

IN WITNESS WHEREOF, I (we) have executed this Power of Attorney this _____ day of _____, 202_.

_____

_____

STATE OF NEW YORK)
: ss.:
COUNTY OF _____)

On the _____ day of _____, in the year _____, before me, the undersigned, a Notary Public in and 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 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

FORM OF UNIT DEED

THIS INDENTURE, made the _____day of _____, 201_, between 163 BEACH 96TH STREET CONDOS LLC, a limited liability company, having an office at 82-17 153RD Street, Suite 200, Howard Beach, NY 11414, ("Grantor") and_____, residing at _____, _____, _____ _____ ("Grantee").

W I T N E S S E T H:

That the Grantor, in consideration of Ten ($10) Dollars and other good and valuable consideration paid by the Grantee the receipt and adequacy of which are hereby acknowledged, does hereby grant and release onto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (the "Unit") known as Unit No. ___ in the building (the "Building") known as Surf House 1 Condominium (the "Condominium") and by the street number 163 Beach 6th Street, County of Queens, City and State of New York, said Unit being designated and described as Unit No. ___ in that certain Declaration dated _____ made by the Grantor, pursuant to Article 9B 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 (the "Land") upon which the Building is situated (which Land is more particularly described in Schedule A annexed hereto and made a part hereof) which Declaration was recorded in the Queens County Office of the Register of the City of New York (the "City Register's Office") on the _____ day of _____, 202_, as CRFN #_____ (the "Declaration"). The Unit is also designated as Tax Lot ___ in Block 16169 of the County of the Queens, on the Tax Map of the Real Property Assessment Department and on the Floor Plans of said building, certified by _____, registered architect on the ____ day of _____, 202_ and filed with the Real Property Assessment Department on _____ __, 202_ as Condominium Plan No. _____ and also filed in the City Register's Office on _____. 202_, as Condominium Map No. ____

TOGETHER with an undivided ____ (___%) percent interest in the Common Elements (as such item is defined in the Declaration);

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

TOGETHER with, and SUBJECT to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration, Floor Plans and the By-laws of the Condominium, as each of the same may be amended from time to time (said By-laws and any amendments thereto are hereinafter collectively referred to as the "By-laws"), all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein;

Subject also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively referred to as the "Property");

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

Except as otherwise specifically permitted by the Condominium Board, the Unit is intended for residential use or for any other lawful purpose.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-laws.

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

By executing this deed, the Grantee accepts and ratifies the provisions of the Declaration and the By-laws and the Rules and Regulations of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof, as the same may be amended from time to time by instruments recorded in the City Register's Office.

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

Grantor: 163 BEACH 96TH STREET CONDOS LLC

By:_____
Member

Grantee: _____
Grantee: _____

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, a Notary Public in and 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 NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, a Notary Public in and 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

SCHEDULE A

The land is bounded and described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough and County of Queens, City and State of New York, bounded and described as follows:

BEGINNING at a point on the Westerly side of 96th Street (Bond Avenue), 340 feet Southerly from the corner formed by the intersection of the Westerly side of Beach 96th Street with the Southerly side of Rockaway Beach Boulevard (Rockaway Boulevard);

RUNNING THENCE Westerly at right angles to Beach 96th Street, 100.55 feet;

THENCE Southerly parallel with Beach 96th Street, 50 feet;

THENCE Easterly at right angles to Beach 96th Street, 100.55 feet to the Westerly side of Beach 96th Street;

THENCE Northerly along the Westerly side of Beach 96th Street, 50 feet to the point or place of BEGINNING.

FOR CONVEYANCING ONLY, IF INTENDED TO BE CONVEYED: TOGETHER WITH ALL RIGHT, TITLE AND INTEREST OF, IN AND TO ANY STREETS, ROADS, OR AVENUES ABUTTING THE ABOVE DESCRIBED PREMISES, TO THE CENTER LINE THEREOF.

ARCHITECT REPORT

THE Surf House 1 Condominium

Prepared By:
REFORM Architecture PLLC
June 16, 2021

SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) LOCATION AND USE OF PROPERTY

(1) Address:

The building will be located at 163 Beach 96th Street in The Rockaways Section of the Borough of Queens, County of Queens, City and State of New York in zip code 11693.

(2) Block and lot number:

The site will be located on Tax Lot number 63 in Tax Block number 16169.

(3) Zoning:

The site is located in R5D Zone with a no zoning overlay, as designated on Map number 30C of the 1961 Zoning Resolution. The building will be developed with some standards of a Quality Housing project located in New York City as per Section 28-01 of the NYC Zoning Resolution. The Quality Housing Program as applied to an R5D district will require Refuse Storage & Disposal, Planting Area, and Accessory Parking as applicable. The building is in compliance of Quality Housing requirements as per plans submitted and approved by the NYC Department of Buildings.

(4) Permissible Use: The Zone permits Residential use as of right.

The Property and proposed use will comply with all zoning and use requirements at closing.

(5) This project has been filed under the Quality Housing Program and is in compliance with all its requirements:

a) 1 tree per 25' of street frontage	- 2 Street trees will be paid into fund
b) Min. area of dwelling unit 300 SF	- Complying
c) Windows shall be double glazed	- Complying
d) Refuse storage	- Complying
e) Parking for 7 cars (66% of D.U.)	- Complying
Recreational Space	- Based on Section 28-01 of New York City Zoning resolution, recreational space is not required in R5D Districts.

(6) The entire building and all units (1A, 2A, 2B. 2C, 2D, 3A, 3B, 3C, 4A, 4B, 4C) are designed within the requirements of all applicable federal, state and local code and regulation governing accessibility to the disabled including the ADAAG standard and local law 58/87.

(b) **STATUS OF CONSTRUCTION**

(1) Year built:

The building is a proposed new building. Construction started in September 2019 and completion is expected in December 2020 or January 2021.

(2) Class of construction:

The Class of Construction will be II-A as described by Table 601 of the 2014 New York City Building Code. The primary structural frame will consist of non-combustible materials with a minimum fire protection rating of one hour. Interior and Exterior Bearing walls will consist of non-combustible materials with a minimum fire protection rating of one hour. Exterior non-bearing walls offset from the lot line but not less than 30' from the lot line will consist of non-combustible materials with a minimum fire protection rating of one hour as described by Table 602 of the 2014 New York City Building Code. Interior non-bearing walls may consist of combustible materials except where required for other fire ratings such as separation between units, or between the units and the means of egress, which shall consist of non-combustible materials with a minimum fire protection rating of two hours. Structural floor and ceiling assemblies shall be of non-combustible materials with a minimum rating of one hour. Structural roof and ceiling assemblies shall be of non-combustible materials with a minimum rating of one hour.

(3) Certificate of Occupancy, type and number:

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

(4) Permit numbers and description of work done:

The building is being constructed as per plans which were filed with and approved by the Brooklyn Office of the N.Y. City Department of Buildings. The building plans have been assigned Department of

Buildings application number 420665131. Permit number 420665131 -01-NB has been issued by the NYC Department of Buildings for the construction of the new building.

(c) **SITE**

(1) Size and location:

The site is located on the west side of Beach 96th Street between Rockaway Beach Boulevard and Shore Front Parkway, the northeast corner of the site is 340'-0" from the southwest corner of the intersection of Beach 96th Street and Rockaway Beach Boulevard. The site has a frontage of 50'-0" along Beach 96th Street. The site has an area of approximately 5,000.0 square feet.

(2) Number of buildings and use:

There will be one building constructed with 11 residential units.

(3) Streets owned or maintained by the project:

(i) Paving (material and condition);

The streets beyond the lot lines are existing, New York City sidewalks, curbs and roadways. Beach 96th Street is an existing 40' wide one-way street. There are no existing sidewalk vaults and new sidewalk vaults are not part of the construction. The existing concrete sidewalk will be repaired or replaced with a new concrete sidewalk and curb, as is required for all new buildings, when construction is near completion as directed by the N.Y. City Department of Transportation. The sidewalks providing access to the building shall be free of tripping hazard and ponding. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant

(ii) Curbing (material and condition);

There is an existing concrete curb fronting the property. The existing concrete curb fronting the property will be repaired or replaced with a new concrete curb, as is required for all new buildings, when construction is near completion as directed by the N.Y. City Department of Transportation. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant

(iii) Catch Basins (location and condition);

The roadway is asphalt paved. The roadway fronting the property will be repaired as directed by the N.Y. City Department of Transportation when construction is near completion. Existing catch basins are located in the roadway to drain the storm water run-off, into the existing New York City Sewer System. The existing catch basins are in good condition and are constructed of concrete with steel grating covers and are located on the southwest corner of Beach 96th Street and Rockaway Beach Boulevard and the north corners of Beach 96th Street and Shore Front Parkway. The existing catch basins have been installed by the N.Y. City Department of Transportation.

(iv) Street lighting (material, type, location and condition);

The existing street lighting is provided by the City of New York, and consists of vertical wood utility poles surmounted with mercury arc lamps in metal enclosures. The existing street lights are located, at the sidewalk close to the curb, on the west side of the roadway along Beach 96th Street. The existing street lighting is in good condition.

(v) Conformity with municipal codes;

The sidewalk paving, curb, catch basins and street lighting is designed to conform to the standards of the N.Y. City Department of Transportation and the N.Y. City Department of Buildings and the N.Y. City Building Code and will be subject to approval and inspection by these agencies. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant

Building and units are designed within the requirements of all applicable federal, state and local code and regulation governing accessibility to the disabled including the ADAAG standard and local law 58/87. All residential units and all floors are in compliance with ADA requirements.

(4) Drives, sidewalks and ramps:

(i) Paving (material and condition);

There will be a paved driveway on the property. The driveways will be concrete scored with 5'-0"x5'-0" Flags to match adjacent sidewalk.

(ii) Curbing (material and condition);

There will be a concrete curb cut on the property filed under application #Q00145928.

(iii) Catch Basins drainage (location and condition);

There will be no catch basins on the property. There will be cast iron area yard drains at the ground floor level in the parking lot, and a linear drain at the entrance of the driveway which will be connected to the building's dry well storm drainage system.

(iv) Street lighting (material, type, location and condition);

There will be no street lighting on the property.

(v) Conformity with municipal codes;

All paving and drainage devices have been designed to conform to the

standards of the N.Y. City Department of Buildings and the Building Code.

(d) **UTILITIES**

- **Water,** will be provided by the City of New York, and water consumption will be metered collectively and shall be billed to the unit owners as part of the common charges.
- Natural **Gas,** will be provided by National Grid and will supply common area heating, and domestic cooking fixtures; and will be metered collectively and shall be billed to the unit owners as part of the common charges.
- **Electricity,** will be provided by the PSE&G Company, and each unit will be separately metered and billed directly to each Unit Owner. Electrical cost associated with common areas such as lighting and elevator shall be paid by the Condominium's Board of Managers as a common charge.
- **Telephone** service, will be provided by the local phone company, phone line connection to each apartment is the responsibility of the unit owner. There will be two (2) phone lines provided for the monitored fire alarm system and one for the elevator and associated costs shall be paid by the Condominium's Board of Managers as a common charge.
- The **Sanitary** waste will be carried from the building into the existing New York City Sewer System will be metered collectively and shall be billed to the unit owners as part of the common charges..
- The **Storm** water runoff will be transported to the building's dry well storm drainage system and not to the N.Y. City Storm Drainage and

Sewer System.

- **Cable** Each Residential Unit will be pre-wired for cable television service. The charges for primary connections and subsequent monthly fees related to the service will be determined by and payable directly to the cable company of Unit Owner's choice (subject to available service). Sponsor makes no representation that cable television service will be available to any Unit Owner upon her/his initial occupancy of their Unit.

(e) SUB-SOIL CONDITIONS

(1) The soil at the bottom of the footings is class 3b soil, as per a subsurface test boring -which was performed by Soil Mechanics Drilling Corp., 3770 Merrick Road, Seaford, NY 11783 on 08/23/2018. The soil has a maximum safe bearing capacity of 3 TSF, equal the allowable bearing capacity of approximately 3 tons per square foot as per the N.Y. City Building Code table 1804.1.

(2) There is no apparent evidence of uneven foundation movement, settling, cracking, mortar joint decay, etc.

(3) As of the date of this report, moisture could not be witnessed due to the early status of construction. Tidal influence was reported by the boring company at an approximate depth of 7'-6" below grade.

(4) There is no apparent danger from flooding due to a water table overflow from subsurface bodies of water. The site and surrounding properties are relatively flat and there is no apparent potential for mudslides or erosion from the surrounding properties. The foundation walls shall be protected with troweled on mastic waterproofing at the exterior below grade surfaces. There will be pipe drains installed for water infiltration

prevention.

(5) There are no land subsidence or expansive soils. New York City records and New York State records do not indicate the presence of hazardous materials, and/or environmental restrictions on the property.

(6) The Project is located in a FEMA Special Flood Hazard Zone X according to map number 3604970379F of the Effective September 5, 2007 Flood Insurance Rate Map. Zone X indicates minimal risk areas outside the 1-percent and .2-percent-annual-chance floodplains. No BFEs or base flood depths are shown within these zones. (Zone X (unshaded) is used on new and revised maps in place of Zone C.)

The Project is located in a FEMA Special Flood Hazard Zone AE according to map number 3604970379G of the Preliminary December 5, 2013 Flood Insurance Rate Map. Building foundation is accurately sized to support the calculated load. Zone AE are subject to inundation by the 1-percent-annual-chance flood event determined by detailed methods. BFEs are shown within these zones. The Flood Elevation is set at 10 feet. (Zone AE is used on new and revised maps in place of Zones A1–A30.)

Because the *effective* flood zone rating is X, flood insurance is not required. If and when the Preliminary 2013 FIRM Map is implemented, homeowners will be required to buy flood insurance if they have a federally backed mortgage. Also, homeowners who have received federal disaster assistance for flood damage will be required to buy flood insurance in order to be eligible for future assistance.

Sponsor has owned the property since 2018. There has been no flooding since then, and the Sponsor does not know the extent of the flooding before that.

(f) LANDSCAPING AND ENCLOSURES

(1) There will be a front yard area of the building which will be raised and planted and will serve as a limited common element to Unit 1A. The rear yard area shall be a common element and will serve as a parking area for cars and bicycles. The rear yard shall be paved; sponsor will not provide grass coverage or landscaping.

(2) There will be two (2) trees paid into the Tree Fund as required by the NYC Parks Department guidelines.

(3) There will be a 6'-0" high horizontal composite wooden fence at the perimeter of the rear yard. There will be a 6'-0" high horizontal composite wooden fence in the front on the sides of the building lot.

(4) There will be a gate to the main entry at the exterior of the property. There will be a two gates to the raised front yard area; one opening to the driveway and one opening to the sidewalk.

(5) There will be no garden walls at open yard areas.

(6) There will be no retaining walls at open yard areas.

(7) There will be no display pools or fountains at open yard areas.

(g) BUILDING SIZE

(1) The building will be a total height of approximately 64'-6" measured from the Baseplane elevation to the top of the roof above the elevator bulkhead.

(2) There will be no crawl spaces within the building.

(3) There will be no cellar level below the first floor level of the building.

(4) The building will consist of 4 stories and a roof deck.

(5) The approximate gross square footages of each floor (including common areas) are as follows:

First Floor	approximately	= 1,266.20 sq. ft.
Second Floor	approximately	= 2,877.70 sq. ft.
Third Floor	approximately	= 2931.80 sq. ft.
Fourth Floor	approximately	= 2931.80 sq. ft.

(6) There will be a sprinkler/water meter room and refuse room on the first floor. The electrical meters will be installed under the covered area of the first floor but not in an enclosed room, adjacent to parking space #7.

(7) There will be a parapet built of alternating masonry and aluminum railing, with a minimum height of three feet and six inches (masonry areas will be 4'-0" tall) above the finished roof level and the roof above the bulkhead. The railing shall be designed to not create a ladder effect.

(h) STRUCTURAL SYSTEM

The structural system for the building will be a bearing wall type system and will consist of perimeter, load bearing masonry walls which will support steel C-joists and steel wide flanges which will support steel C-joists that ultimately support corrugated steel decks and reinforced lightweight concrete slabs.

The elevation of all interior spaces is at least one foot above the flood elevation as determined by the effective 2007 Flood Insurance Rate Map; there is no basement or cellar to flood.

The foundations will consist of poured, reinforced concrete footings for support of

the foundation walls below the first floor level. The foundation walls shall also be constructed of poured, reinforced concrete with the exception of the previously existing flat stone foundation wall on the northeast foundation wall. There will be underpinning underneath the adjacent buildings, in a sequential order under the adjacent building's foundation using soldier piles.

The foundation walls shall be protected with Preprufe waterproofing at the exterior below grade surfaces. There will be gravel and compacted earth fill adjacent to the foundation walls. There shall be a perimeter drain system. The slab on grade shall be waterproofed and protected by system which comprises 6" of gravel and a 10 millimeter vapor barrier.

The interior floor at the ground floor level shall be a poured, reinforced concrete slab on grade. The first floor slab consists of a 6" thick poured concrete slab with 6"x6" W2.9xW2.9 welded wire fabric over a 10 millimeter polyeurethane vapor barrier and 6" compacted gravel. The interior floor assembly at the upper floors shall be engineered wood or tile flooring on a poured, reinforced concrete slab on composite steel decking, supported by steel joists. The steel decking will be supported by the masonry, bearing walls and steel girders and joists.

The sound insulation between the floors shall be of resilient furring channels, running perpendicular to the floor joists filled with 6" acoustic mineral batt. insulation, with a layer of gypsum wall board over the furring strips.The proposed design of the floors and ceiling cavity should provide an IIC (Impact Insulation Class) of 50 or greater however the IIC was not and will not be measured.

The construction class of the building shall be combustible Construction Type II A as per Table 601 of the 2008 N.Y. City Building Code.

(1) Exterior of buildings:

(i) Walls:

The exterior walls shall be mainly of load-bearing, masonry blocks bonded to brick or stucco. Weep holes shall be provided in the outside wythe of masonry walls at a maximum spacing of 16 inches on center. Weep holes shall not be less than 3/16 inch in diameter. Weep holes shall be located immediately above the flashing. There shall be a continuous through wall metal flashing.

The construction of the exterior walls shall be as follows, front façade shall be of ACM Panels, brick, wood and ATAS Rigidwall Metal. The rear of the building shall be of brick, ACM Panel and ATAS metal Rigidwall. The sides of the building shall be of ATAS metal Rigidwall panels and the bulkhead will be composed of Internally Drained EIFS panels. The Building's exterior walls are constructed using rainscreen panel systems and Exterior Insulation and Finish Systems (EIFS). Repair, replacement and/or remediation of facades using these systems may be required in the future, as per current industry standards.

All exterior walls shall be constructed of materials and assemblies to provide a 2-hour fire rating.

The interior finish shall be of gypsum wallboards on steel furring channels at the inside surfaces of the load-bearing, masonry walls. The spaces between the metal furring channels shall be fitted exterior rigid insulation with a minimum R value of 10. The exterior wall composition shall have a thermal performance value in compliance with Chapter 8 of the New York State Energy Conservation Construction Code.

The rating of interior walls shall be determined by what spaces they separate. Interior walls separating units from common spaces, or units from other units shall be constructed of materials and assemblies to provide a 2-hour fire rating and a Sound Transmission Class (STC) of 56. Interior walls within units are not required to be and shall not be fire-rated.

The building will be less than six stories in height and therefore does not have to comply with Local Law 11 of 1998 which supersedes Local Law 10.

(ii) Windows:

Windows are to be double-glazed and mainly of the top hung type, as manufactured by Pella. Glazing shall be set in hollow metal frames with a painted finish. The perimeter of window openings shall be fitted with at interior and exterior surfaces and will be flashed on the exterior surface. Air infiltration rate of windows shall not exceed 0.3 cfm per square foot and shall comply with Chapter 8 of the New York State Energy Conservation Construction Code.

The manufacturer provides a guarantee of one year for parts and hardware, and five years glazing. Installation is warranted by Tahoe Development Corporation for one year.

Window sills shall be constructed of wood. Corrosion resistant lintels above window openings shall be of steel fabrication.

The interior finish of the lintels shall be of gypsum wallboards on steel furring channels at the inside surfaces.

All exterior metals, including fasteners, screens, storm, sash, and hardware shall be corrosion resistant. All windows shall be

provided with a thermal break.

There will be no lot line windows.

The Sponsor reserves the right to provide windows by different manufacturers, which are equal to or better quality than noted above.

(iii) Landmark status:

The building will not be located in a Landmark area nor will the building be designated Landmark status.

(2) Parapets and copings:

Four foot (in masonry portions of parapet) high parapets shall be constructed of load bearing masonry walls with horizontal, steel wire, truss reinforcement. On the two side walls, the parapets will be insulated and sheathed with a horizontally applied “ATAS” Rigid Wall. On the front facade, the parapet will be a masonry curb with aluminum coping and a 3’-6” high metal railing running continuously between the two side wall parapets. On the rear facade, the parapet will be a masonry curb with aluminum coping and a 3’-6” high metal railing running continuously between the two side wall parapets. The side wall parapets will be 3’-6” high and sheathed with ATAS Rigidwall Corrugated metal with aluminum coping. Flashing and counter flashing shall be provided as described below in section (h)(7)(e) (structural system, Roof and roof structure, flashing materials) of this report.

(3) Chimney and caps:

There will be lateral, stainless steel, double walled flues, provided for the direct ventilation of the heating equipment, located within each residential unit. Four 4” flues shall terminate at the roof for the hot water heaters.

(4) Balconies and terraces:

There will be cantilevered balconies located in the front and rear at the second

floor through the fourth floor of the building and a roof intended for occupancy located at the bulkhead level. Balconies will be constructed of concrete, reinforced with wire mesh and supported with steel beams and channels.

Balconies will be located off of the living rooms of units 2B, 2C, 2D, 3B, 3C, 4B, and 4C; and off a bedroom of unit 2A, two bedrooms in unit 3A, and two in unit 4A.

Balconies are limited common elements and must remain open as-built. If an owner wants to install an enclosure and the Condominium's Board of Managers approves, the enclosure must be built via the proper approval and in strict compliance with the requirements of theLocal Authority Having Jurisdiction.

(i) Deck finish:

Balcony decks will be finished with a non skid concrete finish. The deck finish of the roof shall be appropriate for traffic expected for access to repair and maintenance areas and for recreational use. See (h),7,(c) of this report.

All exterior metals, including fasteners, shall be corrosion resistant.

(ii) Drainage:

Balconies will be sloped to roof drains. Water runoff will be conveyed to the building's storm drain system.

(iii) Balustrade:

There will be no balustrades.

(iv) Railings:

Balconies shall be protected at the perimeter with full height metal railing with a minimum height of three feet, six inches (3'-6") above the finished balcony level. The maximum spacing between vertical mullions of the aluminum railings shall be a maximum of four

inches (4") as required by the N.Y. City Building Code. The railing shall be designed to not create a ladder effect.

All exterior metals, including fasteners, shall be corrosion resistant.

(v) Copings:

The aluminum coping at the parapet walls of the roof shall be metal secured with aluminum cleats.

(vi) Soffits:

The soffits of the balconies shall be finished with Trespa Panel Linear Planks.

(vii) Doors to balconies, terraces and yards (type, material):

The doors to balconies shall be swinging glass doors as manufactured by Pella. The doors shall be equipped with double paned, glass set in hollow metal framing which shall be finished with paint. Doors shall be equipped with an entry type lockset. The distance between the finished deck level and the bottom of the sliding glass doors shall be approximately two (2) inches. All windows and doors shall be insulated glass as per minimum requirement of the New York State Energy Code. All exterior glass doors are provided with a thermal break system.

(5) Exterior Entrances:

(i) Exterior doors and frames:

There will be 2 separate common exterior entrance doors located at the first floor level of the building; one along the Beach 96th Street façade servicing the first floor and one in the rear yard parking area servicing the first floor. There will be 1 exterior entrance for Unit 1A which is a limited common element, servicing that unit's

living room and bedroom from the front yard.

The front entrance at the first floor shall provide access to the stairs and elevator leading to the units located at the upper floors via a common entry area. The exterior entrance door shall be a self closing, double glazed, double glass doors set in hollow metal framing. Exterior doors come equipped with and will utilize a thermal break system which will further reduce temperature transfer. The entrance door shall be equipped with an entry type lockset manufactured by Kwikset model # 883351072861 which shall be fitted with an electronic release connected to the intercom system (common entrance only). Exterior entrances shall be built free of tripping hazards. Water runoff from surface area will be conveyed to the existing combined sewer fronting the property. Exterior entrances shall be ADA compliant with a min width of 3'-0" and to have a perpendicular clear width of 33". All exterior metals, including fasteners, shall be corrosion resistant.

(ii) Vestibule doors and frames:

There will be no entrance vestibule doors.

(iii) Exterior stairs:

There will be no exterior stairs.

(iv) Railings:

The front yard and front gate will be set in a 4' high steel (2"x2" vertical members) and wood (6"x1" &1.5"x1" horizontal strips) railed fence that runs the perimeter of the front yard.

(v) Mail boxes:

Mailboxes shall be a wall mounted, cluster box unit of aluminum construction located on the exterior side of the front entry door.

The mailbox shall meet the USPS STD-4C requirements.

(vi) Lighting:

There will be wall mounted lighting fixtures provided adjacent to the entrances at the front of the building. Lighting fixtures will also be provided in the front, and rear yard areas of the building. The 3 fixtures at front area of the building shall be capable of providing an aggregate illumination of 48 Watts LED or CFL energy efficient illumination (equivalent to three-hundred (300) watts incandescent illumination). The lighting fixture at the main entrances to the units shall be capable of providing an aggregated illumination of 40 Watts LED or CFL energy efficient illumination (equivalent to two hundred and sixty (260) watts incandescent illumination). The fixtures at the rear yard areas shall be capable of providing an aggregate illumination of 81 Watts LED or CFL energy efficient illumination (equivalent to five-hundred (500) watts incandescent illumination). The requirements shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws. All lighting fixtures shall be installed by N.Y. State licensed electricians and shall comply with the New York City Electrical Code.

(6) Service entrances:

There will be no separate service entrance to the building therefore the following sub sections will not be applicable to this Report:

(i) Exterior Doors and Frames;

(ii) Vestibule doors and frames;

(iii) Exterior Stairs;

(iv) Railings;

(7) Roof and roof structures:

(i) Types:

There will be flat roof areas located above the fourth, bulkhead and elevator machine room levels of the building.

(a) Material:

The general flat roof areas shall be built with an assembly of rubber pavers on pedestals on top of a Johns Manville Grip Base SD/SA roofing membrane on protective board on 6" rigid insulation (minimum R value of 30) pitched to drain, supported by a concrete slab on corrugated steel. The "rooftop terrace" flat roof areas shall be built with an assembly of rubber pavers on pedestals on top of roofing membrane on protective board on 6" rigid insulation (minimum R value of 30) pitched to drain, supported by a concrete slab on corrugated steel.

(b) Insulation:

The spaces above the concrete slab shall be fitted with rigid insulation with a minimum R value of 30.

(c) Surface finish:

The roof surfaces shall be finished with rubber pavers with anticipation of regular foot traffic.

Mechanical equipment located on the fourth floor roof and bulkhead roof will be installed on vibration isolators and will be designed to comply with the acceptable noise levels as per Section 27-770 of the N.Y. City Building Code.

The Sponsor reserves the right to provide a roof finish by a different manufacturer which is of equal to or better quality than

noted above.

(d) Bond or guarantee:

No bond or guarantee other than a Johns Manville 20-year NDL manufacturer's warranty on all construction materials and workmanship will be furnished. The expected useful life expectancy is 20-30 years. The limited manufacturer's warranty shall be supplied by roof contractor and shall apply for 5 years from date of installation. Usual wear and tear is not covered by the warranty. The Condominium must maintain the roof and not make or allow others including unit owners to make alterations or warranty may be voided.

(e) Flashing materials including counter flashing:

The perimeter of the roof area at the masonry parapet wall or railing curb shall be fitted with stainless steel flashing and counter flashing.

Penetration ducts, pipes, etc. shall be properly flashed and water proofed with galvanized steel or stainless steel base and cap flashing.

The roof is designed and will be built with FDNY Access Paths as per NYC Fire Code.

(ii) Drains:

(a) There will be controlled flow, cast iron, roof drains connected to vertical, cast iron leaders located at the roof above the fourth floor. The roof drains and leaders will be connected to the building's storm drainage system. There will be two primary 4" cast iron scuppers leading to 3" roof drains and two secondary (emergency overflow) 4" cast iron scuppers

leading to 3" roof drains. Each of the secondary drains will be approximately 3 feet from the primary roof drain to which they are secondary to.

(iii) Skylights:

There are two Sunoptics SUN R2040 2'-0" x 4'-0" vented skylights proposed at the bulkhead roof level of each stairwell. Sponsor reserves the right to substitute and specific item herein with equal or better quality components.

(iv) Bulkheads:

(a) Stair material;

The exterior walls of the stair bulkhead shall be comprised of EIFS panels on reinforced concrete masonry units, the interior side will be exposed reinforced concrete masonry units.

The roof area shall be finished as described above.

(b) Elevator material;

The exterior walls of the elevator bulkhead shall be comprised of EIFS panels on reinforced concrete masonry units, the interior side will be exposed reinforced concrete masonry units.

(c) Other;

The exterior walls of the elevator machine room bulkhead shall be comprised of EIFS panels on reinforced concrete masonry units, the interior side will be exposed reinforced concrete masonry units.

(v) Metal work at roof levels:

(a) Exterior metal stairs

There will be no exterior stairs at the roof areas

(b) Vertical ladders, including gooseneck;

There will be no vertical gooseneck ladders from the roof level to the bulkhead.

(c) Railings;

There shall be aluminum roof railings on the fourth floor roof; all railings and parapets will be at least 3'-6" tall. All railings will be powder coated black.

(d) Hatches to roof;

There will be no hatches to the roof areas.

(e) Other;

There will be no lightning protection provided or other structures at the roof areas

(vi) Rooftop Facilities:

The central roof area shall be designated common elements for the purpose of providing access to all unit owns for maintenance and repair, and with the purpose of creating access to the limited common element roof deck.

There shall be no rooftop antennae, cell phone towers or satellite dishes or lightning protection equipment installed by sponsor. Future unit owners may install such equipment so long as the Board of Managers approves. Incorrect installation may void the roof warranty.

There shall be 8 rooftop terraces to be sold separately as roof terrace units. A suitable walking surface of rubber pavers will be installed over the Johns Manville roofing assembly, which will be suitable for daily food traffic. The dimensions of the private terraces will be as follows:

Terrace Number	Area	Occupancy
1, 2, 3, 4	129 sq. ft.	Total Terrace Occupancy will not exceed 14 Occupants.
5, 6, 7	119 sq. ft.	
8	191 sq. ft.	
Total	1,064 sq. ft.	

Approximately 845 square feet of roof will be a common element terrace intended for recreational use. In the common element terrace area, suitable walking surface of rubber pavers will be installed over the Johns Manville roofing assembly, which will be suitable for daily food traffic. An additional 275 square feet of the roof will be a common element where the mechanical units are located, which is not intended for recreational use. The mechanical equipment will be mounted on vibration isolating pads.

The fencing material separating the rooftop terraces will be composed of 6' high wood composite material. The fencing will feature 3'-0" wide gates, in compliance with 2014 NYC Fire Code Section FC 504.4.4.

No furniture or equipment for the terraces will be provided by the sponsor. Occupants cannot place object in the fire department access path.

Sponsor has filed a post approval amendment (PAA) to state the usage of the roof and roof terraces under the DOB Approved plans and DOB PW1A form, which shall reflect the use on the Certificate of Occupancy. Said filing has been verified to comply with the NYC DOB Building Bulletin 2018-002.

(8) Fire escapes:

There will be no fire escapes at the exterior of the building as fire escapes are not permitted on new buildings. The following sub sections will not be applicable to this Report:

(i) Location;

(ii) Floors covered;

(iii) Drop ladder;

(iv) Type;

(v) Materials;

(9) Yard and courts:

There shall be a front yard of the building with plantings approximately 11 feet deep and approximately 30 feet wide which will be a limited common element to unit 1A.

The building will have a yard area in the rear of the building which will be used for car and bicycle parking. The rear yard is approximately 30 feet deep and 48 feet wide, but the parking area extends beyond the yard under a covered but open-air portion of the building's rear by approximately 17 feet.

(i) Paving and landscaping:

The front yard shall be raised 6" top soil on 6" gravel on backfill and planted.

The rear yard area shall be of paved concrete with the exception of the bicycle parking area, which will be treated with rip-rap grass block and an aluminum trellis.

(ii) Drainage:

The front yard will drain into the earth and into an area drain and will include perforated pipe drains.

With the exception of the rip-rap grass block area, the rear yard area shall be permeable non landscaped soil.

(iii) Railing:

Railing will be provided around the perimeter of the front yard. There is no railing in the backyard with the exception of the aluminum trellis, which separates the bicycle parking from the car parking.

(iv) Stairs:

There are no stairs in either yard.

(v) Fencing:

There will be a 6'-0" fence running around the perimeter of the rear yard and along the side lot lines in the front of the building. The fence will be composed of horizontal planks of composite wood nailed to vertical steel tubes.

(vi) Walls:

There will be no exterior walls in the yards

(10) Interior stairs:

(i) Number and type:

There will be two common interior switchback landing type exit stairs, which will provide egress from the first floor through to the roof. The outer wall of both stairs shall be built with cinderblock - stair walls facing corridors shall be laminated with one layer of gypsum wallboard; stair walls facing apartment living areas shall be finished with metal furring, 1" rockwool, and two layers of gypsum wallboard - both assemblies carry a fire rating of 2 hours. The inner wall separating the two stairs shall be built with 2 layers of gypsum wallboard on metal studs with 3" rockwool between studs, the assembly will carry a fire rating of 2 hours. All stair wall types

will meet fire compliance applicable to Construction Class II-A.

(ii) Enclosure:

The interior and exterior walls of the stair shall be exposed reinforced concrete masonry unit bearing wall laminated with a ½" gypsum wallboard

(iii) Stair construction:

The common interior stair shall be of steel pan construction with concrete treads and steel pipe handrails.

(iv) Stringers:

The stringers at the common interior stairs shall be steel channel stringers.

(v) Treads

The treads at the common interior stairs shall be of poured concrete.

(vi) Risers:

The risers at the common interior stairs shall be of steel plate construction.

(vii) Guard rails:

The perimeter of stair landings at the common stairs shall be protected with wrought iron guardrails, with a minimum height of three feet and six inches (3'-6") above the level of the landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code.

(viii) Balustrade:

There will be no balustrades at the perimeter of stair landings.

(11) Interior doors and frames:

(i) Unit entrance and interior doors and frames:

Unit entry doors and frames shall be fireproof, self-closing, hollow steel

with New York City ID number and MEA numbers for 1 ½ hour fire rating. Doors shall have keyed locks by Kwikset model # 883351072861 with a satin nickel finish. Each unit door shall have a unit number, interview peephole, chime, deadbolt, chain lock and lever lock. Knob lock shall be passive from inside the apartment. Deadbolt shall have a thumb turn type release.

Interior doors and frames in the apartments shall be new, single leaf MDF doors, 1 ¾" thick with passage and privacy locks as appropriate. Door hardware and accessories shall be by Kwikset or approved equal. All metal parts including hardware shall be corrosion resistant. Fire proofing is equal or exceeds fire safety standards. All fire proof self-closing doors will be properly labeled.

(ii) Corridor doors and frames:

Corridor doors and frames will be hollow metal, steel covered, fireproof, self closing doors with a tempered glass or wire-glass vision panel with a minimum of one and one half hour rating and shall be mounted on steel frames.

(iii) Stair hall doors and frames:

The stair hall doors to the units shall be hollow metal, fireproof, self closing doors with a minimum fire rating of one and one half hours. Stair hall doors shall be mounted on metal frames and shall be equipped with a manual, entry type lockset manufactured by Kwikset model # 883351072861.

(iv) Roof Doors, Utility Room Doors and frames:

The roof door to the common stair and doors at the first level shall be one and one half hour rated fireproof self closing doors mounted on a metal frames.

(12) Elevators:

(i) Number;

One elevator will be provided.

(ii) Manufacturer & capacity;

The elevator will be manufactured by Canton Elevator based in North Canton, Ohio. It will be installed by Excelsior Elevator, based in Westbury, NY. Its capacity will be 3,500 lb.

(iii) Type of Operation;

The elevator will use a Dual Jack 1:2 Roped type operation.

(iv) Automatic (Type of controls);

The type of controls will be Variable Voltage, Variable Frequency controls.

(v) Floors served

The elevator will serve the first floor through the roof floor.

(vi) Type (hydraulic, gearless)

The elevator will be a roped hydraulic elevator.

(vii) Doors (sliding, swinging, manual, automatic);

The elevator doors will be single-speed-side-slide doors.

(viii) Location of machine rooms;

The elevator machine room will be located on the bulkhead level at the roof of the bulkhead floor.

(ix) DC motor (manufacturer);

Not Applicable

(x) AC motor generator set (manufacturer);

The AC Motor will be manufactured by Canton Elevator.

(xi) Other;

None

(13) Elevator cabs:

(i) Kind (manufacturer);

The elevator will be manufactured by Canton Elevator.

(ii) Floor (Material);

The manufacturer will provide a plywood subfloor to the elevator cab, the finished floor will be tile installed by the general contractor.

(iii) Walls (Material);

The walls of the elevator cab will be built with plastic laminate on a wood core.

(iv) Ceiling (Material);

The elevator ceiling will be plastic thermoclear panels in an anodized aluminum “Tee” frame.

(v) Lighting;

The elevator will be lit with fluorescent lights and an emergency light.

(vi) Alarm, Safety system;

The elevator alarm and safety system will be achieved with an Hollister Whitney “Type B” Flexible Guide Clamp 480 Safety for the car, and an infrared detector for the door edge.

(i) **AUXILIARY FACILITIES**

(1) Laundry rooms:

(i) Location and number of rooms;

There shall be a laundry area for one washer and dryer in each unit. No washer or dryer appliances will be provided by the sponsor, only hookups. For stackable Laundry equipment to be installed it must be N.Y. City M.E.A. or B.S. and A. approved.

(ii) Clothes washers;

No clothes washers will be provided

(iii) Clothes dryers;

No clothes dryer will be provided

(iv) Room ventilation;

Washer/dryer areas do not have ventilation.

(v) Dryer ventilation;

There is no dryer ventilation - any dryers purchased for units must be ventless.

(2) Refuse disposal:

(i) Incinerators;

There will be no incinerators in the building.

(ii) Compactors;

There will be no trash compactors.

(iii) Approvals by Authority having jurisdiction;

There will be no approvals required. Garbage will be removed by the N.Y. City Department of Sanitation.

(iv) Storage Location;

A refuse storage room is provided on the ground floor for ordinary, non-recyclable trash. The handling of recycling refuse shall be determined by the management company upon commencement of building operations.

Refuse disposal will be the responsibility of each individual unit's occupant, who shall be responsible for bringing all of their refuse to the refuse storeroom.

Garbage placed at curbside on the day or night prior to collection by building personnel as the management company determines upon commencement of the buildings operation.

(v) Pick-up Schedule;

The New York City Sanitation Department (DSNY) will collect the garbage on days designated for garbage removal. As of the date of this report, the designated pick up days are Monday and Thursday for refuse; Thursday for recycling. Additional information available on the DSNY website.

(3) There will be an exterior Bicycle parking area in the northwest corner of the rear yard with capacity for six bicycles to park. There will be an planted entry/maneuvering area to the bicycle parking that is approximately 204 square feet, the actual area for the bicycles to park is approximately 70 square feet. The security and protection of the bicycles will be achieved through a keypad entry and a camera.

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(j) **PLUMBING AND DRAINAGE**

(1) Water Supply:

Water will be supplied to the units through connections to the building, from the New York City Water Distribution System. There will be a 4" ductile iron water main conveying the water into the building as per DEP standards. The main shut off valve shall be located in the water meter room at the first floor level. Each residential unit is to be supplied with cold water from a minimum ½" copper piping.

Each residential unit will have its own hot water system described in section K below.

The hot and cold water piping throughout the building shall be insulated as per the N.Y. State Energy Code Requirements section 403.3. Mechanical system piping capable of carrying fluids above 105°F (41°C) or below 55°F (13°C) shall be insulated to a minimum of R-3. All hot and cold water supply piping shall be fitted with a minimum ½" polyethylene,

thermal insulation.

The building will have 2 Franklin Electric model “Inline 1100 Spec Pak” Duplex Domestic Water Booster Pumps to support raising the water to the fourth floor level. The booster pump shall be covered with warranty for two years.

(2) Fire Protection System:

The entire building will be equipped with a wet sprinkler system. The sprinkler system will be equipped with a 3”x3”x4” siamese fire connection and water motor gong located adjacent to the entrance at the first floor level.

A separate sprinkler application has been filed with and approved by the New York City Department of Buildings by a New York State licensed Engineer under job number 421885062. The required permit will be secured prior to the installation of the sprinkler system.

Each unit shall also be equipped with smoke detectors and carbon monoxide detectors at a maximum distance of fifteen feet from any bedroom door within the unit, as required by the New York City Building Code.

(i) Sprinkler heads (type, location);

Sprinkler heads will be installed throughout the building and will consist of new concealed quick response pendent sprinkler heads, as manufactured by Reliable Automatic Sprinkler Co In, model# G5-56 Flat Covered Plate Concealed Residential Pendant Sprinkler, SIN RA3415 NYC MEA 258-93-E as the typical fixture in indoor public areas; model# F1FR56 Flat Covered Plate Concealed Residential Pendant Sprinkler, SIN RA1425. NYC MEA 258-93-E as the typical fixture in outdoor public areas; and model# RFC49 Quick Response “Sealing” Concealed Automatic Sprinklers, SIN RA0616, NYC MEA 258-93-E in the residential areas.

(ii) Siamese connection (type, location);

There will be a 3"x3"x4" siamese NYC Fire Department approved fire connection located at the front façade of the building at a minimum of 18" from grade to a maximum of 36" from grade level.

(3) Water storage tank(s) and enclosures:

There will be no water storage tanks at the roof of the building. The following sub sections will not be applicable to this Report:

(i) Number, type, location;

(ii) Material (Interior, exterior and roof);

(iii) Access to tank;

(iv) Capacity (total gallons);

(v) Capacity (fire reserve);

(4) Water pressure:

The building is less than 6 stories tall and will rely on natural water pressure from the New York City water system.

(5) Sanitary sewage system:

(As supplemented by booster pumps noted above)

(i) Sewage piping (material);

Sewage piping material shall be of extra heavy cast iron.

(ii) Sewage pump:

There shall be no submersible sewage ejector pump; sewage from the first floor and above shall be disposed by gravity.

(iii) Sewage disposal;

The sanitary waste will be conveyed to the New York City sewer system via extra heavy cast iron sewer pipes. The waste will travel from the building interior to the house trap located towards the front of the building to Beach 96th Street and will be fabricated of extra heavy

cast iron pipe. The House trap will convey the sewage to a 6” extra heavy cast iron sanitary drain which will then be connected to an existing 10” combined sewer located in the roadway beneath Beach 96th Street.

(6) Permit(s) required:

A plumbing permit number shall be issued prior to commencement of any plumbing work, by the N.Y. City Department of Buildings for the installation of plumbing fixtures and all plumbing work within the building and on the site.

A site connection permit shall be obtained from the Department of Environmental Protection prior to connecting to the existing New York City sewer system.

All plumbing work shall be done by a N.Y. State licensed Plumber.

(7) Storm drainage system:

The storm drainage system will consist of, controlled flow roof drains, vertical cast iron leaders; exterior area drains and below grade horizontal drains.

The run-off from these areas will be conveyed to a new 5" extra heavy cast iron, horizontal drain located towards two dry wells located under the rear yard.

The storm drainage system has been approved by the N.Y. City Department of Environmental Protection, prior to approval of the building plans by the N.Y. City Department of Buildings.

(i) Catch basins;

Catch basins are located on the southwest corner of Beach 96th Street and Rockaway Beach Boulevard and the north corners of Beach 96th Street and Shore Front Parkway and have been installed and designed by and to the standards of the N.Y. City Department of Transportation. Catch basins are constructed of concrete with

steel grating covers.

(ii) Yard and roof drains;

There will be roof drains located at the roof above the 4th floor roof. There are two yard drains in the rear yard, one in the front yard and one in the walkway from the street to the building, all will connect to the building's storm system.

(iii) Piping;

Vertical drain piping at exterior roof areas shall be of cast iron or PVC plastic. Interior vertical drain pipes shall be of cast iron.

(iv) Ejector or sump pumps;

There shall be no submersible sump pumps.

(k) **HEATING AND HOT WATER**

HOT WATER

(1) Distribution of Domestic Hot water Capability: Domestic hot water will be provided for each unit by electric hot water heaters located in their respective units. The hot water heating system shall be designed to be capable of providing peak required services to each residential unit.

(2) Number of boilers and description:

N/A

(3) Manufacturer (model, capacity):

The hot water heaters for each unit shall be electric powered by AO Smith, Residential Hot Water Heater, model: DEL-50, 50 Gallon tank. Rate 94% efficiency. (equal or better, shall be determined by capacity and energy factor).

The units come with a 3 year manufacturer's warranty and a one year warranty on installation.

(4) Manufacturer and age of burners:

None

(5) Type of controls:

Hot water heaters shall be equipped with thermostats.

(6) Radiators, piping etc.:

Two electric baseboard heaters will be provided in the lobby area; heater model will be Markel 3700 series model E3712-0460, rated at 1.25 KW, 120/1/60 or a model similar or of a better quality. Units to be provided factory integral thermostat and summer & disconnect switches.

(7) Fuel (supply system):

The hot water heaters will be electric powered.

(8) Location of oil tank:

There will be no oil tanks in the building.

(9) Capacity of oil tank:

There will be no oil tanks in the building.

UNIT HEATING

(1) Heating System Capability: Heating of each residential unit will be achieved by a Daiken split system models FXAQ-12PVJU (1 ton) and FXAQ-24PVJU (2 tons). There will be one wall mounted air handler unit provided on an interior wall of each bedroom (model PKFY-P12NHMU-E2) and living room area (model PKFY-P24NHMU-E2) throughout the units. Each air handler shall be adequately sized for the space.

The heating system will be designed to maintain a minimum inside temperature of 70 degrees Fahrenheit, when the outside temperature is 15 degrees

Fahrenheit with a 15 mph wind (in accordance with ASHRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1A, for New York City, JFK Airport). The heating system shall be provided with a 2-year warranty. The energy efficiency of the system varies based on total output but is at least 78% as per New York State energy code. There will be no air distribution ducts.

(2) Number of boilers and description:

No boilers will be provided.

(3) Manufacturer (model, capacity):

See Air Conditioning section for details.

(4) Manufacturer and age of burners:

No burners will be provided.

(5) Type of controls:

See Air Conditioning section for details.

(6) Radiators, piping etc.:

There are no baseboard radiators.

(7) Fuel (supply system):

The HVAC system in each Residential Unit will be electricity driven and each Residential Unit Owner is responsible for the cost of their own electric usage as measured by their own electric meter.

(8) Location of oil tank:

There will be no oil tanks in the building.

(9) Capacity of oil tank:

There will be no oil tanks in the building.

(l) GAS SUPPLY

(1) Type:

Gas service will be supplied by the National Grid Company to each residential unit. The gas will be used for domestic cooking and common area heating.

(2) Meters:

There will be two meters on the front facade wall between the front yard and the driveway. One meter will supply ranges, the other meter will supply the common area heating units.

(3) Piping:

Gas piping throughout the building shall be of schedule 40 seamless black steel pipe with threaded, malleable iron fittings and shall be of at least .75" in size.

(m) AIR CONDITIONING

The cooling systems shall be designed to provide sufficient cooling to maintain inside conditions of 78 degrees Fahrenheit and 50% relative humidity when the outside conditions are 88 degrees Fahrenheit dry bulb and 72 degrees wet bulb (in accordance with ASHRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1B, for New York City, JFK Airport). Indoor design temperatures will be in accordance with the New York State Energy Conservation Construction Code. All exterior metals, including fasteners, shall be corrosion resistant.

(1) Type of system,

Cooling of each residential unit will be achieved by a Mitsubishi split system.

(2) Central System (manufacturer, model, capacity):

There will be no central system

(3) Cooling towers or Condensers (number, location, description):

Each residential unit will be provided with an outdoor Daiken split system models FXAQ-12PVJU (1 ton) and FXAQ-24PVJU (2 tons) for use in cooling and heating. See equipment chart at the end of this section for location, make and model of condensers/heat-pumps.

The condensing units will be installed on vibration isolators and will be

designed to comply with the acceptable noise levels as per Section 27-770 of the N.Y. City Building Code. Residents should anticipate some noise from the operation of such roof units. All rooftop piping shall be insulated using a minimum 3/4" thick Armaflex brand insulation. All exterior metals, including fasteners, shall be corrosion resistant. Condensing units will be subject to inspection and signoff by the Department of Buildings prior to a final sign off being issued.

(4) Air Handling Units Covered by the Offer (number, location, description):

Heating and Cooling of each unit shall be achieved by the air handler unit. There will be one wall mounted air handler unit provided on an interior wall of each bedroom and living room area throughout the units. Each air handler shall be adequately sized for the space. The air handler is ideal for conditioning residential rooms/spaces including bedrooms, living/dining rooms, kitchens, etc. See equipment chart at the end of this section for make, model and location.

Common corridors will be ventilated by a Gas-Fired Roof-Top "CAS" unit; the models will be Greenheck IGX-108-H12-C. Unit return vents in the bathrooms will also be provided by model Greenheck C-098-VG and kitchens will also be provided by model Greenheck C-099-VG. All ductwork shall be insulated by 1.5" Manville "Permacote Linacoustic" fiberglass liner.

(5) Controls:

Each wall mounted air handler has a built in thermostat, and is provided with a remote control for setting mode (heating/cooling/fan), temperature or fan speed.

(6) Warranty & Installation:

These units come with a limited one year manufacturer's warranty.

HVAC systems to be installed, shall be designed by a N.Y. State licensed engineer and shall be filed with and approved by the N.Y. City

Department of Buildings, prior to installation. Air conditioning units installed will be U.L. approved or N.Y. City M.E.A. or B.S.A. approved if necessary and shall have a minimum efficiency rating of 80%.

Heating/Cooling Equipment Chart:

APT	AIR HANDLER AND LOCATION	CAPACITY HEATING/ COOLING	OUTDOOR CONDENSER MODEL	CONDENSER LOCATION
1A, 2A, 2B, 2C, 2D, 3D, 4D	FXAQ-12PVJU - Bedroom 1; FXAQ-24PVJU.TH - Living Room	13,500 BTU/12,000 BTU; 26,500 BTU/24,000 BTU	RXTQ36AVJU	4th Floor Roof
3A, 3B, 4A, 4B	FXAQ-12PVJU - Bedroom 1; FXAQ-12PVJU - Bedroom 2 FXAQ-24PVJU - Living Room	13,500 BTU/12,000 BTU;13,500 BTU/12,000 BTU; 26,500 BTU/24,000 BTU	RXTQ48AVJU	4th Floor Roof

(n) **VENTILATION**

The spaces that require mechanical ventilation within the units are the interior bathrooms, laundry closets, toilet rooms and kitchens. These spaces within the residential units shall be equipped with vertical ducts with a fan, which terminates to the outside air. The minimum rate of exhaust ventilation shall be 50 cfm for bathroom and laundry areas and 100 cfm for kitchen areas as required by the New York City Building Code. Exhaust ventilation has an HVI sound rating of 1.2 sones. Exhaust equipment shall be New York City M.E.A. or B.S.A. approved.

Ventilation for mechanical rooms, utility rooms and equipment rooms will be provided where required and shall be in compliance with the building

code. The main building stair cases leading from first floor to roof, shall be vented via vented skylights at the top most level of either stair case.

(o) **ELECTRICAL SYSTEM**

(1) Service from main service switchgear:

The electrical service to the building shall be brought in from the terminal point of the PSE&G Company. The service supplied to the building will be 800 Amp, 120 / 208 Volt, 3 phase, 3 wire, service.
The electrical service will be transported throughout the building via, new, insulated, 3 wire cables.
There will be no backup generator for cases of electrical outages.
The wiring shall be made of copper.

(2) Service to individual units:

There will be separate meters for each residential unit and 1 meter for the common areas. All units will be supplied with 100 Amps of 2-phase 120/208V of electrical service via 3#2 and 1#8 ground wire in a BX Feeder line.

(3) Compartment switchgear:

The sectional meter boards and transformers supplying power to the meter boards will be located in a covered exterior area on the rear wall of the first floor.

(4) Unit service:

Each residential unit shall be equipped with a 100 Amp branch circuit breakers.
The electrical system will be adequate to handle modern usage and appliances such as air conditioners and dishwashers. AFCI & GFCI shall be provided where required.

(5) Adequacy:

(i) Service;

As required in New York City, the General Contractor shall hire a licensed electrical contractor who shall install adequate electrical service as per the local building codes. The installation shall be inspected by the NYC Department of Buildings prior to issuance of the Final Certificate of occupancy.

There will be approximately thirty circuits with circuit breakers provided for each unit. The circuits will have the capacity to handle modern appliances such as air conditioners and dishwashers. Water resistant receptacles for exterior use are provided.

(ii) Lighting and fixtures;

There shall be at least one centrally located, overhead, LED, lighting fixture, provided in each bedroom, living room, kitchenette and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing an aggregated illumination of 26 Watts LED or CFL energy efficient illumination (equivalent to one-hundred fifty (150) watts incandescent illumination).

Lighting fixtures and electrical outlets shall be installed by a licensed Electrician, and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(iii) Convenience outlets, appliance outlets;

There will be convenience outlets and appliance outlets provided in each bedroom, living room, kitchen, bathroom, toilet room etc. within each unit. Convenience outlets and appliance outlets shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(p) <u>INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV</u>

Each unit will be equipped with an intercom at the entrance, which will permit voice and visual contact between the inside of the unit and the exterior. The

intercom shall be Model FJ-DA, manufactured by Aiphone or equal. Intercom shall come with a one year warranty from date of installation.

There are no security systems or virtual door man systems provided.

(q) PUBLIC AREA LIGHTING

Lighting fixtures will be provided in public stairways and hallways. Such fixtures shall be capable of at least an aggregated illumination of 30 Watts LED or CFL energy efficient illumination (equivalent to one hundred eight (180) watts incandescent illumination) per twenty five (25) square feet of floor area. Each lighting fixtures shall be provided with one or more lights, of a total of not less than an aggregated illumination of 30 Watts LED or CFL energy efficient illumination (equivalent to one hundred eight (180) watts incandescent illumination). In addition, lighting fixtures shall be provided at the front entrances, providing an aggregate illumination of an aggregated illumination of 60 Watts LED or CFL energy efficient illumination (equivalent to three hundred and sixty (360) watts incandescent illumination). There shall also be provided, in the yard area to the rear, at least one light, with an aggregated illumination of 45 Watts LED or CFL energy efficient illumination (equivalent to two hundred and seventy (270) watts incandescent illumination)..

The public area lighting will be adequate and shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

All lighting fixtures shall be installed by a N.Y. State licensed Electrician and shall comply with the New York City Electrical Code.

(r) GARAGES AND PARKING AREAS

There will be a parking areas at the rear yard of the building.

(1) Location of garages

N/A

(2) Location of parking areas;

The parking area is in the rear yard of the building. There will be 7 car parking spaces including one ADA Parking spot as required. Adjacent to the car parking spots there will be a bicycle parking area separated by a trellis. The sponsor intends to file amended drawings that are in compliance with ZR 25-62. Please see supplemental drawings showing entering and exiting each parking space while the other parking spaces are occupied.

(3) Surfaces;

The parking area will be paved with concrete.

(4) Parking (attended or unattended);

The parking will be an unattended lot.

(5) Garage ventilation (method and equipment);

N/A

(6) Garage fire protection (method and equipment);

N/A

(7) Drainage;

The parking area will be pitched to drain to two area yard drains that will drain to the building's storm drain system.

(s) **SWIMMING POOL(S)**

There will be no swimming pools in or at the exterior of the building. The following sections will not be applicable to this Report:

(1) Type (concrete, material composition) and Location;

(2) Size (length, width, depth, capacity);

(3) Enclosure (material including roof);

(4) Pumping and filter system;

(5) Water heating equipment;

(6) Structural support system (roof location);

(t) TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES

There will be no tennis courts, playgrounds or recreational facilities in the interior of the building. There will be exterior recreational space on the roof.

(1) Tennis Courts:

(i) Type (clay, macadam, turf);

(ii) Number and Size;

(iii) Lighting (number and type);

(iv) Fencing and enclosure;

(2) Playgrounds (size and location);

(3) Other Recreation facilities;

There shall be one common element "Roof Deck" on the roof of the fourth floor, accessible to all units via the Roof Elevator Lobby, with ADA compliant access to the fourth floor roof. The Roof deck will feature composite wood fence that separates 8 semi-private "Rooftop Terraces" units on the roof. Each Rooftop Terrace unit will be a limited common element with a door entrance and will be sold individually as a separate tax lot. No furnishings or equipment for the terraces will be provided by the sponsor. The recreational roof deck provided is not a requirement of the Quality Housing Program as per NYC Zoning Resolution 28-21. In order to not exceed the total permitted occupancy at the roof, the usage of the rooftop terraces shall be coordinated via the Condominium Board of Managers.

(u) **PERMITS AND CERTIFICATES**

All required permits and sign-offs required and a Certificate of Occupancy are to be obtained by the Sponsor.

The following permits will be obtained by the Sponsor:

PERMIT TYPE	AGENCY
Fence	Department of Building
General Construction	Department of Buildings
Plumbing	Department of Buildings
Electrical	Department of Buildings
Mechanical/HVAC	Department of Buildings
Site Connection	Department of Environmental Protection Builders Pavement (new sidewalk) Department of Transportation

Permits issued by the New York City, Department of Buildings are valid for a minimum of one year from the date of issue or on the expiration date of the contractor's insurance policy whichever comes first. All work types for permits issued by the Department of Buildings are subject to inspection and signoff by the Department of Buildings prior to the issuance of a Certificate of Occupancy.

Site connection permits will be valid for two years from the date of issue.

All permits issued by the New York City Department of Transportation expire on December 31st of each year and are required to be renewed.

Below is a list of required reoccurring inspections which are the responsibility of the Condominium Board of Managers:

INSPECTION	CREDENTIALS	FREQUENCY

RPZ Inspection	Licensed Plumber	Annual
Sprinkler Inspection	S12 Certification	Monthly
Fire Alarm	Certified Contractor	Annual
*Fire Door Assembly	Non-required	Annual
Elevator Cat-1 Safety	Certified Inspector	Annual
Elevator Cat-5 Load Test	Certified Inspector	Every 5 Years

*Required in accordance with NFPA 80. Can be performed by the Condominium Board of Managers. Records must be maintained by the Condominium Board of Managers.

(v) VIOLATIONS

Any outstanding violations will be corrected by the Sponsor's contractor prior to the completion of the building. Prior to issuing the Certificate of Occupancy by the NYC Department of Buildings, all violations and stop work orders, if any, will be removed in accordance with the Department of Buildings regulation.

(w) UNIT INFORMATION

The building will have a total of eleven (11) residential units. The residential units will be located at the first through fourth floor level.

Sponsor has filed a post approval amendment (PAA) to state the num of the roof and roof terraces under the DOB Approved plans and DOB PW1A form, which shall reflect the use on the Certificate of Occupancy. Said filing has been verified to comply with the NYC DOB Building Bulletin 2018-002.

Unit 1A consists of:

1 bedroom, 1 full-bathroom, living / dining room, kitchen and laundry closet.

Unit 2A, 2B, 2C and 2D consists of:

1 bedroom, 1 full-bathroom, living / dining room, kitchen, walk-in-closet and laundry closet.

Units 3A and 4A consists of:

2 bedrooms, 2 full bathrooms, 1 walk-in closet, 1 living / dining room, 1 kitchen and laundry closet.

Units 3B and 4B consists of:

2 bedrooms, 2 full bathrooms, 1 living / dining room, 1 kitchen and laundry closet.

Units 3C and 4C consists of:

1 bedroom, 1 full-bathroom, living / dining room, kitchen, walk-in-closet and laundry closet.

UNIT SIZES:

The approximate physical dimensions of each residential Unit consists of the area enclosed horizontally from the outside of the exterior walls to the centerline of the partitions separating one Unit from another Unit, corridors, stairs, elevators and other mechanical equipment spaces or any common elements, or the Unit side of the opposite exterior walls. Vertically each residential Unit consists of the area measured from the top of the floor to the underside of the ceiling.

The approximate square footages for each unit are as follows:

Unit	Location	Size
Unit 1A	1st Floor	628 sq. ft.
Unit 2A	2nd Floor	651 sq. ft.
Unit 2B	2nd Floor	607 sq. ft.
Unit 2C	2nd Floor	626 sq. ft.

Unit 2D	2nd Floor	614 sq. ft.
Unit 3A	3rd Floor	1055 sq. ft.
Unit 3B	3rd Floor	607 sq. ft.
Unit 3C	3rd Floor	861 sq. ft.
Unit 4A	4th Floor	1055 sq. ft.
Unit 4B	4th Floor	607 sq. ft.
Unit 4C	4th Floor	861 sq. ft.

(1) Unit Finishes;

The units will be finished as described herein. Sponsor reserves the right to substitute and specific item herein with equal or better quality components and/or finishes.

The finished floor of the living/ dining and bedroom areas of the residential units shall be a hardwood finished floor of ¾“ thick x 5” wide select grade, hardwood, white oak plank on ¾“ plywood subflooring. The Sponsor reserves the right to provide hardwood flooring of a different species or grade which is of equal to or better quality than noted above. Thereafter unit owners may finish carpeting or another material of their own choice and at their own expense.

The walls and ceilings of residential units shall be of gypsum wallboard. When finished the walls and ceilings shall be primed and painted with one coat of primer and two coats of finish paint. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice. Residential kitchens shall have ceramic tile covering the floors and gypsum wallboard walls and ceilings.

Full, residential bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower. Bathrooms shall have ceramic tile floors. Tile around the bathtubs and showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.

When completed, the following interior finishes will be installed.

Location		Floors	Base	Walls	Ceilings
1.	Living/Dining Room	Wood	Wood Painted	G.W.B. Painted	G.W.B.
2.	Bedroom	Wood	Wood Painted	G.W.B. Painted	G.W.B.
3.	Kitchen	Wood	Wood Painted	G.W.B. Painted	G.W.B.

4.	Bathroom	Ceramic Tile	Concrete Painted	Tile/G.W.B. Painted	G.W.B.
5.	Laundry Closet	Ceramic Tile	Concrete Painted	G.W.B. Painted	G.W.B.

Note:
G.W.B : Denotes Gypsum Wallboard Mas. : Denotes Masonry

(2) Bathroom Fixture Schedule;

(i) Water Closets:

Shall be of vitreous china and shall be floor mounted and equipped with siphon flushing action. Water closets are also to be equipped with vacuum breakers and shall meet water saving performance standards as per New York City Local Law 29/89. Water closets shall be by Kohler, model K-3615-0.

(ii) Countertop lavatory:

Shall be of vitreous china with faucet; set in a plastic laminate finished, particle board vanity countertop.

Lavatories shall be model number Vero 3553LF-CZ as manufactured by Delta, with Grohe Concetto series faucet and trim.

(iii) Bathtubs:

Shall be of enameled exterior, with flow outlet, and shower head and trim.

Bathtubs shall be Kohler model number K-837-0.

(3) Kitchen Equipment Schedule

The kitchen areas will generally be provided with the following fixtures, appliances and equipment:

(i) Countertops:

a. Countertops will be Caesar Stone laid on top of laquered wood cabinets.

b. One, 21” wide model number KBU12E sink as manufactured

by Kraus, with faucets by Delta, model 9159-CZ-DST.

(ii) Appliances:

a. One, 24" four burner self-cleaning gas range, model number KGSS907SSS

b. as manufactured by KitchenAid.

c. One 24" refrigerator, model number FFBF246SS as manufactured by Summit.

d. One 24" dishwasher, model number DW2433SS2 as manufactured by Frigidaire.

e. One 24" microwave, model number FGMO226NUF as manufactured by Frigidaire.

Note:

Additional kitchen appliances and fixtures including additional gas ranges will be the responsibility of the unit owners.

(x) FINISH SCHEDULE (SPACES OTHER THAN UNITS)

The following interior finishes will be installed at the locations as indicated

	Location	Base Floor	Floor	Walls Ceilings
1.	Sprinkler/Meter Room	Concrete	Concrete	Mas.
2.	Refuse Room	Concrete	Concrete	Mas.
3.	Mechanical rooms Roof	Concrete	Concrete	Mas.
4.	Vestibule	Concrete	Tile	Mas./G.W.B.
	G.W.B. Painted			
5.	Corridor	Concrete	Tile.	Mas./G.W.B.
	G.W.B. Painted			

Note:
G.W.B : Denotes Gypsum Wallboard
Mas.: Denotes Masonry

(y) SAFETY AND WARNING DEVICES

There will be a hardwired, combined smoke and carbon monoxide detector provided in

each residential unit at a maximum distance of fifteen feet from any bedroom door within the unit and also within each bedroom of the unit as required by the N.Y. City Building Code. The combined smoke and carbon monoxide detectors come equipped with a battery backup. Each Unit owner shall be responsible to keep and maintain the detectors in good repair and to replace any detectors which have been removed, found missing or rendered inoperable. Sponsor makes no representation whether Unit Owners will comply with the foregoing obligations.

There shall be a fire alarm monitored by central station. Alarm panel will be located in the entrance corridor. There will be a NEMA 3 Enclosure located at the doorway of the raised front yard. There will be a Fire Alarm Control Panel located in the lobby of the building by Edwards. Two dedicated phone lines will be installed to provide connectivity to the fire station in accordance with N.Y City Building Code. The Sponsor reserves the right to provide a fire alarm system by a different manufacturer which is of equal to or better quality than noted above.

The smoke and carbon monoxide detectors and sprinklers are the fire and smoke safety devices required by the N.Y. City Building Code. All required safety devices shall be installed and are subject to inspection by the N.Y. City Department of Buildings.

(z) ADDITIONAL INFORMATION REQUIRED

All drywall materials used in this condominium do not contain “Sulfide”. It is to be stated as a Particular Concern that such drywall materials are known to emit a sulfurous odor when heated, are corrosive to copper plumbing and electrical wiring; and are conductive to Sick Building Syndrome.

The sponsor has no intention to further develop the property upon completion of the construction described in this offering plan.

The following documents shall be transmitted to the condo management upon transfer of control, as applicable:

- Final as-built drawings
- Operation & maintenance manuals for mechanical equipment
- Electronic system manual

(ab) **FURTHER DEVELOPMENT**

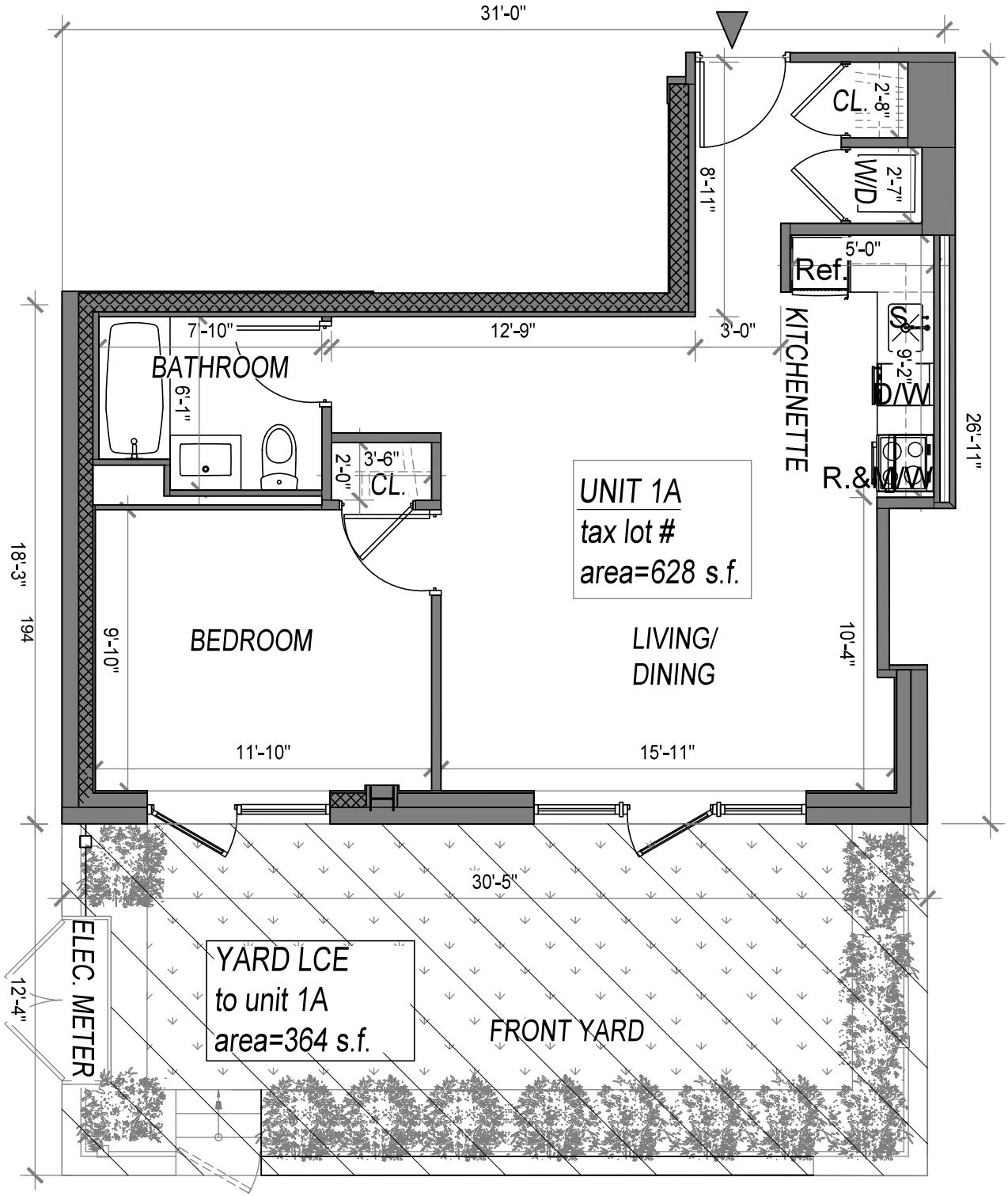
The Sponsor does not intend to add additional units to the building, either above the existing roof, outside the existing building development, or by altering space within the building.

ADDITIONAL INFORMATION:

To the best of my knowledge, belief and professional judgment these plans and specifications are in compliance with the Energy Conservation Construction Code of New York State, using Chapter E5.

This report was prepared prior to completion of construction of the subject property. The information in the report is based on information provided by the sponsor and upon the DOB approved plans prepared by the sponsor's design applicant. In no event will the architect who prepared this report be liable if there are changes in the facts on which he relied on for drafting this report. In case of such changes this report shall be updated or supplemented by addendums to the report and sponsor's request.





KEY

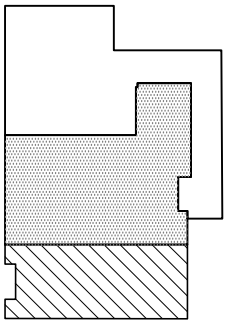
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- DISHWASHER
- REFRIGERATOR
- RANGE
- MICROWAVE

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

SCALE

0 5 10 20



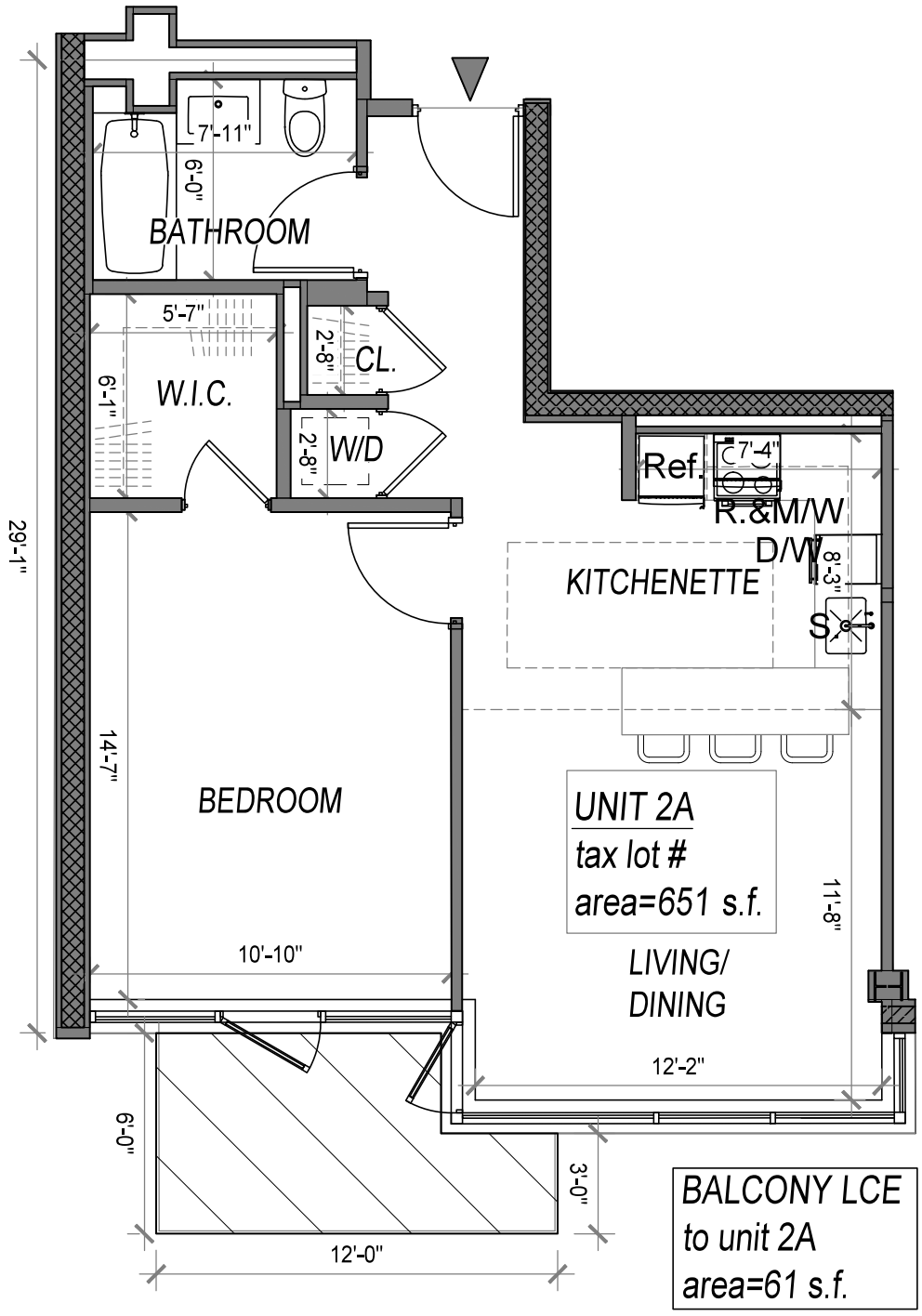
KEY PLAN

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

UNIT 1A PLAN -1 FL.

SCALE: 3/16" = 1'-0"

1/20/2021



195

KEY

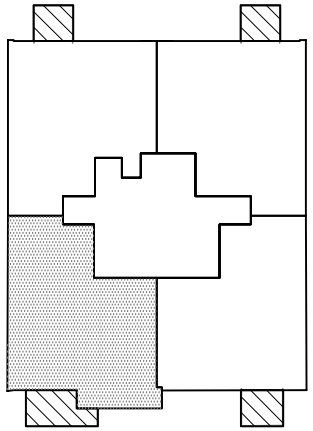
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LEGEND

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- FIRE ACCESS PATH
- PAVERS

SCALE

0 5 10 20



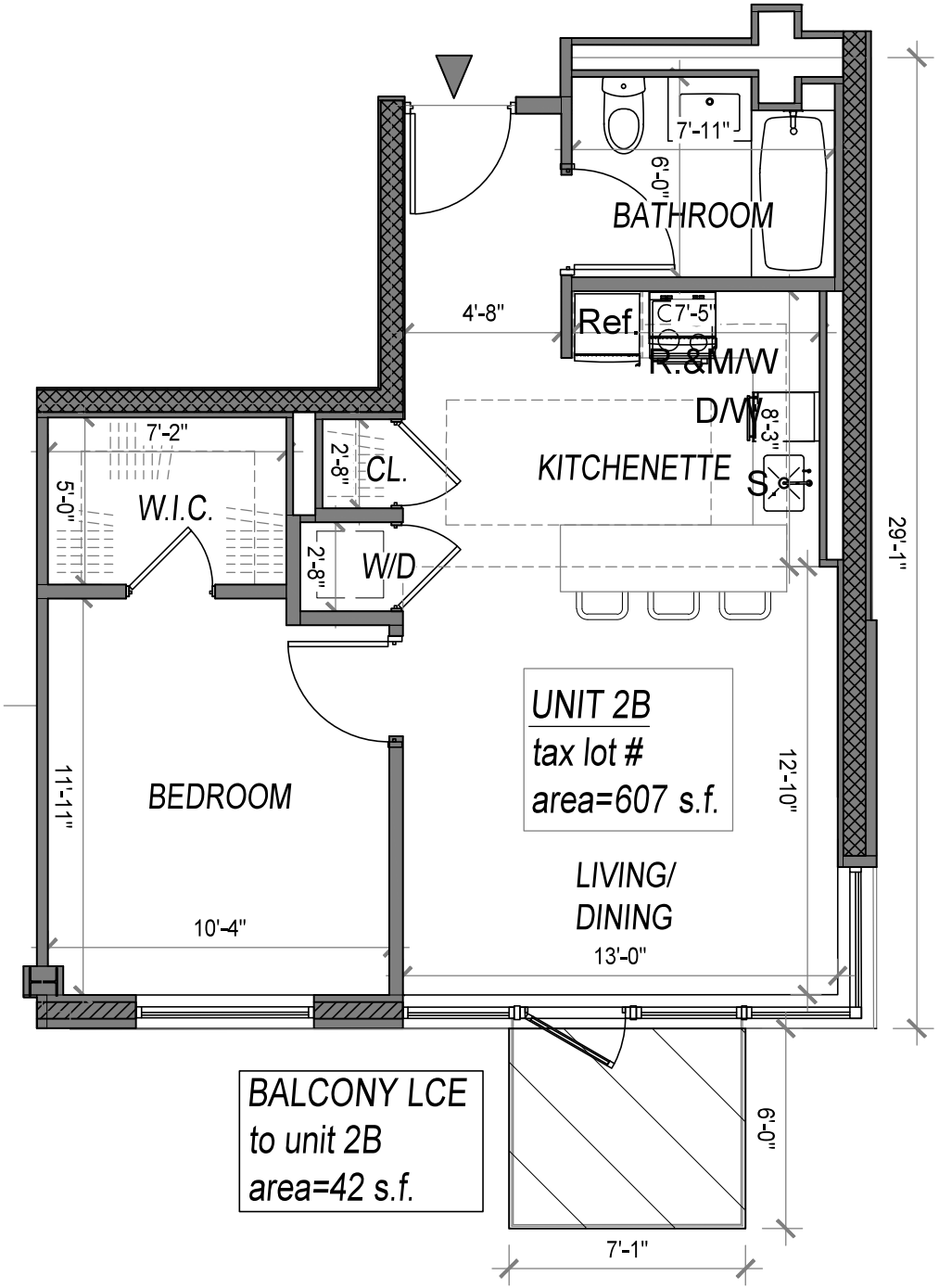
KEY PLAN

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

UNIT 2A PLAN - 2 FL.

SCALE: 3/16" = 1'-0"

1/20/2021



196

KEY

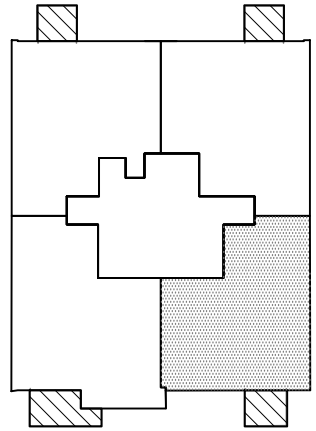
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LEGEND

- UNIT LOCATION
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- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

SCALE

0 5 10 20



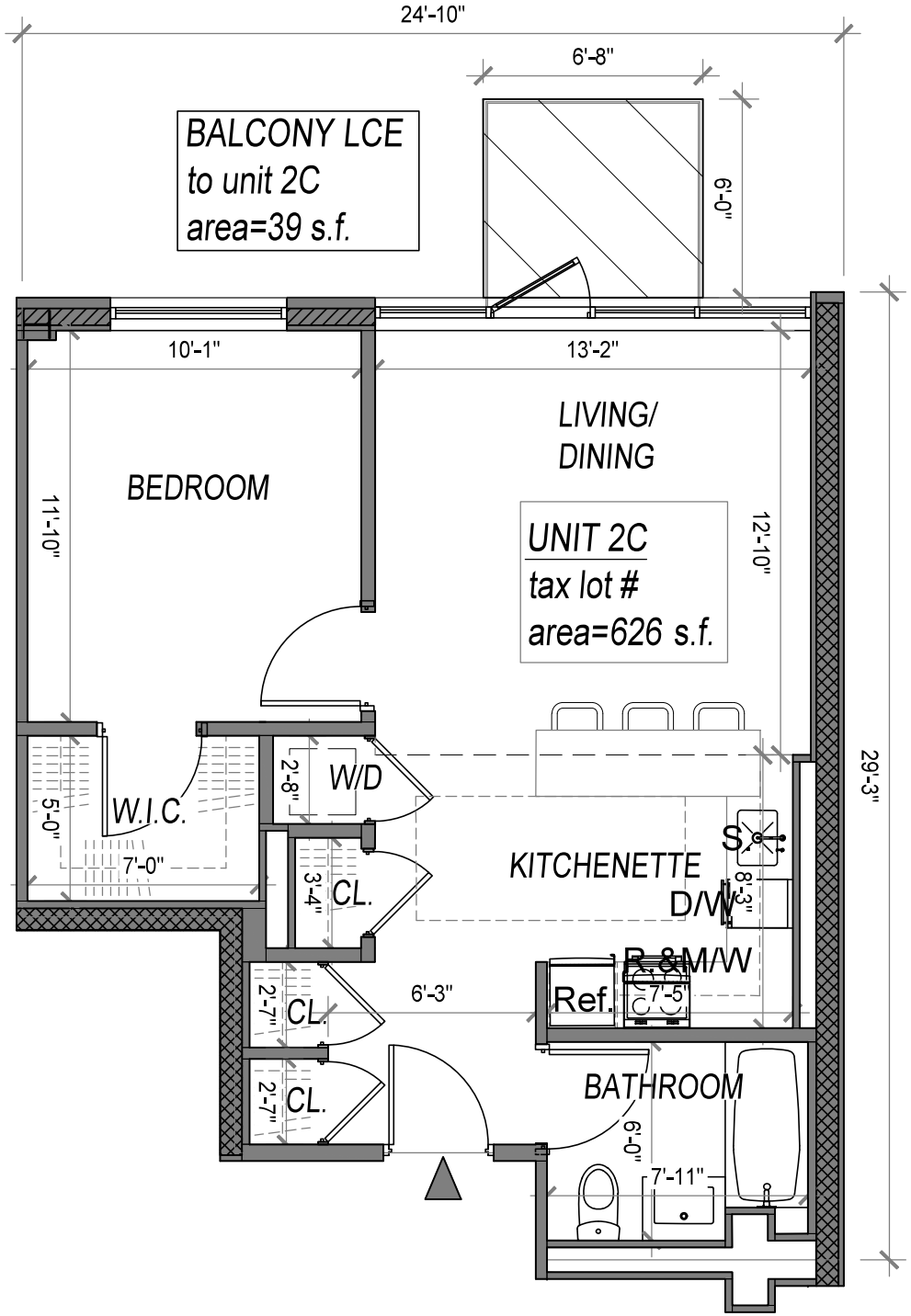
KEY PLAN

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

UNIT 2B PLAN - 2 FL.

SCALE: 3/16" = 1'-0"

1/20/2021



197

KEY

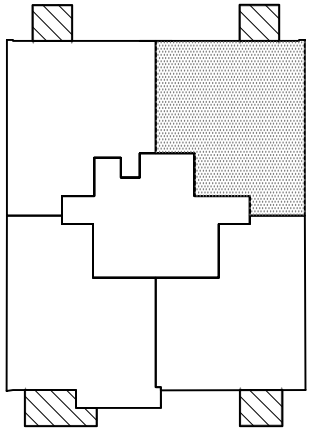
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LEGEND

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- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

SCALE

0 5 10 20



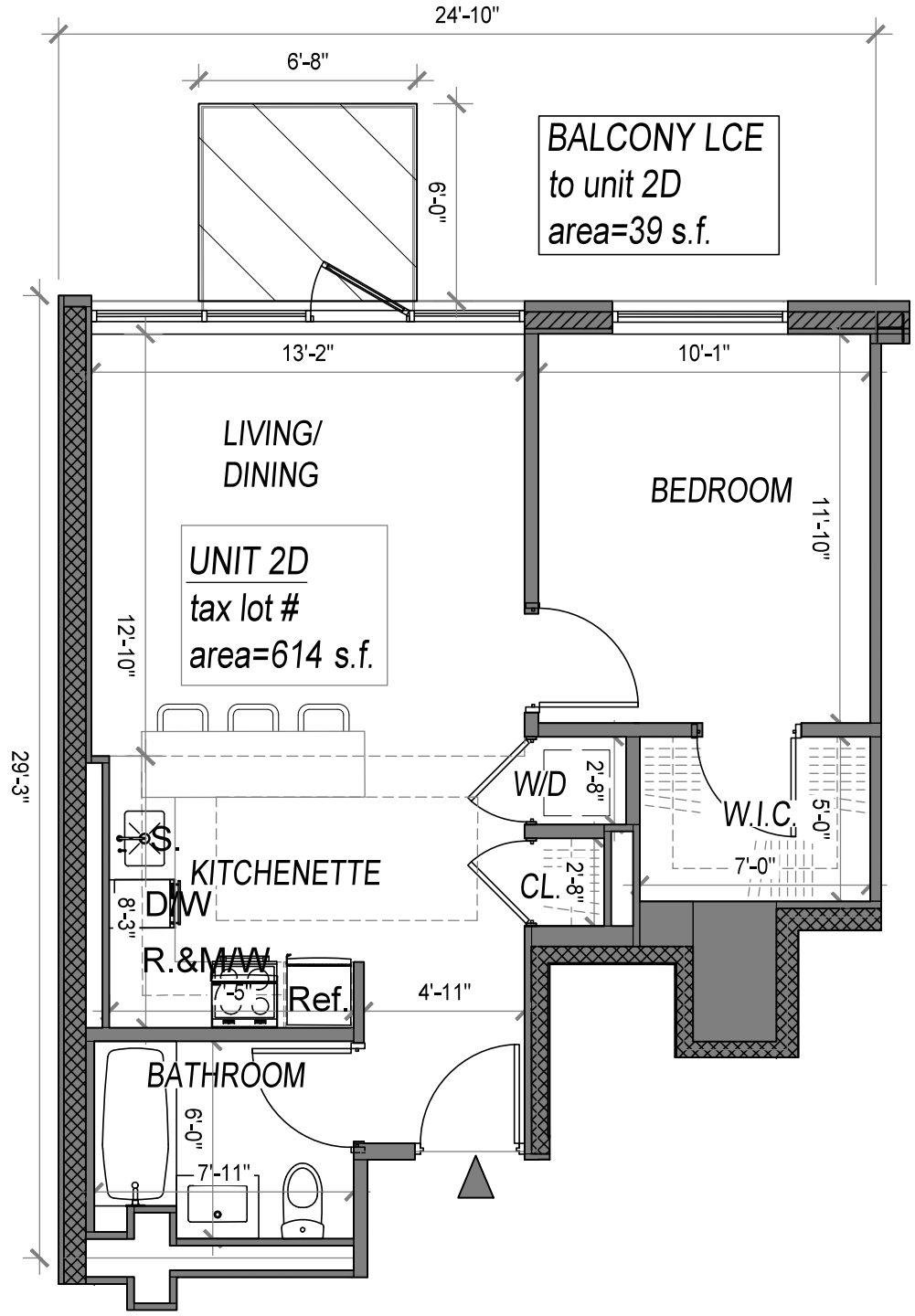
KEY PLAN

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

UNIT 2C PLAN - 2 FL.

SCALE: 3/16" = 1'-0"

1/20/2021



198

KEY

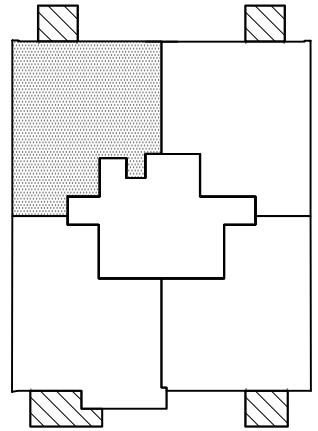
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- MICROWAVE

LEGEND

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- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

SCALE

0 5 10 20



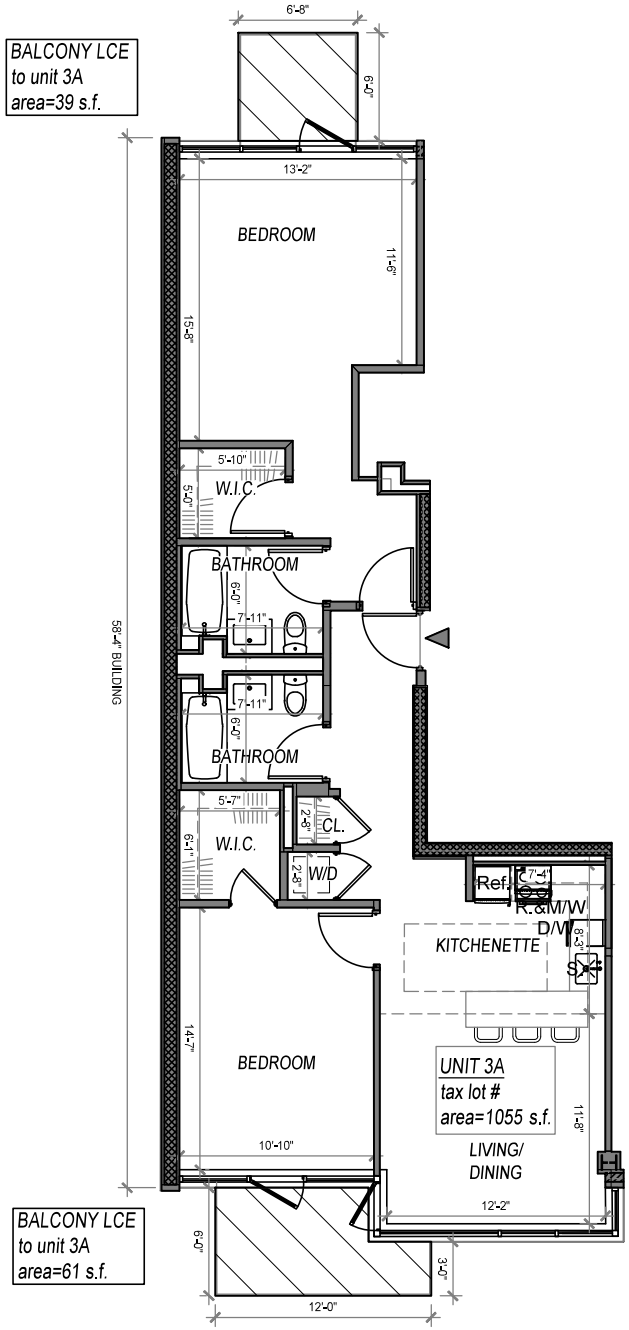
KEY PLAN

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

UNIT 2D PLAN - 2 FL.

SCALE: 3/16" = 1'-0"

1/20/2021



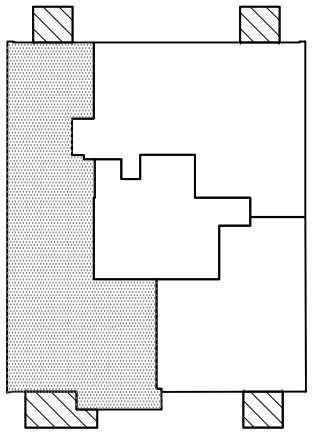
KEY

- SINK
- DISHWASHER
- REFRIGERATOR
- RANGE
- MICROWAVE

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

SCALE
0 5 10 20



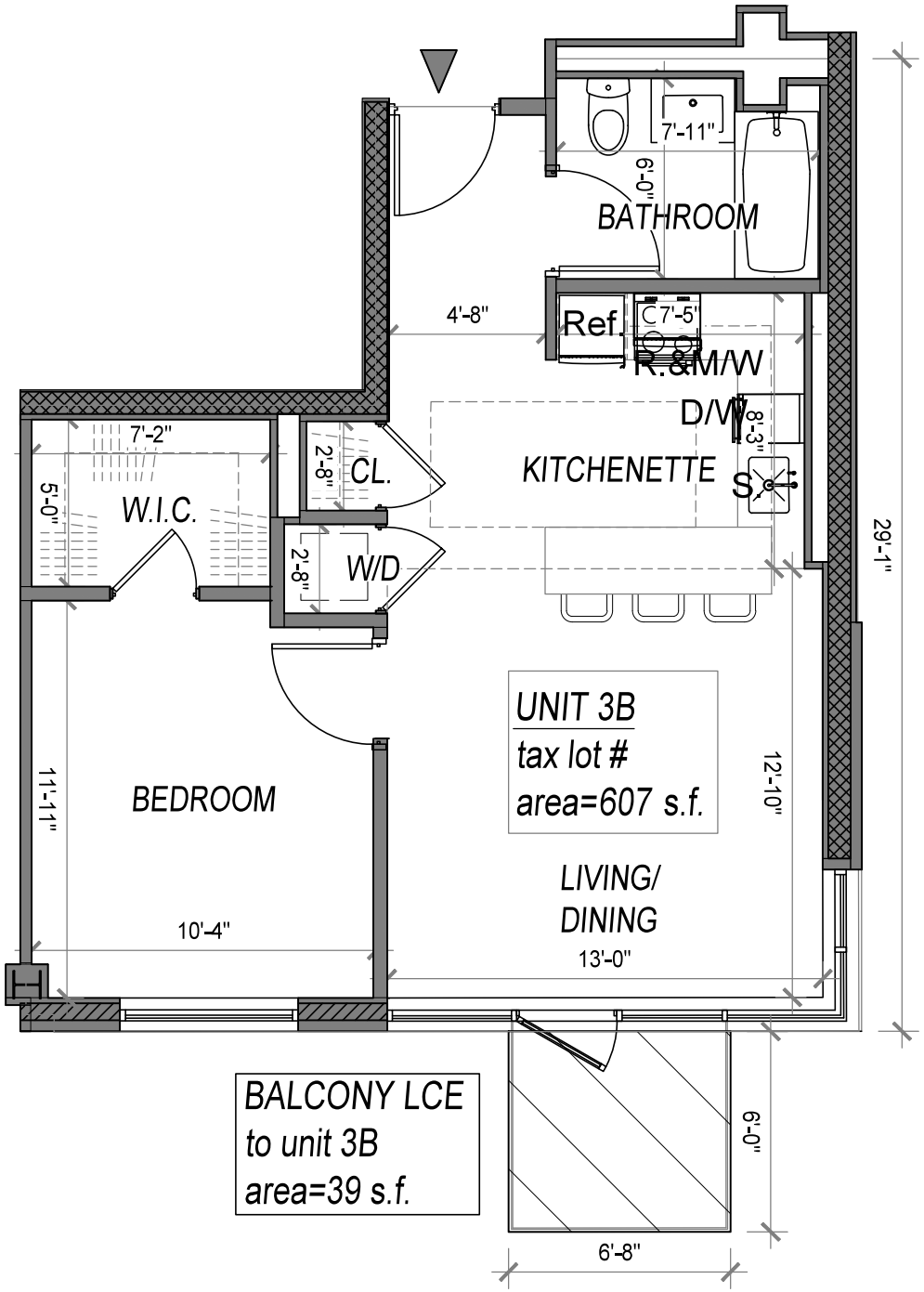
KEY PLAN

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

UNIT 3A PLAN - 3 FL.

SCALE: 3/32" = 1'-0"

1/20/2021



200

KEY

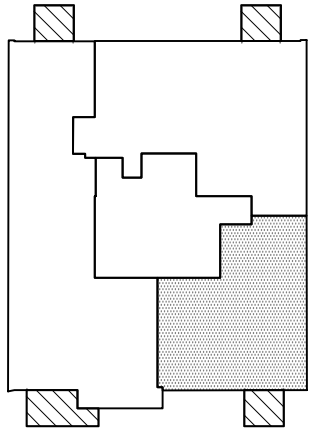
- SINK
- DISHWASHER
- REFRIGERATOR
- RANGE
- MICROWAVE

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

SCALE

0 5 10 20



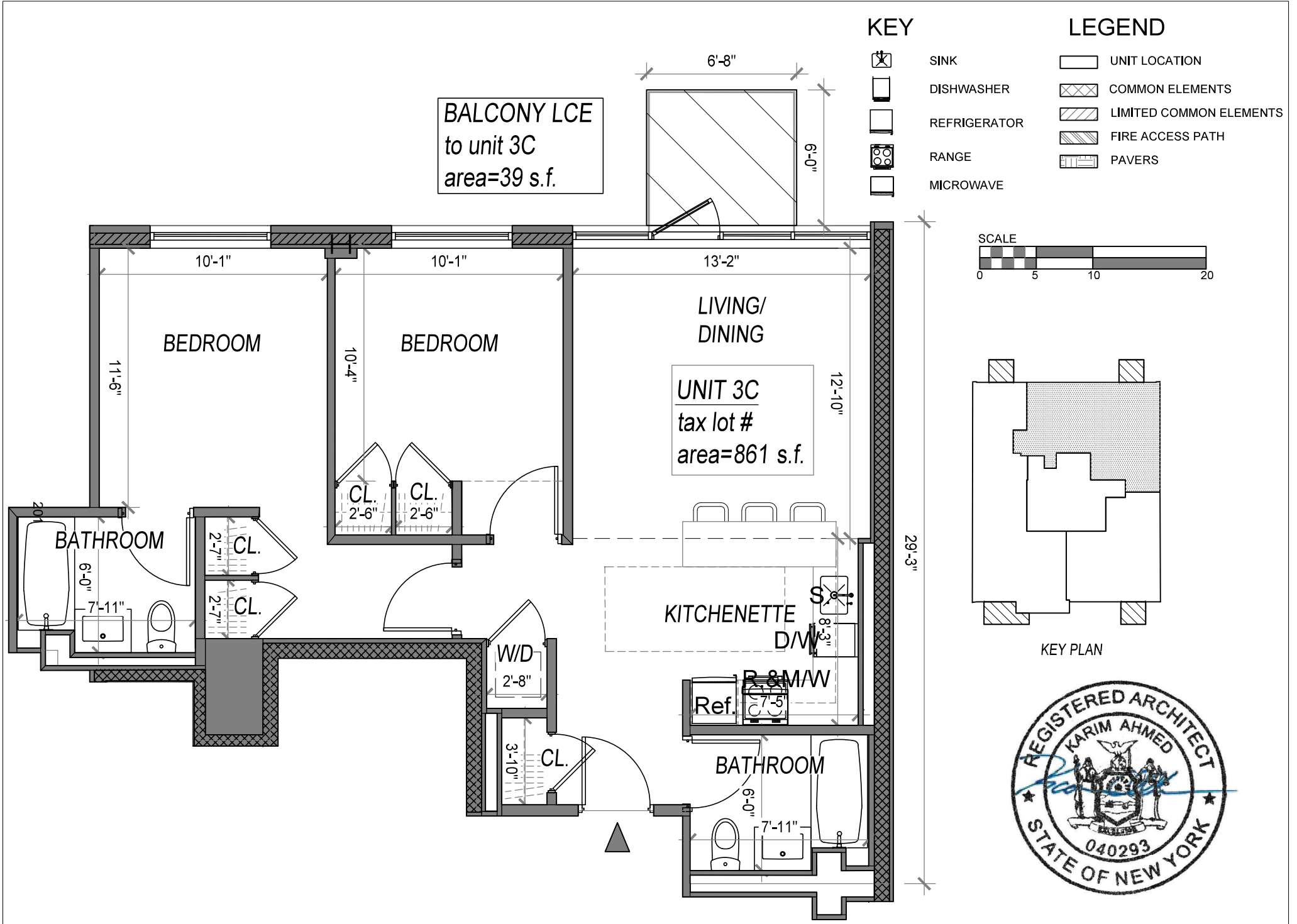
KEY PLAN

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

UNIT 3B PLAN - 3 FL.

SCALE: 3/16" = 1'-0"

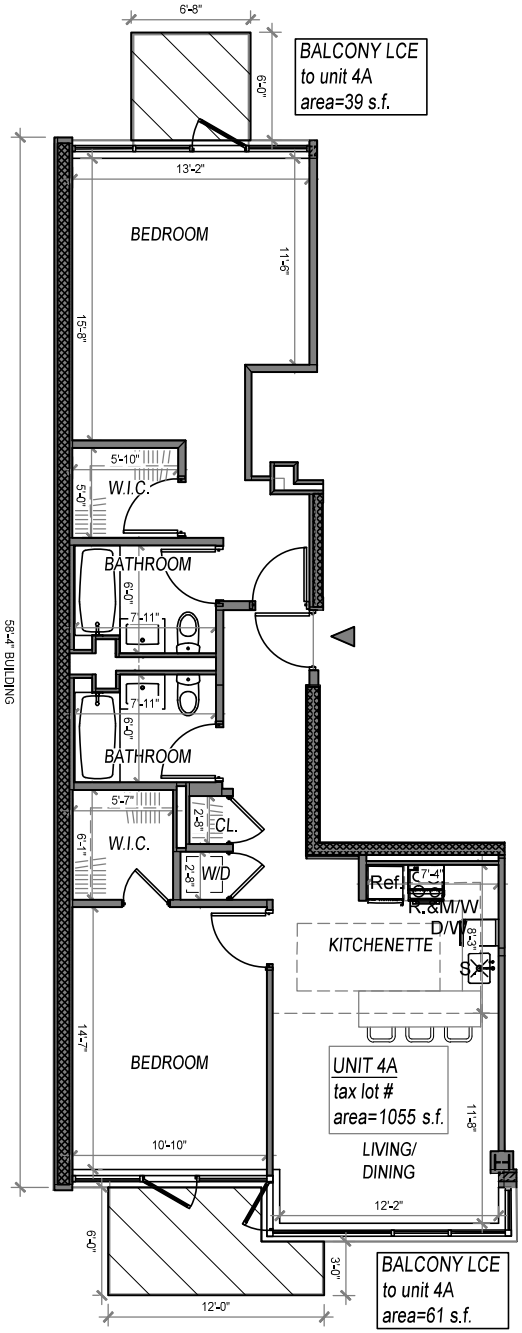
1/20/2021



UNIT 3C PLAN - 3 FL.

SCALE: 3/16" = 1'-0"

1/20/2021



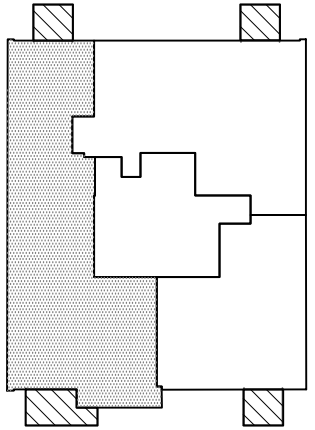
KEY

- SINK
- DISHWASHER
- REFRIGERATOR
- RANGE
- MICROWAVE

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

SCALE
0 5 10 20



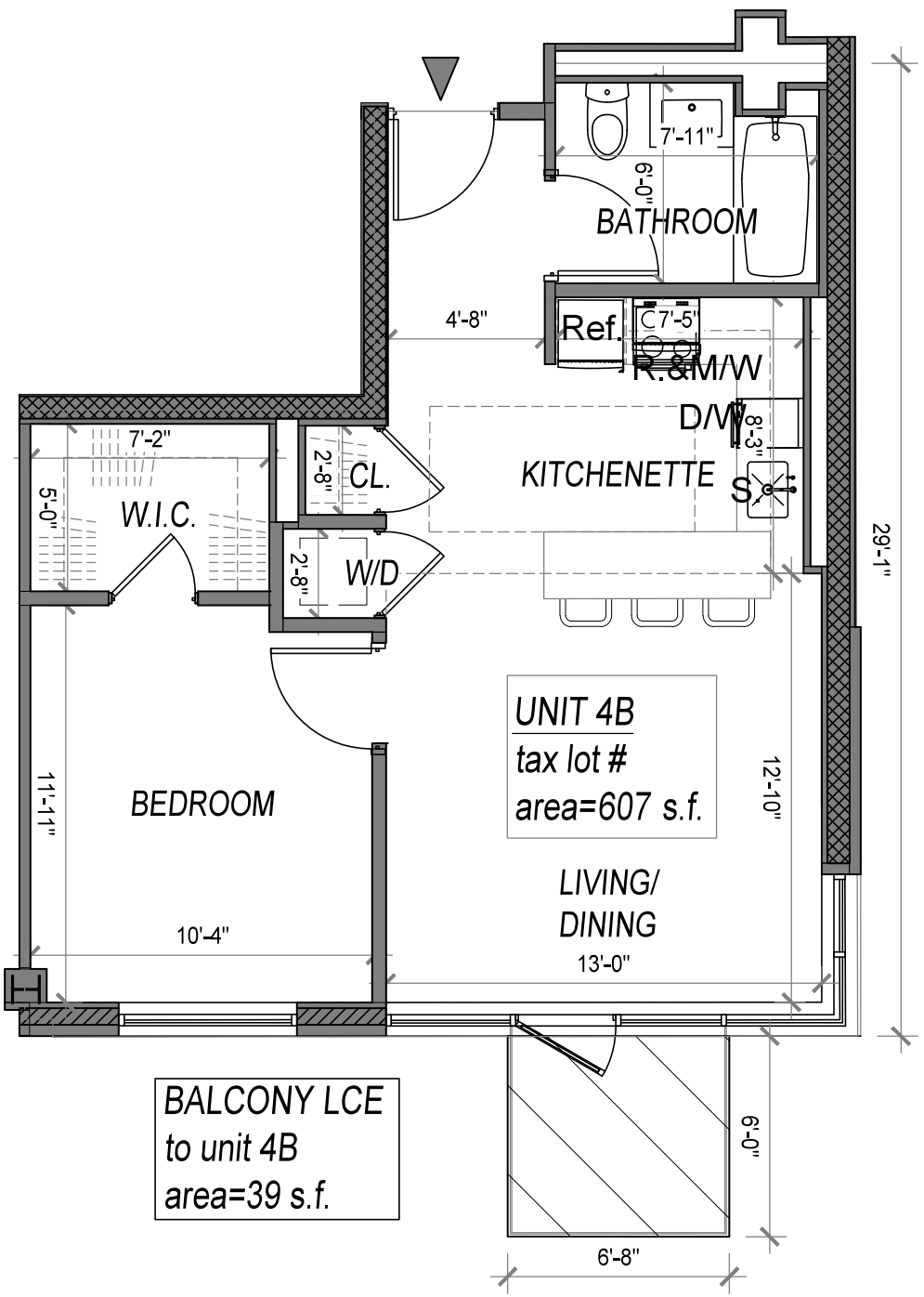
KEY PLAN

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

UNIT 4A PLAN - 4 FL.

SCALE: 3/32" = 1'-0"

1/20/2021



203

KEY

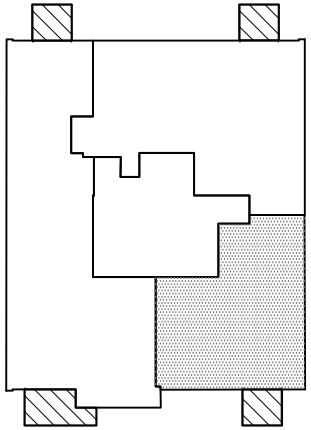
SINK
DISHWASHER
REFRIGERATOR
RANGE
MICROWAVE

LEGEND

UNIT LOCATION
COMMON ELEMENTS
LIMITED COMMON ELEMENTS
FIRE ACCESS PATH
PAVERS

SCALE

0 5 10 20



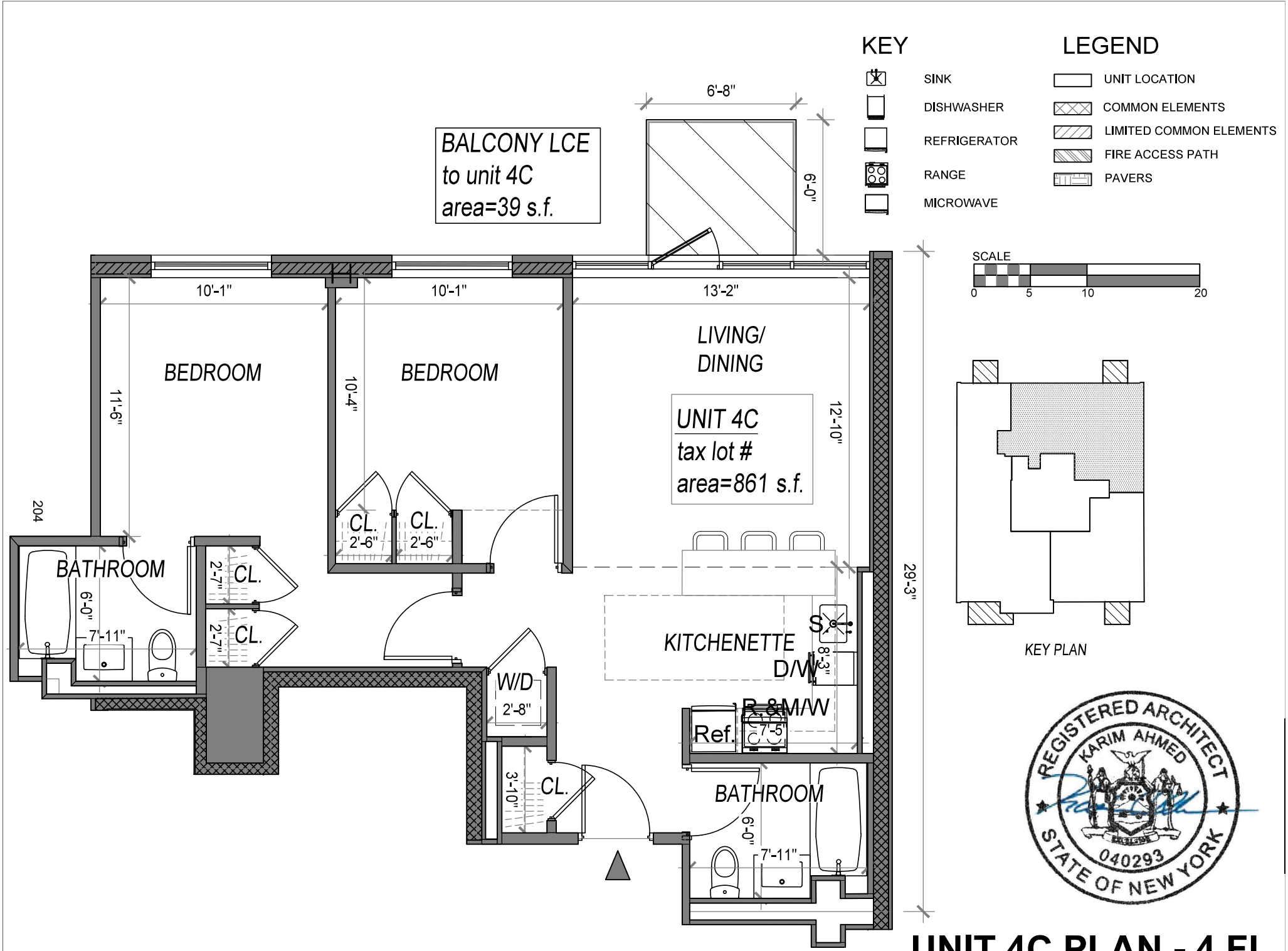
KEY PLAN

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

UNIT 4B PLAN - 4 FL.

SCALE: 3/16" = 1'-0"

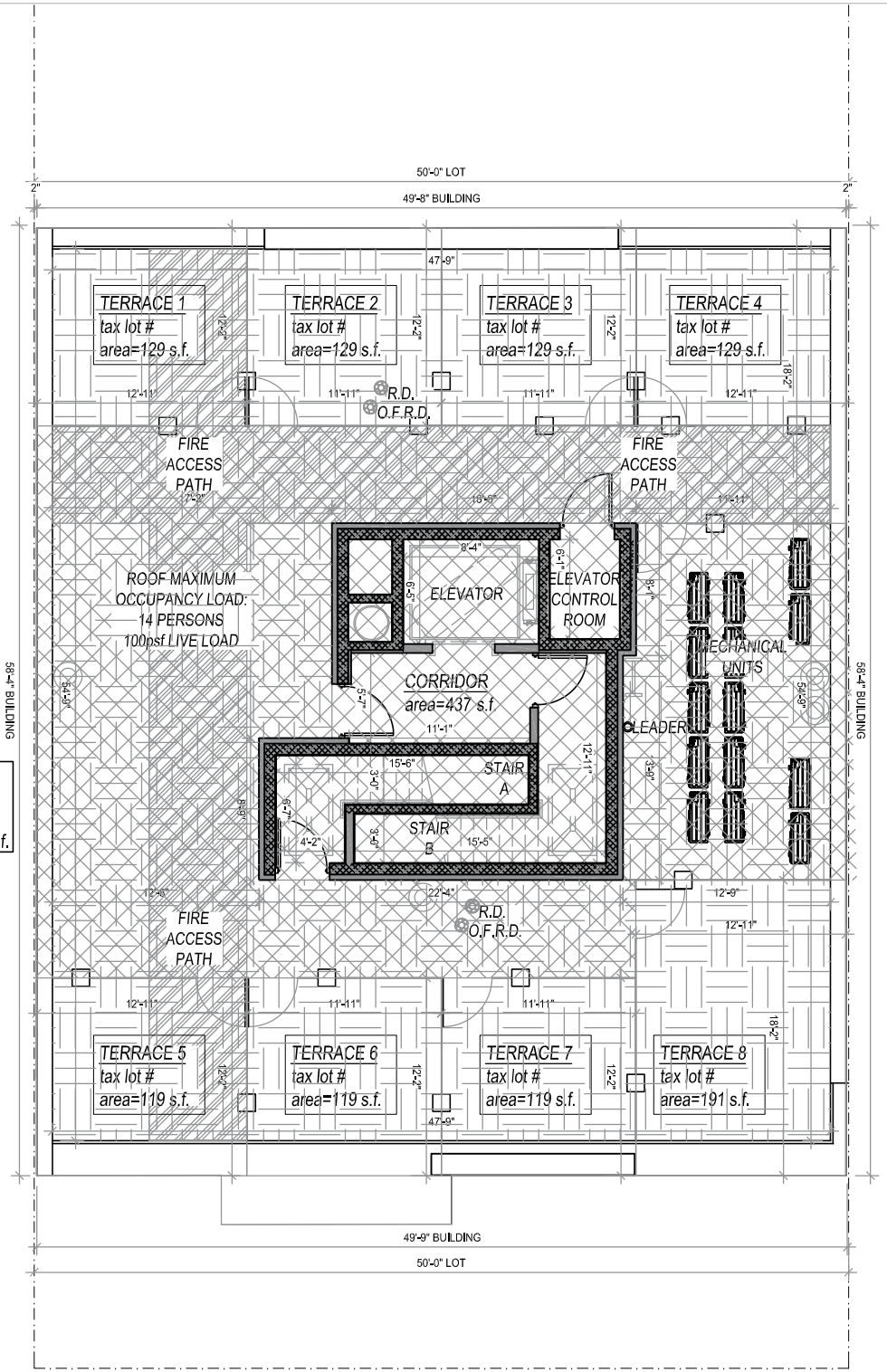
1/20/2021



UNIT 4C PLAN - 4 FL.

SCALE: 3/16" = 1'-0"

1/20/2021



COMMON ELEMENT TERRACE
area=845 s.f.

205

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

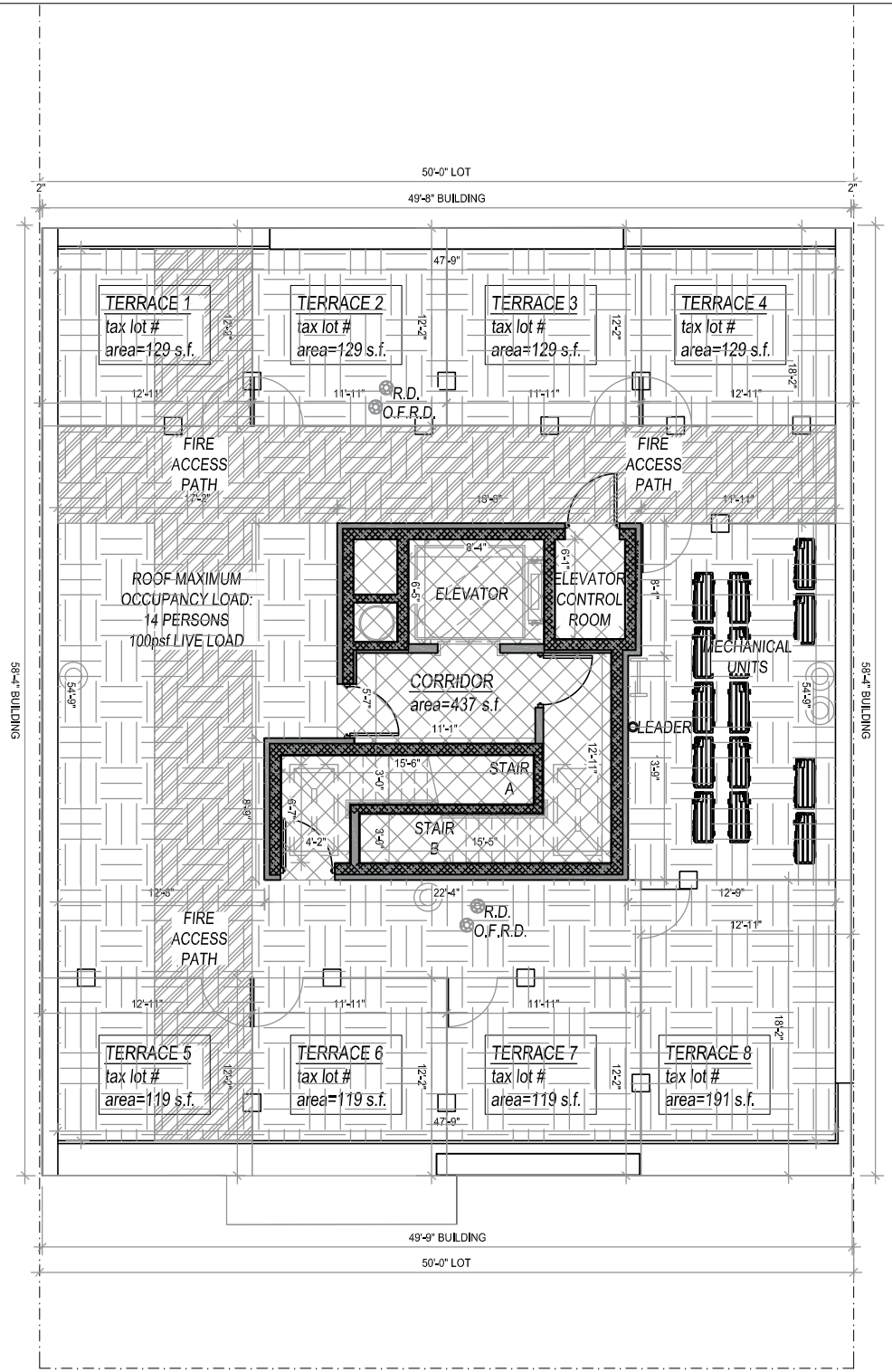
SCALE
0 5 10 20

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

ROOF

SCALE: 3/32" = 1'-0"

1/20/2021



LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

SCALE
0 5 10 20

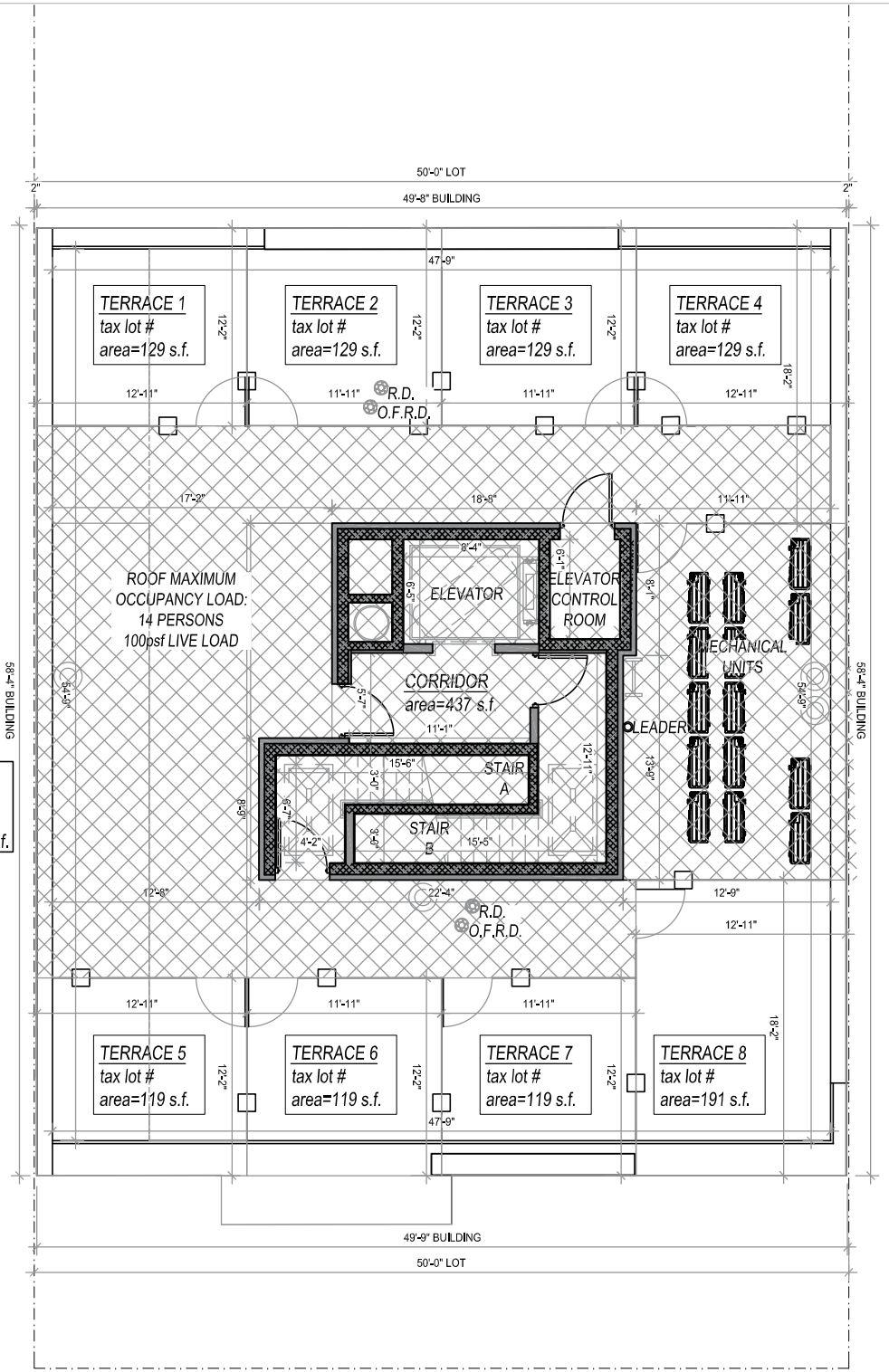
REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

ROOF

(PAVERS AND FIRE ACCESS PATH)

SCALE: 3/32" = 1'-0"

1/20/2021



COMMON ELEMENT TERRACE
area=845 s.f.

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

SCALE
0 5 10 20

REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

ROOF

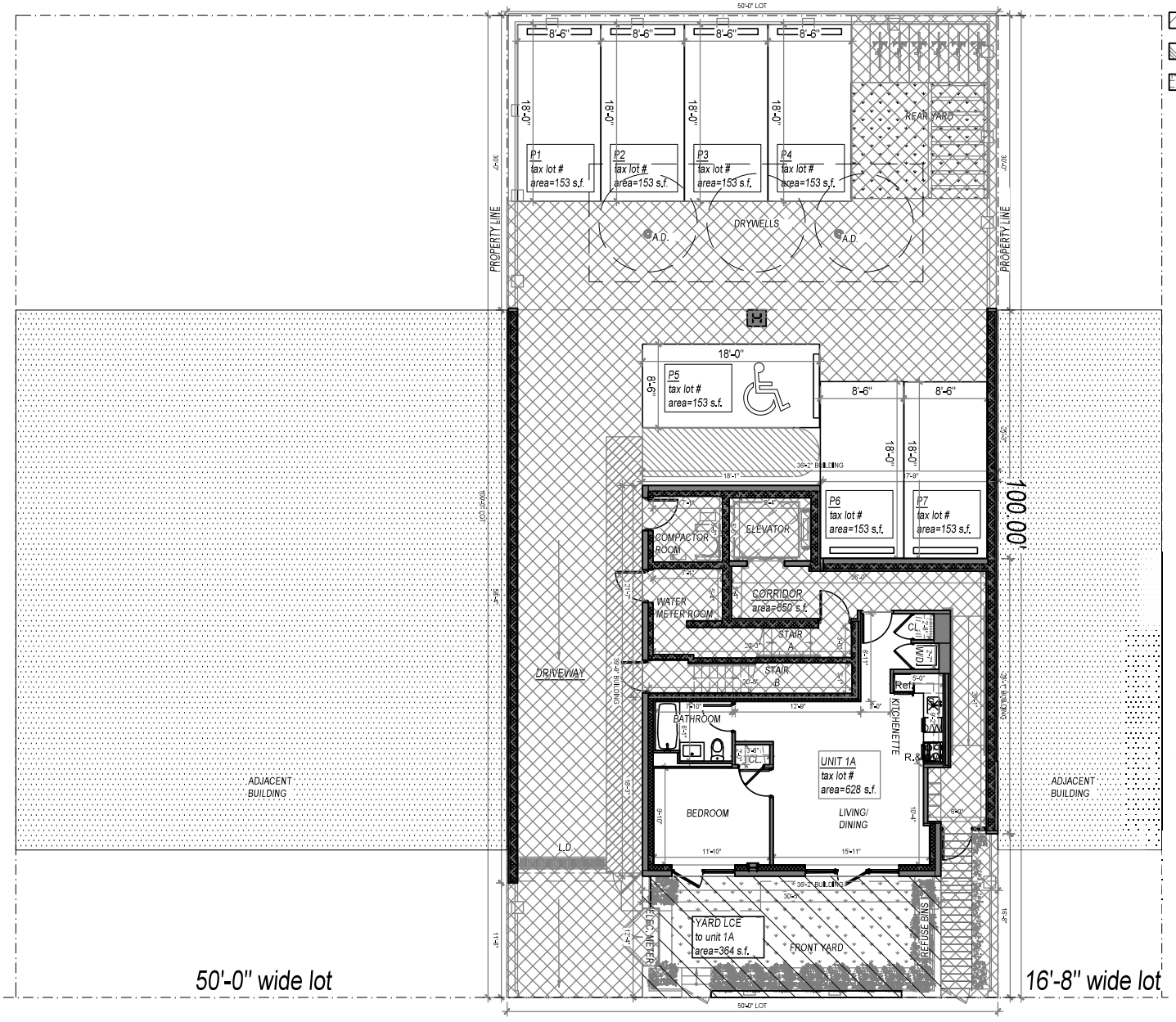
(COMMON ELEMENTS)

SCALE: 3/32" = 1'-0"

1/20/2021

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- FIRE ACCESS PATH
- PAVERS

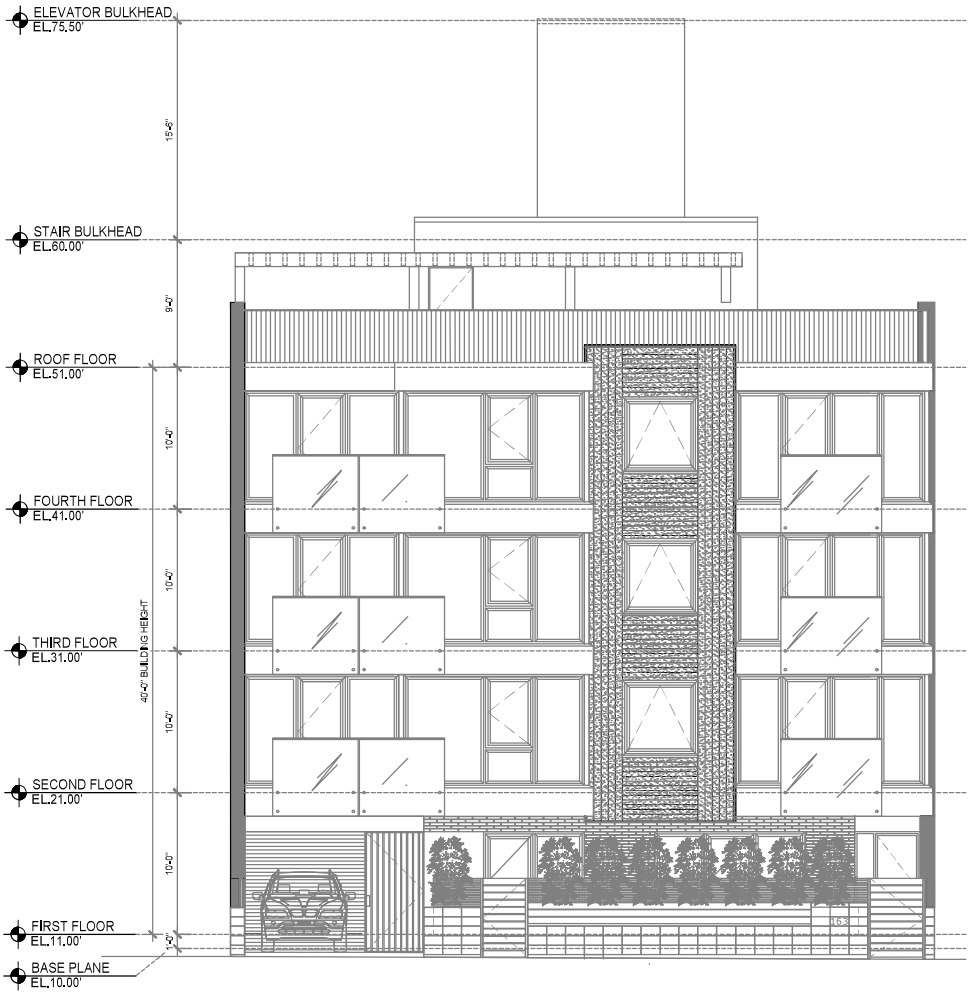


REGISTERED ARCHITECT
KARIM AHMED
040293
STATE OF NEW YORK

SITE PLAN

SCALE: 1/16" = 1'-0"

1/20/2021



SCALE

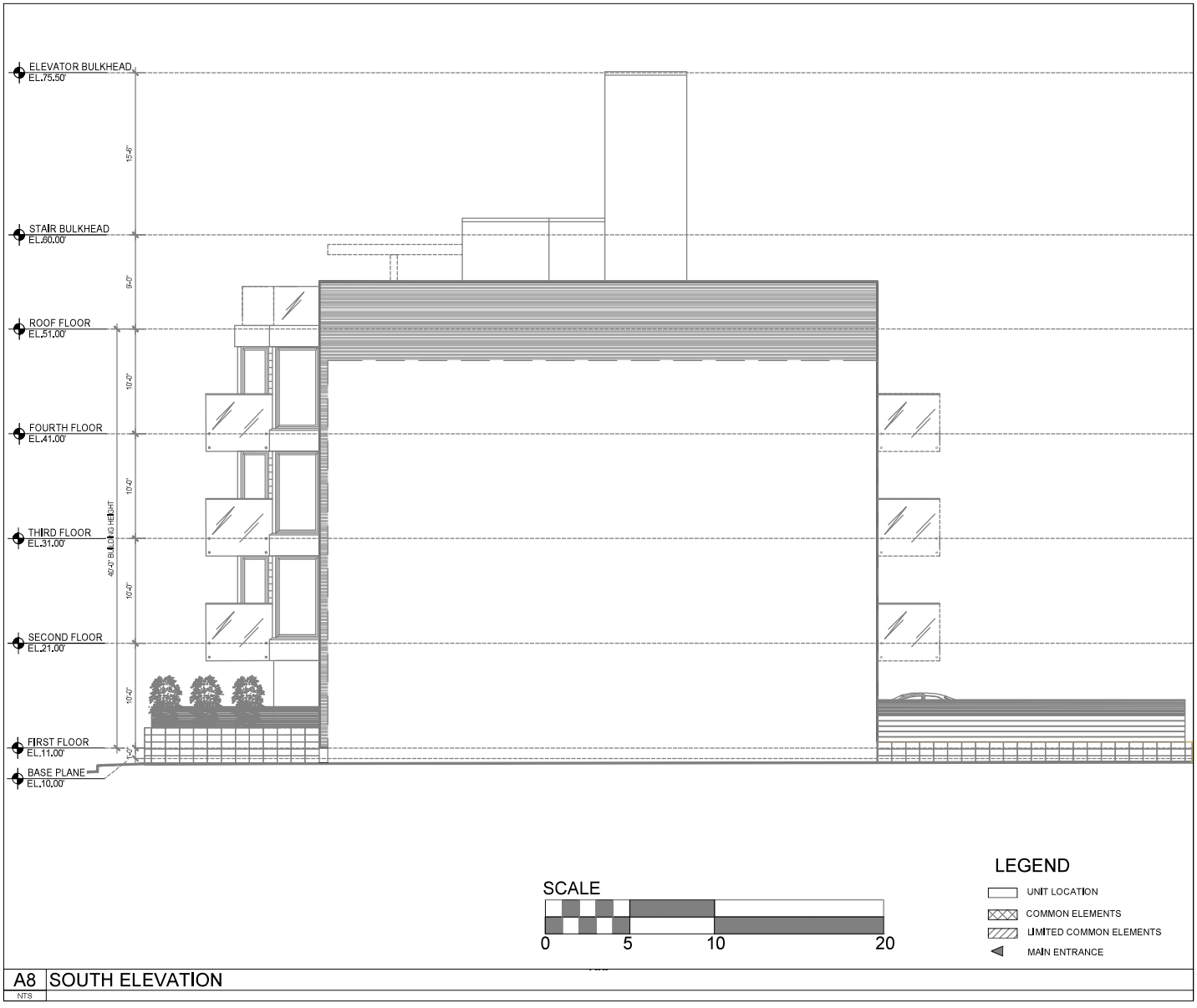
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LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- MAIN ENTRANCE

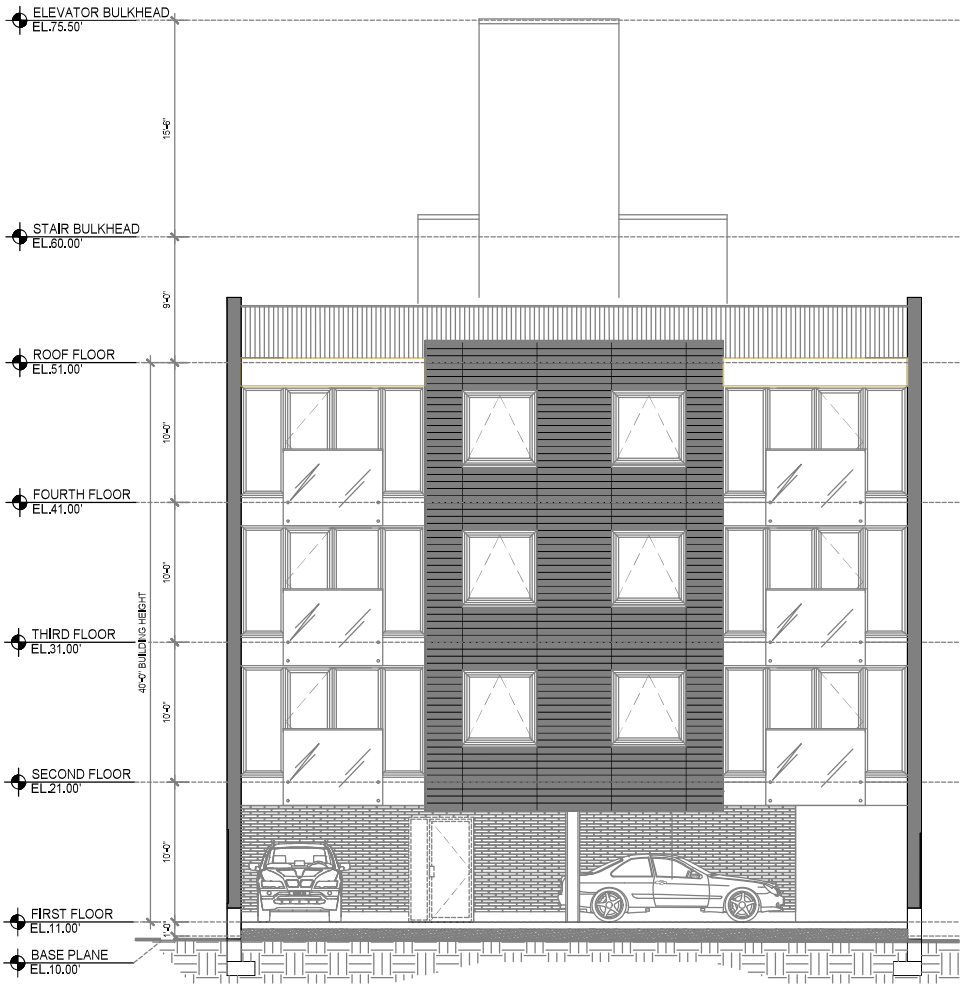
A7 NORTH ELEVATION

NTS



A8 SOUTH ELEVATION

NTS



SCALE

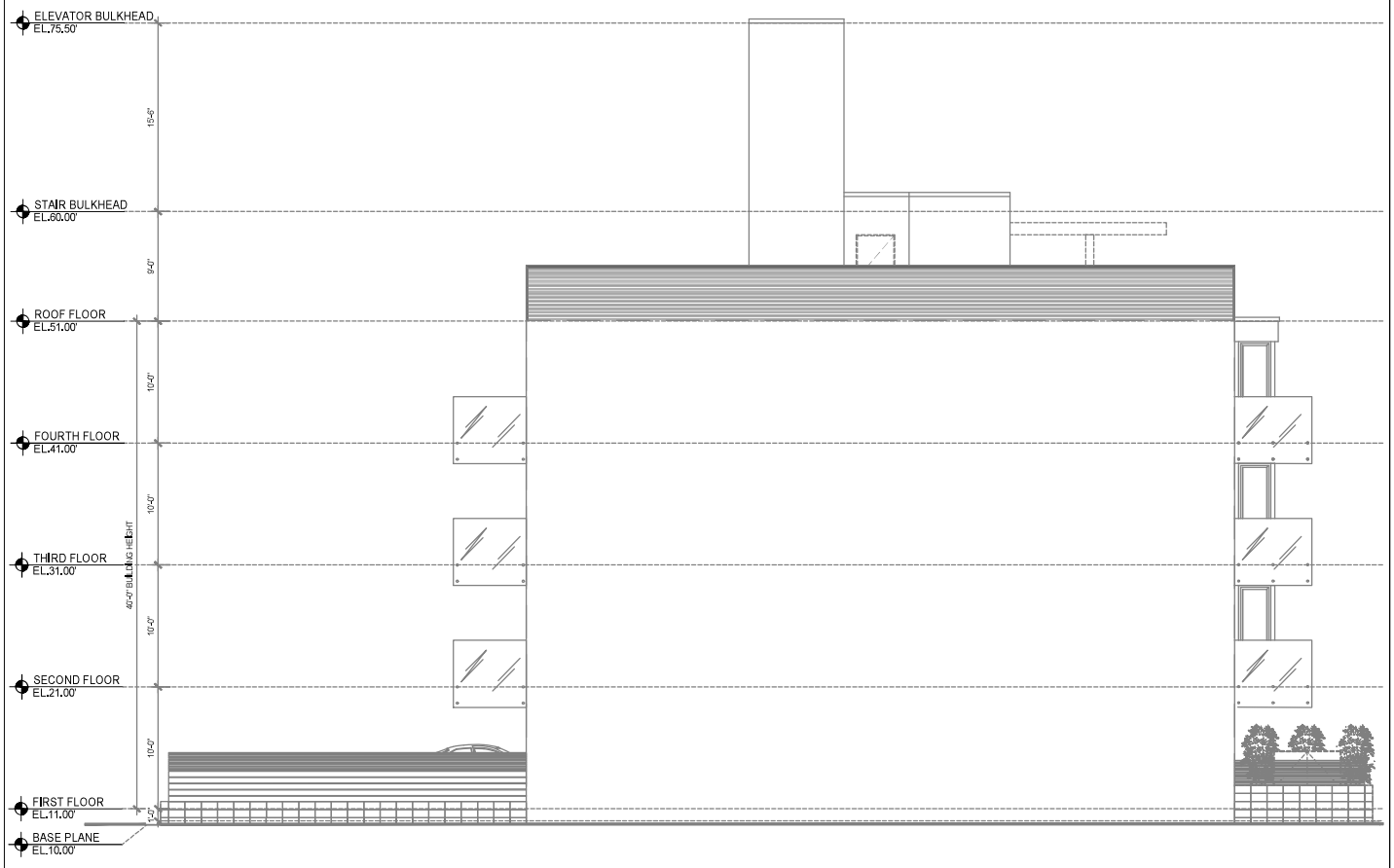
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LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS
- MAIN ENTRANCE

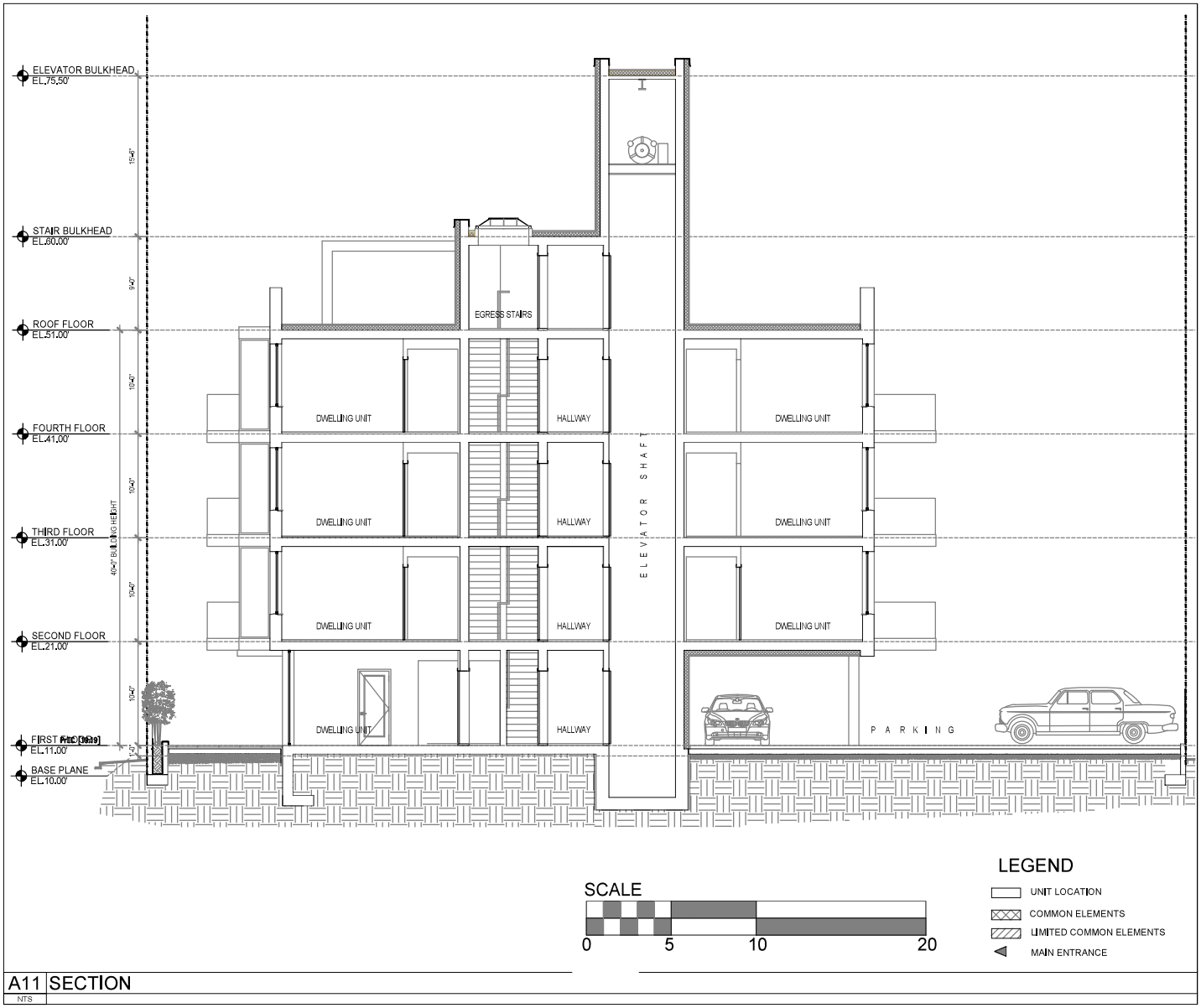
A9 WEST ELEVATION

NTS



A10 EAST ELEVATION

NTS



A11 SECTION

NTS

P 172—Lease: short form: plain English: 5-78
Note: added sections should be appropriately divided and captioned.

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LEASE AGREEMENT

The parties agree as follows:

Date of this Lease: 19

Parties to this Lease and addresses: Landlord:
Address for notices:

You, the Tenant:
Address:

If there are more than one Landlord or Tenant the words "Landlord" and "Tenant" used in this Lease includes them.

Term: 1. years: months: beginning: 19
ending: 19

Premises rented: 2.

Rent: 3. The yearly rent is $. You, the Tenant, will pay this yearly Rent to the Landlord, as follows:

Agreement to lease and pay rent: 4. Landlord leases the Premises to you, the Tenant, for the Term. You, the Tenant, agree to pay the Rent and other charges as required in the Lease. You, the Tenant, agree to do everything required of you in the Lease.

Default: 5. If you, the Tenant, fail to pay the Rent, or any part of the Rent when it becomes due, the Landlord may sue you for it, or re-enter the Premises, or use any legal remedy.

Taxes: 6. The agrees to pay all taxes to be assessed on the Premises during the Term.

End of the Term: 7. You, the Tenant, agree that at the end of the Term you will surrender the Premises in as good condition as now, except for ordinary wear and damage by the elements.

Successors: 8. Unless otherwise stated, the Lease is binding on all parties who lawfully succeed to the rights or take the place of the Landlord or you, the Tenant.

Changes: 9. This Lease can be changed only by an agreement in writing signed by the parties to the Lease.

Quiet enjoyment: 10. Landlord agrees that if you, the Tenant pay the rent and are not in default under this Lease, you, the Tenant may peaceably and quietly have, hold and enjoy the premises for the Term of this Lease.

Signatures: The parties have signed this lease as of the date at the top of the first page.

LANDLORD:

.....

.....

You, the TENANT:

WITNESS:

.....

.....

.....

GUARANTY OF PAYMENT

Date of Guaranty: 19

Guarantor and address:

Reason for Guaranty: 1. I know that the Landlord would not rent the Premises to the Tenant unless I guarantee Tenant's performance. I have also requested the Landlord to enter into the Lease with the Tenant. I have a substantial interest in making sure that the Landlord rents the premises to the Tenant.

Guaranty: 2. The following is my Guaranty:
I guaranty the full performance of the Lease by the Tenant. This Guaranty is absolute and without any condition. It includes, but is not limited to, the payment of rent and other money charges.

In addition, I agree to these other terms:

Changes in Lease have no effect: 3. This Guaranty will not be affected by any change in the Lease, whatsoever. This includes, but is not limited to, any extension of time or renewals. The Guaranty will bind me even if I am not a party to these changes.

Waiver of notice: 4. I do not have to be informed about any default by Tenant. I waive notice of nonpayment or other default.

Performance: 5. If the Tenant defaults, the Landlord may require me to perform without first demanding that the Tenant perform.

Waiver of jury trial: 6. I give up my right to trial by jury in any claim related to the Lease or this Guaranty.

Changes: 7. This Guaranty can be changed only by written agreement signed by all parties to the Lease and this Guaranty.

Signatures:

GUARANTOR:

WITNESS:

.....

.....

STATE OF COUNTY OF ss.:

On 19 before me personally appeared

to me known and known to me to be the individual(s) described in and who executed the foregoing Lease, and duly acknowledged to to me that he executed the same.

.....

RIDER TO INTERIM LEASE

Unit. ____, 163 Beach 96th Street, Rockaway Beach, NY 11693

Dated: _____

Landlord: 163 Beach 96th Street Condos LLC

Tenant(s):_____ _____

---

1. In the event of any inconsistency between the printed portion of this Interim Lease and this Rider, this Rider will control in each instance and any inconsistency between the printed portion of this Interim Lease or this Rider with the provisions of the Offering Plan for the conversion of the subject building to Condominium ownership, shall be resolved with the provisions of the Offering Plan controlling in each and every instance.

2. Tenant acknowledges that the subject apartment is not subject to any form of rent regulation (i.e. the apartment is not subject to the Rent Control or Rent Stabilization laws or code or any other form of regulation, regulating the amount of rent or affording the tenant any right to renew this lease upon its expiration).

3. Tenant acknowledges that this lease is for one year only and that the landlord is under no obligation to extend this lease for any period of time at the expiration hereof or to agree to any assignment of this Interim Lease by Tenant.

4. Tenant shall not sublet the apartment which is the subject of this Interim Lease or assign its interests in this Interim Lease without Landlord's/Sponsor's prior express written consent.

5. Tenant acknowledges that the landlord has advised that the landlord has no intention of renewing or otherwise extending the term of this lease upon the expiration of its term.

6. Tenant acknowledges that it is responsible for the cost and expense of its own utilities including without limitation, electricity, telephone and cable T.V. service. Tenant shall also be responsible for arranging for any such utility service including the payment of any security deposit or arranging to be on premises in order for service to be connected. Tenant acknowledges that landlord and its agents have no responsibility in regard to arranging for or paying for any such service, including any hook-up as may be necessary.

7. Tenant acknowledges that no portion of this lease will be binding upon Landlord and/or Landlord's agents in any manner and Landlord will not have incurred any

obligation to the Tenant or any other party arising out of this lease or in connection with the subject apartment, unless and until it is signed by, or on behalf of Landlord, and a fully executed, duplicate original of this lease is delivered to Tenant.

8. Tenant acknowledges that it has entered into a Purchase Agreement for the subject apartment and paid the requisite down payment required thereunder, as provided for in the Offering Plan for the conversion of the subject premises to condominium ownership; that any uncured default by Tenant hereunder will also constitute a default under such Purchase Agreement giving rise to such rights and remedies available to Sponsor as provided for in such Purchase Agreement and/or the Offering Plan and that any uncured default under the Purchase Agreement shall constitute a default under this Interim Lease entitling Landlord to terminate this Interim Lease and recover possession of the Unit.

9. Tenant agrees and acknowledges that in the event of an uncured default under the Purchase Agreement and/or this Interim Lease, Tenant will vacate the Unit within thirty (30) days after the giving of written notice of the cancellation of such Purchase Agreement.

10. No portion of the rent paid under this Interim Lease shall be credited toward the Purchase Price for the Unit and no portion of the down payment or any other sum paid in connection with the Purchase Agreement shall be credited toward Tenant's obligations under this Interim Lease.

11. Rent due under this Interim Lease shall be adjusted as of the Closing Date so that rent under the Interim Lease will be paid through the Closing Date only.

12. Landlord, as Sponsor, does not presently offer the right to rescind the Purchase Agreement. However, should such right be offered in the future as disclosed in an amendment to the Offering Plan, and exercised by Tenant as Purchaser, then Tenant/Purchaser's right to rescind will be conditioned upon his/her canceling this Interim Lease and surrendering possession of the Unit and leaving the same vacant, in good condition and broom clean within thirty (30) days after he/she elects to rescind as per such amendment to the Offering Plan. He/she must also pay any rent due under this Interim Lease through the date that possession is actually surrendered.

163 Beach 96th Street Condos LLC, Sponsor

By:_____

_____
(Tenant)

_____
(Tenant)

DECLARATION OF CONDOMINIUM

ESTABLISHING PLAN OF CONDOMINIUM OWNERSHIP FOR THE PREMISES KNOWN AS SURF HOUSE 1 CONDOMINIUM, 163 BEACH 96TH STREET, ROCKAWAY BEACH, NEW YORK, 11693 PURSUANT TO ARTICLE 9B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK

NAME: SURF HOUSE 1 CONDOMINIUM

DECLARANT: 163 BEACH 96TH STREET CONDOS LLC

BLOCK: 16169

LOT: F/K/A 63
N/K/A _____

DECLARATION EXECUTED ON _____ __, 202_

RETURN BY MAIL TO: TUREK ROTH GROSSMAN LLP
Attorneys for Declarant
377 Fifth Avenue, 6th Floor
New York, New York 10016
Attention: Allen M. Turek, Esq.

INDEX TO DECLARATION

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Exhibit	Subject
A	Description of the Land
B	Description of the Units
C	Definitions
D	By-laws
E	Power of Attorney

DECLARATION OF CONDOMINIUM

SURF HOUSE 1 CONDOMINIUM

(Pursuant to Article 9B of the Real Property Law
of the State of New York)

163 BEACH 96TH STREET CONDOS LLC, a New York Limited Liability Company, having an office at 82-17 153RD Street, Howard Beach, NY 11414 (hereinafter referred to as "Declarant", does hereby declare as follows:

PART I

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which such terms are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2

SUBMISSION OF THE PROPERTY

Declarant hereby submits the Property to the provisions of the Condominium Act and, pursuant thereto, does hereby establish a regime for the Condominium ownership of the Property as more particularly set forth herein and in the By-laws.

ARTICLE 3

NAME OF CONDOMINIUM

The Condominium shall be known as "SURF HOUSE 1 CONDOMINIUM".

ARTICLE 4

THE LAND

The Land, which is located in the County of Queens in the City and State of New York and is more particularly described in Exhibit A annexed hereto, is owned by Declarant in fee simple absolute and has a site area of approximately 5,000 square feet.

ARTICLE 5

THE BUILDING

Included in the Property described in Article 1 is the Building located at the street address 163 Beach 96th Street, Rockaway Beach, New York. The Building consists of four (4) stories and a Roof Deck, which shall be divided into eleven (11) Residential Units and seven (7) Parking Units.

ARTICLE 6

THE UNITS

(a) Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof; (i) its designation number; (ii) its tax lot number; (iii) its approximate location in the Building; (iv) its approximate square footage; (v) the number of rooms contained therein; (vi) the portions of the Common Elements to which such Unit has immediate access; and (vii) the Common Interest appurtenant to such Unit. The precise location of each Unit within the Building is shown on the Floor Plans.

(b) Each Unit consists of the area measured horizontally from the exterior side of an exterior wall (perimeter columns and perimeter mechanical pipes are not deducted) to the exterior of the opposite perimeter walls of the Unit or to the center-line of any interior demising wall and the areas measured vertically from the top of the floor underlayment to the underside of the plaster ceiling at its highest level. However, any Common Elements located within a Unit shall not be considered a part of such Unit.

(c) Each Unit includes: (i) the entrance doors to such Unit; (ii) the interior walls, partitions and floor coverings and plastered ceilings affixed, attached, or appurtenant to such Unit; (iii) any and all equipment, fixtures and appliances; and (iv) all Facilities affixed attached, or appurtenant to such Unit and benefiting only that Unit.

(d) Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner shall have the right, to install, at such Unit Owner's sole cost and expense, such decorations fixtures and coverings on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit, provided that no such installation shall impair the structural integrity of such Unit or of the Building.

ARTICLE 7

THE COMMON ELEMENTS

(a) The Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. The Common Elements include:

(i) the Land;

(ii) all foundations, columns, beams, supports, girders, exterior walls, partitions, window frames (excluding panes), concrete floor slabs, roofs (other than those portions of the roof that are terraces designated on the Floor Plans as Limited Common Elements appurtenant to the Units), and ceilings in, on, or under the Building, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof;

(iii) all hallways, corridors, lobbies, cellars, stairs, stairways, elevator shafts and pits, other mechanical and electrical equipment spaces and rooms (other than the storage rooms in the cellar designated on the Floor Plans as Limited Common Elements) and entrances to, and exits (excluding the private balconies and terraces designated on the Floor Plans as a Limited Common Elements appurtenant to Units 3-A and 3-B, if any) from the Building;

(iv) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distributions, heat, garbage disposal and other mechanical and electrical systems to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof; and

(v) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence maintenance, or safety of the Property.

(b) The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring any action for partition thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-laws.

(c) Certain portions of the Common Elements are limited and further restricted in use to Unit Owners of the Unit to which such Limited Common Elements are appurtenant, subject to the right of the Board of Managers to enter upon any such Limited Common Element to make structural repairs or structural replacements to said Limited Common Elements or any Common Element contained therein and subject to the Rules and Regulations of the Condominium. The Unit Owner of such Unit shall be responsible for providing access to the Limited Common Element to the Condominium and to the extent, if any, that such access is blocked by any personal belongings of such Unit Owner – or any improvement thereupon – it shall be such Unit Owner's responsibility to remove and (if desired by such Unit Owner) replace such personal belongings or improvements, at the Unit Owner's sole cost and expense.

ARTICLE 8

DETERMINATION OF COMMON INTERESTS

(a) The Common Interest of each Unit has been determined by the Declarant, pursuant to the terms of the Condominium Act, based upon the location of such space and the additional factors of relative value of such space to other space in the Condominium, uniqueness of the Unit, category of the Unit, availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

(b) In accordance with Real Property Law §339-m the Condominium Board is authorized to specifically allocate various expenses among the Residential and Commercial Unit Owners to the extent various services and budget items benefit the respective Units more.

(c) Common Expenses have been allocated amongst the Residential Units and the Commercial Unit, on the basis of usage rather than Common Interest. The First Year's Budget as provided in the Offering Plan to convert 163 Beach 96th Street, Rockaway Beach, New York to condominium ownership sets forth the line item, if any, to be paid for by the Commercial Unit Owner. The Condominium Board may not modify these allocations without the consent of the Commercial Unit Owner. Any new line items which may be added to the budget by the Condominium Board in the future shall be paid for on the same basis.

ARTICLE 9

USE OF UNITS

(a) Each Unit may be used for any lawful purpose.

(b) A Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by

a principal or employee of such other entity, or by Family Members or guests of any of the foregoing. Units may be leased only in accordance with the By-laws and Rules and Regulations.

(c) Declarant may, without the consent of the Condominium Board or other Unit Owners: (i) grant permission for the use of any Unsold Units as a professional office or for any other lawful purpose; (ii) use any Unsold Units as model Units and offices for the selling, renting, management, operation and promotion of Unsold Units; and (iii) lease any Unsold Units to third parties for their occupancy or any other lawful purpose.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF COMMON ELEMENTS

(a) Subject to the terms of the By-laws and the Rules and Regulations, Declarant, the Unit Owners, all other permitted tenants and occupants of the Building, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Common Elements. No Person shall use or enjoy the Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

(b) Declarant and its designees, successors, assignees, invitees, licensees, contractors, employees, agents and tenants shall have an easement in, over, under, through and upon the Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units. In addition, Declarant reserves the right to use portions of the Common Elements for sales, rental or display purposes, to place “for sale”, “for rent” and other signs and promotional materials, of such size and content as Declarant shall determine.

ARTICLE 11

OTHER EASEMENTS

(a) Subject to the terms of the By-laws and to the Rules and Regulations, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Common Elements. In addition, the Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect them, to remove violations therefrom and to operate, maintain, repair and replace any of the Common elements.

(b) If (i) any portion of the Common Elements now encroaches upon any Unit, (ii) any Unit now encroaches upon any other Unit or upon any portion of the Common Elements or (iii) any such encroachment shall hereafter occur as a result of (x) the settling or shifting of the Building, (y) any repair or alteration made to the Common Elements in accordance with the terms of this Declaration and the By-laws by, or with the consent of, the Condominium Board, by Declarant, or its designee or (z) any repair or restoration made to the Building or any portion

thereof, to any Unit, or to the Common Elements in accordance with the terms of this Declaration and the By-laws, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same for so long as the Building or the affected Unit or Common Elements shall stand.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD UNITS

Declarant or its designee shall have the right, without the consent or approval of the Condominium Board, any other Unit Owner, or Person, to:

(i). make alterations or improvements, whether structural or nonstructural to such Unsold Units;

(ii). change the layout, or number of rooms, in, any of such Unsold Units;

(iii). change the size and/or number of Unsold Units by (w) subdividing one or more such Unsold Units into two or more separate Units, (x) combining two or more or separating such Unsold Units into one or more Unsold Units, (y) altering the boundary walls of any of such Unsold Units; and

(iv). reapportion among such Units affected by such change in size or number their respective Common Interests.

ARTICLE 13

ACQUISITIONS OF UNITS BY THE CONDOMINIUM BOARD

If (i) any Unit Owner surrenders his Unit to the Condominium Board pursuant to the terms of the By-laws or of the Condominium Act or (ii) the Condominium Board, pursuant to the By-laws, either (x) acquires or leases a Unit, or (y) purchases a Unit, at a foreclosure or other similar sale, then, in any such event, title or the leasehold estate, as the case may be, to such Unit shall be held by the Condominium Board or its designee, on behalf of all Unit Owners.

ARTICLE 14

POWER OF ATTORNEY TO DECLARANT AND THE CONDOMINIUM BOARD

(a) Each Unit Owner shall be deemed to have appointed as such Unit Owner's attorney-in-fact, which power is irrevocable and coupled with an interest and with power of substitution, Declarant, to amend the Condominium Documents pursuant to the terms of Article 18 hereof and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(x) acquire or lease any Unit (1) whose owner desires to sell, or lease or surrender the same or (2) that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee;

(y) sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest appurtenant to) any Unit so acquired; and

(z) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration or repair of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

(b) In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Declarant or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Power of Attorney in the form set forth as Exhibit E to this Declaration.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue until terminated by (i) casualty loss, condemnation, or eminent domain, as more particularly provided in the By-laws or (ii) withdrawal of the Property from the provisions of the Condominium Act by a vote of a least eighty (80%) percent of all Unit Owners, both in number and in aggregate Common Interests. In the event that said withdrawal is authorized the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner’s share of such net proceeds, all liens on the Unit Owner’s Unit, in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

(a) Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee of a Unit Owner, or otherwise, shall, at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action, as such other Person may reasonably request 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.

(b) If any Unit Owner or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other Person, which power is irrevocable and deemed to be coupled with an interest and with power of substitution to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit owner or other Person.

(c) If any Unit Owner or the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that the Condominium Board, Unit Owner, other Person is required to take pursuant to this Declaration at the request of Declarant, then Declarant is hereby authorized as attorney-in-fact for the Condominium Board, such Unit Owner or other Person, which power is irrevocable and deemed to be coupled with an interest and with power of substitution to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner or other Person, as the case may be.

ARTICLE 17

COVENANTS TO RUN WITH THE LAND

All provisions of this Declaration, the By-laws and the Rules and Regulations, shall be perpetual and be construed to be covenants running with the Land. All present and future Owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-laws and the Rules and Regulations, as they may be amended from time to time.

ARTICLE 18

AMENDMENTS TO THIS DECLARATION

(a) Any provision of this Declaration may be amended or deleted by the vote of at least 66 2/3% of all Unit Owners, both in number and in aggregate Common Interests, taken in accordance with the provisions of the By-laws. No such amendment or deletion shall be effective until recorded in the Register's Office. Articles 9, 10, 11, 12, 14 and 15 of this Declaration may not be amended or deleted unless eighty (80%) percent, both in number and in aggregate Common Interests, of all Unit Owners approve such amendment or deletion.

(b) Declarant or its designee shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, or the Condominium Board, to execute and record in the Register’s Office amendments to this Declaration, together with such documents, plans and maps as Declarant or such designee deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Declarant or such designee in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Declarant to make a loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium or (z) any title insurance company selected by Declarant to insure title to any Unit. Provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this paragraph shall not (1) change the Common Interest of any Unit other than a Unit owned by Declarant, (2) require a material, physical modification of any Unit other than a Unit owned by Declarant or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event describe in subparagraph (1) or (2) of this paragraph) or the holder of such mortgage (in the event described in subparagraph (3) of this paragraph) shall consent thereto by joining in the execution of such amendment.

(c) No amendment to the Condominium Documents shall be adopted for so long as Declarant or its designee owns any Unit if the same would (i) unreasonably interfere with the sale, lease, or other disposition of a Unit owned by Declarant or such designee; (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit reserved to Declarant or such designee or (iii) impose any discriminatory charge or fee against Declarant or such designee without the consent of Declarant or its designee.

(d) So long as the Declarant owns at least one (1) Unit, the provisions of this Article 18 may not be modified, amended, added to, or deleted, in whole or in part, without the prior written consent of Declarant or its designee.

ARTICLE 19

CONSENTS OF DECLARANT AND THE CONDOMINIUM BOARD

Wherever the consent or approval of Declarant or its designee is required under this Declaration or the By-laws, such consent or approval shall not be required when Declarant or such designee no longer owns any Units. All consents required to be given by Declarant or the Condominium Board shall be given in writing.

ARTICLE 20

PERSON TO RECEIVE SERVICE

Allen M. Turek, Esq., 377 Fifth Avenue, 6th Floor, New York, NY 10016, or any designated successor, is hereby designated to receive service of process in any action that may be brought against the Condominium. In addition, in accordance with Section 339-n of the Real Property Law, the Secretary of State of the State of New York is hereby designated as an agent of

the Board of Managers to receive service of process in any action brought against the Condominium.

ARTICLE 21

SEVERABILITY

If any provision of the Condominium Documents is invalid or unenforceable the remainder of the Condominium Documents shall not be affected thereby.

ARTICLE 22

GENDER

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

ARTICLE 23

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of this Declaration or the intent of any provision hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the day ____ of _____ , 202_.

163 BEACH 96TH STREET CONDOS LLC, Declarant

By:_____

STATE OF NEW YORK)
: ss.:
COUNTY OF _____)

On the _____ day of _____, in the year _____, before me, the undersigned, a Notary Public in and 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

EXHIBIT A TO THE DECLARATION
OF
SURF HOUSE 1 CONDOMINIUM

DESCRIPTION OF THE LAND

SCHEDULE A

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough and County of Queens, City and State of New York, bounded and described as follows:

BEGINNING at a point on the Westerly side of 96th Street (Bond Avenue), 340 feet Southerly from the corner formed by the intersection of the Westerly side of Beach 96th Street with the Southerly side of Rockaway Beach Boulevard (Rockaway Boulevard);

RUNNING THENCE Westerly at right angles to Beach 96th Street, 100.55 feet;

THENCE Southerly parallel with Beach 96th Street, 50 feet;

THENCE Easterly at right angles to Beach 96th Street, 100.55 feet to the Westerly side of Beach 96th Street;

THENCE Northerly along the Westerly side of Beach 96th Street, 50 feet to the point or place of BEGINNING.

FOR CONVEYANCING ONLY, IF INTENDED TO BE CONVEYED: TOGETHER WITH ALL RIGHT, TITLE AND INTEREST OF, IN AND TO ANY STREETS, ROADS, OR AVENUES ABUTTING THE ABOVE DESCRIBED PREMISES, TO THE CENTER LINE THEREOF.

EXHIBIT B TO THE DECLARATION
OF THE
SURF HOUSE 1 CONDOMINIUM

DESCRIPTION OF UNITS

UNIT	BEDROOMS AND BATHS	SQUARE FOOT-AGE THAT IS HABITABLE	SQUARE FOOT-AGE THAT IS UN-INHABITABLE[1,2]	LOCATION
1A [G]	1 +1	628	364	
2A[B]	1+1	651	61	
2B[B]	1+1	607	42	
2C[B]	1+1	626	39	
2D[B]	1+1	614	39	
3A[B(2)]	2+2	1055	100	
3B[B]	1+1	607	39	
3C[B]	2+2	861	39	
4A[B(2)]	2+2	1055	100	
4B[B]	1+1	607	39	
4C[B]	2+2	861	39	
P1	n/a	n/a	153	
P2	n/a	n/a	153	
P3	n/a	n/a	153	
P4	n/a	n/a	153	
P5	n/a	n/a	153	
P6	n/a	n/a	153	
P7	n/a	n/a	153	
C1	n/a	n/a	156	
C2	n/a	n/a	144	
C3	n/a	n/a	144	
C4	n/a	n/a	212	
C5	n/a	n/a	156	
C6	n/a	n/a	144	
C7	n/a	n/a	144	
C8	n/a	n/a	233	

EXHIBIT C TO THE DECLARATION
OF
SURF HOUSE 1 CONDOMINIUM

General definition of certain terms used in the Plan are set forth below. In the event these definitions are otherwise defined or the Condominium Act, GBL, or the regulations of the New York State Department of Law, or in the Declaration and By-laws of the Condominium, then such definitions shall prevail over any contrary definition contained herein.

1. **Appurtenant Interest**: With respect to any Unit, the undivided interest of the owner of such Unit in and to: (i) the Common Elements; (ii) any other assets of the Condominium.

2. **Board of Managers**: Sometimes "Condominium Board" or "Board". The governing board of the Condominium composed of representatives designated by the Sponsor or selected by Unit Owners voting to supervise and manage the affairs of the Condominium in accordance with the By-laws of the Condominium.

3. **Building**: The building known as 163 Beach 96th Street, Rockaway Beach, New York.

4. **Closing Date**: The date of the transfer of title to any specific Unit, as scheduled by Sponsor by written notice to any Purchaser (which notice may not be less than 30 days) and any adjournment of such date as may be agreed by Sponsor in writing.

5. **Common Area Work**: The improvements and renovations to the Common Areas of the Building necessary to obtain a final Certificate of Occupancy pursuant to the Construction Plans and Specifications.

6. **Common Charges**: Each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.

7. **Common Elements**: All portions of the Property other than Units, including, but not limited to the land, the foundations, roofs and supports of the Building and all areas or facilities for the common use of the Units and Unit Owners.

8. **Common Expenses**: The aggregate of (a) expenses of the operation of the Property, and (b) all sums designated as Common Expenses by the Condominium Act, the Declaration or By-laws. The projected Common Expenses for the first year of operation are set forth in Schedule B.

9. **Common Interest**: The proportionate undivided interest of each Unit Owner in the Common Elements as determined in accordance with the Declaration. The total of all Common Interest percentages of all Unit Owners equals 100%. The Common Interest of a Unit is the basis for determining, among other things, a Unit Owner's undivided ownership interest in the Common Elements and share of Common Expenses and of any distributions upon termination of the Condominium.

10. **Condominium**: The Units and Common Elements constituting Surf House 1 Condominium.

11. **Condominium Act**: Article 9B of the Real property Law of the State of New York.

12. **Condominium Board**: The Board of Managers of the Condominium.

13. **Condominium Documents**: The Declaration, the By-laws, Rules and Regulations and Floor Plans, as same may be amended from time to time.

14. **Construction Plan and Specifications**. The Plans and Specifications for the Building which are filed with and approved by the New York City Department of Buildings as same may be amended from time to time, pursuant to which the Building will be converted to its intended use as described in this Plan.

15. **Declarant/Sponsor**. Shall mean 163 Beach 96th Street Condos LLC, having an address at 82-17 153rd Avenue, Suite 200, Howard Beach, NY 11414.

16. **Declaration or Declaration of Condominium**: The instrument, including the By-laws, by which the Property is submitted to the provisions of the Condominium Act.

17. **Escrow Agent**: Turek Roth Grossman LLP, 377 Fifth Avenue, New York, New York 10016, (212) 223-3562 or its successors, as per an amendment to this Plan.

18. **Family Members**: The spouse, children (natural and adopted), stepchildren, grandchildren, siblings, parents, parents-in-law, grandparents, great-grandparents and aunts and uncles of a Unit Owner who reside in such Unit Owner's Unit.

19. **First Closing**: The Closing of title for the first Unit to be conveyed pursuant to a Purchase Agreement and this Plan.

20. **Floor Plans**: The floor plans of the Units certified by Michael Muroff, R.A., 333 Hudson Street, Suite 501, New York, NY 10013, or such other engineer or architect designated by Sponsor, and filed with the City Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

21. **Land**: All that certain tract, plot, piece and parcel of land, situate, lying and being in the County of Queens, State of New York, as more particularly described in Exhibit A to the Declaration, and located at 163 Beach 96th Street, Rockaway Beach, New York.

22. **Limited Common Elements**: Portions of the Property which are owned as Common Elements, but the exclusive use of which is granted to a single Unit Owner or several Unit Owners, such as balconies and terraces.

23. **Managing Agent**: ALGNY Management, 82-17 153rd Avenue, Suite 206, Howard Beach, New York 11414.

24. **Offering Plan**: This document, as may be amended from time to time, filed with the New York State Department of Law pursuant to which individual Units in the Condominium are offered for sale.

25. **Parking Units**: Each of the seven (7) parking spaces that are located on the grade level of the Building.

26. **Permitted Mortgage**: Any mortgage covering a Unit that is placed thereon in compliance with the terms of the By-laws.

27. **Permitted Mortgagee**: Any holder of a Permitted Mortgage.

28. **Person**: A natural person, corporation, partnership, limited liability company, association, trustee or other legal entity.

29. **Power of Attorney**: The document, signed by Unit Owners, which appoints: (a) the Board of Managers as attorney-in-fact to acquire or lease Units on behalf of all Unit Owners; and (b) the Sponsor as attorney-in-fact to amend the Condominium Documents under the conditions set forth in the Power of Attorney.

30. **Property**: Includes the Land, 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 subject to the provisions of the Condominium Act.

31. **Purchaser**: Any Person who has entered into an agreement with Sponsor to purchase a Unit and who is not in default thereunder.

32. **Residential Unit**: Any of the 11 Units on floors 1 through 4, inclusive, to be used for residential and other ancillary uses as permitted by the Building's Certificate of Occupancy.

33. **Rules and Regulations**: The rules and regulations of the Condominium, which are annexed as an addendum to the By-laws, as they may be amended, from time to time.

34. **Selling Agent**: Linda Gurino, 82-17 153rd Avenue, Suite 206, Howard Beach, New York, 11414.

35. **Special Assessments**: The charges allocated and assessed by the Board of Managers to the Unit Owners, prorated in accordance with their respective percentage interest in the Common Elements (except as may be otherwise provided in the Declaration or in the By-laws).

36. **Sponsor**: 163 Beach 96th Street Condos LLC, a New York Limited Liability Company with an office at 82-17 153rd Avenue, Suite 200, Hoard Beach, NY 11414.

37. **Sponsor Designee**: Any person designated by the Sponsor to hold title to any Unsold Unit. Sponsor Designee shall have the right to designate person(s) to succeed to its rights and any such designee shall also be deemed a "Sponsor Designee".

38. **Unavoidable Delays**: Refers to delays due to strike, lockout, or other labor, civil or industrial disturbance, existing and/or future order of any government (including without limitation, any Executive Order issued in regard to the COVID-19 medical emergency), court or regulatory body, war, act of the public enemy, riot, sabotage, blockade, embargo, shortage of, failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or act of God or any cause similar to any of the foregoing; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing, shall not be deemed to be a cause similar to the foregoing clauses.

39. **Unit**: Any one of the 11 Residential Units, the 7 Parking Units and/or the 8 Cabana Units in the Building together with each such Units' respective Common Interest.

40. **Unit Deed**: The bargain and sale deed transferring title to a specified Unit from Sponsor to a Purchaser in fee simple absolute.

41. **Unit Designation**: The number, letter or combination thereof, or other official designation confirming the tax lot number of a Unit.

42. **Unit Owner**: The person owning a Unit in fee simple absolute. Collectively, the term "Unit Owners" means all of the owners of the Units.

43. **Unsold Unit**: Any Unit owned by Sponsor or a Sponsor-Designee. Collectively, the term "Unsold Units" means all Units owned by Sponsor or a Sponsor-Designee.

NOTE: A reference in the Plan to any one gender, masculine, or feminine, includes the other and the singular includes the plural and vice versa, unless the context otherwise requires and any such reference shall be deemed to include any duly formed partnership, corporation, trust, fiduciary, unincorporated association or any other entity permitted to own real property in the State of New York.

CONDOMINIUM BY-LAWS

OF

SURF HOUSE 1 CONDOMINIUM

Prepared by:

Attorneys for Declarant

TUREK ROTH GROSSMAN LLP
377 Fifth Avenue, 6th Floor
New York, New York 10016

By: Allen M. Turek, Esq.

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Rules and Regulations of Surf House 1 Condominium

CONDOMINIUM BY-LAWS
OF
SURF HOUSE 1 CONDOMINIUM

ARTICLE 1

GENERAL

SECTION 1.1 Purpose. The purpose of these By-laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium.

SECTION 1.2 Definitions. All capitalized terms used in these By-laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used shall otherwise require. Each of the afore-described capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

SECTION 1.3 Applicability of By-laws. These By-laws are applicable to the Property and to the use and occupancy thereof.

SECTION 1.4 Application of By-laws. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, shall be subject to the Declaration, these By-laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a Deed or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

SECTION 1.5 Principal Office of the Condominium. The principal office of the Condominium shall be located either at the Property or at such other place in the City of New York reasonable convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2

BOARD OF MANAGERS

SECTION 2.1 General. The affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-laws, the Condominium Board shall act as, and shall be the agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-laws.

SECTION 2.2 Status of the Condominium Board. Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have the status conferred upon unincorporated associations under, or

pursuant to the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, the status conferred upon it by the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it by the Condominium Act.

SECTION 2.3 Powers and Duties of the Condominium Board. The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium. The Condominium Board shall have the following specific powers and duties:

(i). to operate, maintain, repair and replace the Common Elements;

(ii). to acquire real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a Condominium;

(iii). to maintain books and records of the Condominium;

(iv). to adopt a budget for the Condominium for each fiscal year thereof;

(v). to establish and to collect, the Common Charges and Special Assessments from the Unit Owners;

(vi). to borrow money on behalf of the Condominium;

(vii). to open and maintain bank accounts on behalf of the Condominium;

(viii). to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium;

(ix). to obtain insurance for the Property, including the Units;

(x). to adjust and settle claims under insurance policies;

(xi). to make repairs, maintenance, additions and improvements to the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-laws;

(xii). to obtain, in its sole discretion fidelity bonds, in amounts deemed appropriate by the Condominium Board: (a) members of the Condominium Board; (b) officers and employees of the Condominium and (c) the Managing Agent;

(xiii). to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof;

(xiv). to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners;

(xv). to purchase Units at foreclosure or other judicial sales;

(xvi). to sell, lease, sublease, mortgage and otherwise deal with Units acquired by the Condominium Board or its designee;

(xvii). to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same and/or any provision of the Declaration and/or these By-laws;

(xviii). to enforce the terms, covenants and conditions contained in the Condominium Documents;

(xix). to incorporate, pursuant to the Condominium Act, provided, however, that: (a) the certificate of incorporation and bylaws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-laws and (b) the terms of the Declaration and these By-laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and By-laws;

(xx). to organize corporations to act as the designees of the Condominium Board;

(xxi). to execute, acknowledge and deliver: (a) any declaration or other instrument affecting the Property that the Condominium Board deems necessary or appropriate and (b) any consent, covenant, restriction, easement or declaration affecting the Property that the Condominium Board deems necessary or appropriate;

(xxii). to execute and record on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration or these By-laws, whenever, in the Condominium Board's estimation, it is so advisable;

(xxiii). to challenge any real estate tax assessment or increase thereof, on behalf of the Condominium and all Unit Owners and to retain an attorney and/or other professional, who in the Board's discretion are necessary or advisable to obtain the best result possible, whose fees shall be payable as an expense of the Condominium, together with the right to initiate tax certiorari and/or other proceedings necessary to reduce the real estate tax liability of the Condominium and/or its Unit Owners and to accept any settlement thereof in order for the Condominium to file and/or maintain tax certiorari proceedings on behalf of any given Unit Owner. Such Unit Owner shall first be required to indemnify the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings;

(xxiv). to establish a reserve fund; and

(xxv). to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-laws.

SECTION 2.4 Exercise and Delegation of Powers and Duties. (A) Any act within the power of the Condominium Board to perform, shall be performed by the Condominium Board or by the agents, employees or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee which shall have all of the powers of the Condominium Board, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation to be established by the Condominium Board and to perform such duties and services as the Condominium Board shall direct.

(D) Notwithstanding anything to the contrary contained in this Section, the Managing Agent shall not exercise the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (vii), (x), (xiii), (xiv), (xv), (xvi), (xvii), (xix), (xx), and (xxi) of Section 2.4 hereof.

SECTION 2.5 Number, Election and Qualification of Managers. The Condominium Board shall consist of three (3) individuals to be designated from time to time by Declarant until the first annual meeting. After the first annual meeting of the Unit Owners, the Condominium Board shall consist of between three (3) and five (5) individuals to be elected by the Unit Owners pursuant to the terms of Section 4.9 hereof. Within thirty (30) days after the earlier to occur of (i) the date when Sponsor or its designee no longer owns Unsold Units constituting more than fifty (50%) percent of the Common Elements and (ii) five years after the First Unit Closing, Sponsor shall call a special meeting of the Unit Owners for the purpose of electing a new Board of Managers which shall not be controlled by the Sponsor. So long as Sponsor owns at least two Units, Sponsor shall have the right to designate one member of the Condominium's Board of Managers; but in no event shall the Sponsor or its designee be able to designate more than the number of managers that the Sponsor could elect into office by virtue of the percentage of common interest still owned by the Sponsor or its designee at such time and under no circumstances shall the Sponsor be able to designate and/or elect such managers as would enable the Sponsor or its designee to control the Board of Managers after the period of Sponsor's control as provided above. Except for members designated or elected by Declarant or its designee pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all members of the Condominium Board shall be either: (i) individual Unit Owners; (ii) individual Permitted Mortgagees; (iii) individual officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing. Moreover, a majority of the managers must be owner-occupants of the building who are unrelated to the Sponsor or its principals, following the conclusion of the period of Sponsor control of the Board of Managers.

SECTION 2.6 Term of Office of Managers. The term of office of each individual elected and qualified at the first annual meeting of the Unit Owners shall be for one year. At each annual meeting of the Unit Owners subsequent to the first such meeting, the members of the Condominium Board shall be elected pursuant to the terms of Section 4.9 hereof to serve a term of office fixed at one year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each manager of the Condominium Board shall serve until his successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Condominium Board may serve.

SECTION 2.7 Removal and Resignation of Managers. (A) Any member of the Condominium Board who was elected thereto either by the Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office with or without cause by a vote of a Majority of Unit Owners. Any member of the Condominium Board who was designated as such or elected by Declarant or its designee, pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof may be removed, with or without cause, only by Declarant or the said designee. Any member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be give prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any member of the Condominium Board may resign as a manager at any time by giving written notice thereof, including notice via e-mail, to the Condominium Board and, with respect to members of the Condominium Board designated as such by Declarant or its designee to Declarant or such designee.

SECTION 2.8 Vacancies. (A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a manager who was elected thereto by the Unit Owners shall be filled by an individual who is qualified to be a manager pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the members of the Condominium Board then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of managers present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a manager who was designated as such or elected by Declarant or its designee shall be filled by an individual designated by Declarant or such designee.

(C) Each member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.8 shall serve as a member of the Condominium Board for the remainder of the term of the member he replaced and until his successor shall be selected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

SECTION 2.9 Organizational Meeting of the Condominium Board. The first meeting of the Condominium Board following each annual meeting of the Unit owners shall be held within ten (10) days of such annual meeting, at such time and place in the City of New York

as shall be both fixed informally by a majority of the members of the Condominium Board and designated in a written notice given to all members thereof by personal delivery, mail, or telegram not later than five (5) business days prior to such date.

SECTION 2.10 Regular Meetings of the Condominium Board. Regular meetings of the Condominium Board may be held at such time and place in the City of New York as shall be determined from time to time by a majority of the members thereof. Written notice of all regular meetings of the Condominium Board shall be given to each member thereof by personal delivery, mail, e-mail or telegram at least five (5) business days prior to the day named for such meeting.

SECTION 2.11 Special Meetings of the Condominium Board. The President may call a special meeting of the Condominium Board whenever he deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of two (2) members of the Condominium Board. Written notice of all special meetings shall be given to each member thereof by personal delivery, mail, e-mail or telegram at least five (5) business days prior to the day named for such meeting, which notice shall state the time, place (in the City of New York) and purpose of the meeting.

SECTION 2.12 Waiver of Notice of Meetings. Any member of the Condominium Board may waive notice of any meeting thereof in writing, electronic or physical, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Condominium Board at any meeting whereof shall constitute a waiver by him of notice of the time and place thereof. If all of the members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

SECTION 2.13 Quorum of the Condominium Board. For purposes of all meetings of the Condominium Board, a majority of the members thereof shall constitute a quorum for the transaction of business. One or more members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

SECTION 2.14 Conduct of Meetings. The President shall preside at all meetings of the Condominium Board, and the Secretary shall record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat.

SECTION 2.15 Decisions by the Condominium Board. Except as otherwise expressly provided in the Declaration or these By-laws, the vote of a majority of the members of the Condominium Board present at a meeting thereof and at which a quorum is present shall constitute the decision of the Condominium Board.

SECTION 2.16 Compensation of Managers. No manager on the Condominium Board shall receive any compensation from the Condominium for acting as such.

SECTION 2.17 Interested Managers on the Condominium Board. No contract or other transaction between the Condominium Board and either (i) any of its managers or (ii) any corporation, partnership, firm or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners or principals shall be deemed either void or voidable, provided, however, that either:

(x) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall, approve, or ratify such contract or transaction; or

(y) the contract or transaction is commercially reasonable to the Condominium Board at the time that the same is, approved, ratified or otherwise consummated.

Any such member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat to approve or ratify such contract or transaction.

SECTION 2.18 Liability of the Condominium Board. (A) The members of the Condominium Board shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member of the Condominium Board shall be liable thereto for his own bad faith or willful misconduct. Members of the Condominium Board designated as such by Declarant shall not be deemed either to be in bad faith or to have committed willful misconduct by reason of any self-dealing in connection with any contract made, or other transaction entered into, between the Condominium Board and Declarant or its agents, provided that any compensation paid, to Declarant or its agents in connection with any such contract or transaction is disclosed in the Plan or an amendment thereto or is at competitive rates for goods sold or services rendered in the City of the New York.

(B) The Unit Owners shall jointly and severally indemnify and hold each member of the Condominium Board harmless from and against any claim or liability to others arising from his acts or omissions as, or by reason of the fact that such individual is or was, a member of the Condominium Board, except, however, to the extent that such claim or liability shall be due to, the bad faith or willful misconduct of such member.

ARTICLE 3

OFFICERS

SECTION 3. 1 General. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may

appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable.

SECTION 3.2 President. The President shall be chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL").

SECTION 3.3 Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him from time to time by the Condominium Board or by the President.

SECTION 3.4 Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

SECTION 3.5 Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

SECTION 3.6 Election, Term of Office and Qualifications of Officers. Each of the officers of the Condominium Board shall be elected annually by a majority vote of the Condominium Board and shall serve at the pleasure of the Condominium Board. The President and the Vice President shall be elected from amongst the members of the Condominium Board. The other officers of the Condominium, however, need not be Unit Owners or members of the Condominium Board.

SECTION 3.7 Removal and Resignation of Officers. Any officer of the Condominium may be removed from office, with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. Any officer may resign at any time by giving written notice to the Condominium Board. If the President or the Vice President of the Condominium shall cease to be a member of the Condominium Board during his term of office, such officer shall be deemed to have resigned his office effective upon the date upon which his membership shall cease.

SECTION 3.8 Vacancies. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

SECTION 3.9 Compensation of Officers. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

ARTICLE 4

UNIT OWNERS

SECTION 4.1 Annual Meetings of the Unit Owners. The first annual meeting of the Unit Owners shall be held not later than four (4) months after the First Closing, at which meeting the incumbent three member to five-member Condominium Board shall resign and a successor three member Condominium Board shall be elected by the Unit Owners, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the second Wednesday in January of each year. At each such subsequent meeting, the Unit Owners shall elect successors to the members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

SECTION 4.2 Special Meetings of the Unit Owners. The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 25% of the Common Interests of all Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to the purposes for calling such a meeting.

SECTION 4.3 Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the City of New York as may be designated by the Condominium Board.

SECTION 4.4 Notice of Meetings. The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, email or telegram not later than ten (10) business days prior to the day fixed for the meeting.

SECTION 4.5 Quorum of the Unit Owners. The presence, in person or by proxy, of Unit Owners owning Units to which fifty (50%) percent or more of the aggregate Common Interests are allocated to such Units, shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

SECTION 4.6 Conduct of Meetings. The President shall preside at all meetings of the Unit Owners, and the Secretary shall record the minutes thereof.

SECTION 4.7 Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

(i). Roll call;
(ii). Proof of notice of meeting;
(iii). Reading of the minutes of the preceding meeting;
(iv). Reports of officers of the Condominium;
(v). Reports of committees;
(vi). Election of inspectors of election;
(vii). Election of members of the Condominium Board;
(viii). Unfinished business; and
(ix). New business.

SECTION 4.8 Voting. (A) Subject to the terms of Section 4.9 hereof, each Unit Owner shall be entitled to cast one vote at all meetings of the Unit Owners for each .01% of Common Interest attributable to that Unit Owner's Unit(s).

(B) Neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. If two or more Persons own a Unit, they shall designate one Person to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons.

(D) Except when otherwise required by law or otherwise provided in the Declaration or in these By-laws, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

SECTION 4.9 Election of Members of the Condominium Board. (A) When voting for members of the Condominium Board, each Unit Owner including Declarant or its designee, for so long as Declarant or such designee shall own Unsold Unit(s) shall be entitled to cast one vote for each .01% of Common Interest attributable to his Unit(s) per member to be elected. However, nothing contained herein shall be deemed either to permit any Unit Owner to cumulate the votes attributable to the ownership of any one Unit in favor of any one for more members to be elected.

(B) All elections of members of the Condominium Board shall be by written ballot.

(C) All elections of members of the Condominium Board shall be determined by plurality vote.

SECTION 4.10 Action Without a Meeting. Any action to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient to approve such an action at a meeting consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section shall be retained in the records of the Condominium together with a true copy of the resolution to which they relate.

ARTICLE 5

OPERATION OF THE PROPERTY

SECTION 5.1 Maintenance and Repairs. (A) Except as otherwise provided in the Declaration or in these By-laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary:

(i) in or to any Unit shall be performed by the owner of such Unit at such Unit Owner's cost and expense; and

(ii) in or to the Common Elements (other than any Common Elements incorporated into one or more Units).

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, however, the exterior and interior glass surfaces of all windows of each Unit are to be washed and cleaned by the Owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, is necessitated by the negligence, misuse or abuse of any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his Unit or any portion thereof as required herein.

(C) Each Unit and the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly perform all maintenance work that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Unit.

SECTION 5.2 Alterations, Additions, Improvements, or Repairs in and to Units. (A) Subject to the terms of paragraph (B) of this Section 5.2, no Unit Owner shall make any structural alteration or repair to his Unit without the prior written approval of the Condominium

Board. In the event, however, that the Condominium Board shall fail to answer any written, reasonably detailed request for such approval within thirty (30) days after such request is received, such failure to respond shall constitute the Condominium Board's consent thereto. As a condition of the granting of any such approval, the Condominium Board may, at its sole option require the Unit Owner to procure and maintain such insurance as the Condominium Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repairs may be made, including, without limitation an indemnification of the Condominium, the Condominium Board, the Board Members and all other Unit Owners from any loss or claim, including reasonable legal fees, fines and penalties arising out of such alteration, addition, improvement or repairs, as well as the days and hours during which any such work may be done.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Declarant or its designee shall have the right without the approval of the Condominium Board to (i) make any alterations, additions, improvements or repairs in or to any Unsold Units whether structural or nonstructural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of Unsold Units.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law.

(D) Notwithstanding anything contained herein to the contrary, the Condominium Board will not approve the request by any non-Sponsor Unit Owner for permission to do alterations which require a permit, until such time as Sponsor secures a Final Certificate of Occupancy for the Building.

SECTION 5.3 Alterations, Additions, or Improvements to the Common Elements. Except as otherwise provided in the Declaration or in these By-laws, all necessary or desirable (as determined by the Board of Managers) alterations, additions or improvements in, or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense.

SECTION 5.4 Insurance. (A) If obtainable, the Condominium Board shall secure, and maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of Unit Owners. Each of the said policies shall contain to the extent obtainable;

(i). waivers of (a) subrogation, (b) any defense based upon coinsurance or other insurance, (c) invalidity arising out of any acts of the insured and (d) pro-rata reduction of liability;

(ii). a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof;

(iii). a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in paragraph (ii) above and in Section 5.5 hereof; and

(iv). a provision that such policy may not be either canceled or substantially modified except upon at least ten (10) days' prior written notice to all of the insurers, including all Permitted Mortgagees.

(B) The Condominium Board shall also obtain and maintain, to the extent practicable:

(i). comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as coinsurers (a) the Condominium Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his own Unit);

(ii). rent insurance;

(iii). workers; compensation and New York State disability benefits insurance;

(iv). boiler and machinery insurance;

(v). water damage legal liability insurance;

(vi). elevator liability and collision insurance; and

(vii). such other insurance as the Condominium Board shall from time to time determine.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine:

SECTION 5.5 Casualty or Condemnation. (A) In the event that either (i) the Building is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board the net condemnation awards receivable, shall be payable either to the Condominium Board, or to the Insurance Trustee. In either instance, all such monies actually received (hereinafter referred to as the "Trust Funds" shall be disbursed pursuant to the terms of this Section 5.5.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration (hereinafter referred to as the "Work") of: (i) in the event of a Casualty Loss, the portions of the Building (but not including appliances or any furniture, furnishings or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss or (ii) in the event of a Taking, the portion of the Common Elements affected by such taking.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests. If the Trust Funds shall be more than sufficient to pay for the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests.

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners, both in number and in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall be rendered useable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium board with respect to such Unit.

(F) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

SECTION 5.6 Use of the Property. (A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Property or any portion thereof, and all Laws relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or in the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

SECTION 5.7 Use of the Units. (A) The use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Each Unit shall be used only as a residence or for any other lawful purpose.

(C) A Unit owned or leased by an individual, corporation, partnership or any other entity may be occupied by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by a principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing. Additionally, in no event shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this paragraph (C) may be accommodated therein.

(D) Notwithstanding anything to the contrary contained in this Section 5.7 Declarant may, without the consent of either of the Condominium Board or the Unit Owners use any one or more Unsold Units as model Units and offices for the sales, promotions, rental, management and operation of the Unsold Units or for any other purpose, subject only to compliance with Law.

SECTION 5.8 Use of the Common Elements. (A) Subject to the terms of paragraphs (B) and (C) of this Section 5.8, the Common Elements may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable.

(B) The owner of a Units, if such Unit is the only Unit serviced by any Common Element adjacent to such Unit (for example, that portion at the end of any hallway that is directly

adjacent to any such Unit) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the right to use such Common Elements exclusively, as if it were a part of such Units (including the right to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such an event, however, such owner or owners shall, at his sole cost and expense, both (i) operate, maintain and repair such Common Element for so long as such owner(s) exercise such exclusive right of use and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner(s) cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.8 shall not apply to Declarant or its designee for so long as there are any Unsold Units. Declarant or its designee shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Declarant or such designee, on or about any portion of the Common Elements chosen by Declarant or such designee, including, without limitation, on the exterior walls of the Building or adjacent to the main entrance thereof; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including use the Common Elements, to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Declarant and to comply with Declarant's obligations under the Plan and the Condominium Documents.

SECTION 5.9 Rights of Access. (A) Subject to the right of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the superintendent and/or to any other Person authorized by any of the foregoing a right of access to his Unit for the purposes of:

(i). making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii). curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or all or a portion of the Common Elements;

(iii). performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his Unit or elsewhere in the Building;

(iv). reading, maintaining, or replacing utility meters relating to the Common Elements, to his Unit, or to any other Unit; or

(v). correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

(B) Each Unit Owner shall grant a right of access to his Unit and the Condominium Board shall grant rights of access to the Common Elements, to Declarant and its contractors, subcontractors, agents and employees for the purpose of fulfilling Declarant's obligations as Sponsor as set forth in the Plan or in any amendment thereto provided that access

thereto shall be exercised to the extent reasonably practicable, with respect to any Unit in such a manner as will not unreasonably interfere with the use of such Unit for its permitted purposes.

SECTION 5.10 Modification of the Rules and Regulations. The Condominium Board shall have the right to amend or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment or deletion may be overruled by a vote of a Majority of Unit Owners. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than thirty (30) days prior to the effective date thereof.

SECTION 5.11 Real Estate Taxes, Water Charges and Sewer Rents. Water and sewer rents for the Building shall be supplied by the City of New York and paid by the Condominium Board as a Common Expense.

ARTICLE 6

COMMON CHARGES

SECTION 6.1 Determination of Common Expenses and Fixing of Common Charges. (A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) adopt a budget for the Condominium; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners pro-rata, in accordance with their respective Common Interests.

(B) The Condominium Board shall have the right, to levy Special Assessments to meet the Common Expenses. All Special Assessments shall be levied against all Unit Owners in proportion to their respective Common Interests and may be payable either in one lump sum or installments, as the Condominium Board shall determine.

(C) In accordance with Real Property Law §339-m the Condominium Board is authorized to specifically allocate various expenses among the Residential and Commercial Unit Owners to the extent various services and budget items benefit the respective Units more.

Common Expenses have been allocated amongst the Residential Units and the Commercial Unit, on the basis of usage rather than Common Interest. The First Year's Budget as provided in the Offering Plan to convert 163 Beach 96th Street, Rockaway Beach, New York to condominium ownership sets forth the line item, if any, to be paid for by the Commercial Unit Owner. The Condominium Board may not modify these allocations without the consent of the Commercial Unit Owner. Any new line items which may be added to the budget by the Condominium Board in the future shall be paid for on the same basis.

SECTION 6.2 Payment of Common Charges. (A) All Unit Owners shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. The Condominium Board shall have a

lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his Unit subsequent to a sale, transfer, or other conveyance by him of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A Purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his acquisition thereof.

(C) Subject to the terms and conditions contained in these By-laws, any Unit Owner may convey his Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing.

(D) No Unit Owner shall be exempted from liability for the payment of Common charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his Unit.

SECTION 6.3 Statement of Common Charges. The Condominium Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

SECTION 6.4 Default in Payment of Common Charges. (A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than thirty (30) days after the due date for the payment thereof. In connection therewith, the Condominium's Board of Managers shall, at its discretion, have the right and obligation to cause liens for all sums due and owing to the Condominium to be filed in the Register's office pursuant to the terms of Section 399-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary and/or desirable by the Condominium's Board of Managers to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium's Board of Managers by reason of such non-payment pursuant to the terms of subparagraph (B) hereof.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay interest thereon at the highest rate chargeable to individuals pursuant to Law, to be computed from the due date thereof until paid in full, or at some other amount that the Board of Managers shall set at its sole discretion, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorney's fees and disbursements and court costs. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable

rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same and/or to otherwise collect rent/"use and occupancy" payments due from any tenant or other occupant of the Unit. All such interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

SECTION 6.5 Unit Owner Default Where Apartment is Being Rented to Others In the event a Unit Owner who is renting out his or her apartment falls behind in the payment of their obligations to the Condominium, Real Property Law §339-kk will apply as follows:

i. For purposes of this Section, "non-occupying owner" means a Unit Owner who does not occupy the dwelling Unit;

ii. If a non-occupying owner rents any dwelling Unit to a rental tenant and thereafter fails to make payment on any obligation to the Condominium within sixty (60) days of the expiration of any grace period, the Condominium's Board of Managers may provide written notice to the tenant and the non-occupying owner that rental payments from the tenant shall be paid directly to the Condominium;

iii. The notice to the tenant and the non-occupying owner shall provide that effective immediately and until such time as all delinquent payments are made current by or on behalf of the non-occupying owner, all rental payments due and payable subsequent to the issuance of such notice are to be made to the Condominium at the address listed on the notice;

iv. When the account(s) of the non-occupying owner are brought current, written notice of this fact shall be given within three (3) business days to the rental tenant and non-occupying owner; in which event all subsequent rental payments (so long as such account is not sixty [60] days or more in arrears) shall be made payable to the non-occupying owner or its agent;

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

vi. Nothing within §339-kk limits any right of Unit Owners and/or the Condominium's Board of Manager under any other law or agreement; and

vii. Payment by a rental tenant to the Condominium's Board of Managers in connection with §339-kk shall relieve such rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

ARTICLE 7

SELLING AND LEASING OF UNITS

SECTION 7.1 General. Subject to the terms of Section 7.5 hereof, no Unit Owner may sell or lease his Unit except in compliance with the applicable provisions of this Article 7.

SECTION 7.2. Right of First Refusal. (A) Subject to the terms of Sections 7.5 and 7.9 hereof, promptly after a Sale or Lease Agreement shall be fully executed, the Unit Owner executing the same (hereinafter referred to as the "Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective Purchaser or tenant (hereinafter referred to as the "Outside Offerer").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell his Unit, together with its Appurtenant Interests, or to lease his Unit, as the case may be, to the Condominium Board or to its designee, upon the same terms and conditions as are contained in such Sale or Lease Agreement, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bona fide and complete in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than thirty (30) days (in the event of a proposed sale) and thirty (30) days (in the event of a proposed lease) after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Unit together with its Appurtenant Interests or to lease such Unit together with its Appurtenant Interests, as the case may be upon the same terms and conditions as were contained in the Sale or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Unit without the prior approval of a Majority of Unit Owners.

SECTION 7.3. Acceptance of Offer. In the event that the Condominium Board shall elect to purchase a Unit together with its Appurtenant Interests, or to lease such Unit, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale or Lease Agreement, at the office of the attorneys for the Condominium within forty-five (45) days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

SECTION 7.4. Failure to Accept Offer. (A) In the event that the Condominium Board shall fail to accept an offer pursuant to the terms of Section 7.2 hereof the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement within one hundred-twenty (120) days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board might have accepted such offer. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale or Lease Agreement within such one hundred-twenty (120) day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant interest or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 7.2, 7.3 and 7.4 hereof.

SECTION 7.5. Termination of, and Exceptions to, the Right of First Refusal. (A) A certificate executed by an officer of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Unit, together with its Appurtenant Interests, by:

(i). the owner of such Unit to any of his adult Family Members, or to a trust for the benefit of any of them or, with respect to a Unit Owner that is not an individual, to any entity or individual that owns more than fifty (50%) percent of the legal and beneficial interest of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than fifty (50%) percent of the legal and beneficial interest thereof;

(ii). Declarant or its designee, with respect to the Unsold Units;

(iii). the Condominium Board;

(iv). any proper officer conducting the sale of a Unit in connection with the foreclosure or a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or

(v). any Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall continue to be subject to, all of the terms and conditions of this Article 7.

SECTION 7.6. No Severance of Ownership. No Unit Owner shall execute any deed or any other instrument conveying title to his Unit without including therein its Appurtenant Interests. No part of the Appurtenant Interests of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant.

SECTION 7.7. Payment of Common Charges. No Unit Owner shall be permitted to convey or lease his Unit unless he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit.

SECTION 7.8. Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office the Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

SECTION 7.9. Gifts and Devises, Etc. Any Unit Owner shall be free to convey or transfer his Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the provisions of this Article 7.

SECTION 7.10 Form of Deed. Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

SECTION 7.11. Form of Lease. (A) Any lease executed in connection with the acceptance of any Outside Offer to lease a Residential Unit shall be consistent with these By-Laws and shall provide that the lease may not be materially modified, amended or extended without the prior consent in writing of the Board, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board, if permitted by applicable law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

(B) Except as hereinbefore set forth, the form of any such lease executed by the Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Board which governs the Unit to be leased and is accepted in

New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Board. Any lease executed by the Board as tenant shall provide that such Board may enter into a sublease of the premises without the consent of the landlord.

SECTION 7.12. Handicapped Parking Space. 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 any non-handicapped Parking Space, said Unit Owner has the right to demand that the Owner of the handicapped Parking Space (to the extent that the space is owned by a non-handicapped driver and there are no handicapped members of his/her family residing in the Unit) trade the handicapped parking space he/she owns with said handicapped Parking Space 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 attorneys' fees shall be borne by the party requesting the transfer. The Owner of the handicapped Parking Space must comply with the aforementioned demand to trade spaces with a handicapped Unit Owner, within thirty (30) days of written demand, by executing such documentation as is reasonably necessary to effectuate such transfers.

ARTICLE 8

MORTGAGING OF UNITS

SECTION 8.1. General. Each Unit Owner shall have the right to mortgage his Unit. Any Unit Owner who mortgages his Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units".

ARTICLE 9

CERTAIN REMEDIES

SECTION 9.1. Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager, the Condominium Board shall have the right to enter such Unit Owner's Unit and summarily to abate, remove or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, if the Condominium Board shall determine that the abatement, removal or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the suspension of any necessary service in the Building, the Condominium Board may take

such action immediately, without prior notice and without allowing the said Unit owner any period of time within which to cure or to commence to cure such violation or breach.

SECTION 9.2. Remedies Cumulative. The remedies granted to the Condominium Board or to Declarant or its designee in this Article 9 or elsewhere in the Condominium Documents shall be cumulative and shall be in addition to all other remedies obtainable at law or in equity. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

SECTION 9.3. Costs and Expenses. All sums of money expended, and all costs and expenses incurred (including without limitation all professional fees (such as attorney's and/or architectural/engineering fees), by (i) the Condominium Board in connection with the abatement, enjoinment, removal or cure of any violation, or breach by a Unit Owner of the Condominium Documents (ii) Declarant in connection with any abatement, enjoinment or remedy of any violation or breach of the Condominium Documents, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Declarant as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two (2%) percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

SECTION 10.1. Procedure. Any matter 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 City of New York in accordance with the then existing Commercial Arbitration Rules and Mediations Procedures of the American Arbitration Association or any successor organization thereto. The form of Notice of Intention to Submit a Dispute to Arbitration and the service requirements, shall adhere to such existing Commercial Arbitration Rules and Mediations Procedures available at www.adr.org.

SECTION 10.2. Variation by Agreement. The parties to any dispute to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, the manner set forth in Section 3031 of the New York City Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

SECTION 10.3. Binding Effect. The decision in any arbitration conducted pursuant to the terms of Sections 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

SECTION 10.4. Costs and Expenses. The Arbitrator shall be authorized to assess legal fees and expenses as part of any arbitration and/or decision. All costs and expenses incurred and paid by the Condominium Board in connection with any arbitration held hereunder, including, the fees and expenses of counsel and expert witnesses (i.e. its own expenses to the extent not awarded by the Arbitrator as well as any Unit Owner's expense to the extent awarded to such Unit Owner by the Arbitrator) shall constitute Common Expenses.

ARTICLE 11

NOTICES

SECTION 11.1. General. All notices to be given hereunder shall be sent by certified mail, return receipt requested, postage prepaid addressed:

(i). if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a photocopy sent to the Managing Agent (if any) at its principal office address as aforesaid;

(ii). if to a Unit Owner other than Declarant or its designee, to such Unit Owner at his address at the Property;

(iii). if to Declarant or its designee, to Declarant or such designee with a courtesy copy to c/o Turek Roth Grossman LLP, 377 Fifth Avenue, 6th Floor, New York, New York 10016;

(iv). if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board; or

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid.

ARTICLE 12

AMENDMENTS TO BY-LAWS

SECTION 12.1. General. (A) Any provision of these By-laws may be amended, by the affirmative vote of not less than 66 2/3% in number and aggregate Common Interests of all Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. No such amendment, shall be effective until it shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof:

(i). the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 hereof;

(ii). the terms of Section 5.7 hereof may not be amended, unless not less than eighty (80%) percent in number and in aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

SECTION 12.2. Special Amendments. Notwithstanding any provision contained herein to the contrary, no amendment, of these By-laws shall be effective in any respect against Declarant or its designee, any Unsold Unit, unless the Declarant or such designee, and/or such holder (as the case may be) shall consent to the same in writing.

ARTICLE 13

FURTHER ASSURANCES

SECTION 13.1. General. Any Person who is subject to the terms of these By-laws, whether such Person is a Unit Owner, a lessee of a Unit Owner or otherwise, shall, at the expense of any Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

SECTION 13.2. Failure to Deliver or Act. (A) If any Unit Owner or other Person that is subject to the terms of these By-laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If the Condominium Board, any Unit Owner, or other Person that is subject to the terms of these By-laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that the Condominium Board, such Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-laws at the request of Declarant, then Declarant is hereby authorized, as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner, or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner or other Person.

ARTICLE 14

MISCELLANEOUS

SECTION 14.1. Inspection of Documents. Copies of the Declaration, these By-laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

SECTION 14.2. Waiver. No provision contained in these By-laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

SECTION 14.3. Conflicts. In the event that any provision of these By-laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

SECTION 14.4. Severability. If any provision of these By-laws is invalid or unenforceable, the remainder of these By-laws shall not be affected thereby.

SECTION 14.5. Successors and Assigns. The rights and/or obligations of Declarant as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Declarant or, with the consent of Declarant, any transferee of an Unsold Unit.

SECTION 14.6. Gender. A reference in these By-laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

SECTION 14.7. Captions. The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-laws or the intent of any provision hereof.

SECTION 14.8. Annual Financial Statements. An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners within four months after the end of each fiscal year. The Board of Managers shall not be responsible for any delay in providing such financial statements when such delay is attributable to forces beyond their control including without limitation, any delay caused by the accountant.

ARTICLE 15

FEDERAL NATIONAL MORTGAGE ASSOCIATION ("FANNIE MAE") LEGAL REQUIREMENTS

SECTION 15.1: Before any proposed amendments to the Condominium's By-laws of a material adverse nature to any mortgagee shall become effective, such proposed

amendments must be agreed to by mortgagees that represent at least fifty one (51%) of the votes of Units subject to mortgages.

SECTION 15.2: Any action by the Condominium to terminate the legal status of the Condominium after substantial destruction or condemnation occurs, must be agreed to by mortgagees that represent at least fifty one (51%) percent of the votes of the Condominium Units subject to mortgages.

SECTION 15.3: In the event any mortgagee fails to submit a response to a written request (sent by certified or registered mail, with a "return receipt" requested) for such mortgagee's consent as required by Sections 15.1 or 15.2 of these By-laws ("Request") within sixty (60) days after it receives such Request, such mortgagee shall be deemed to have affirmatively consented to same.

SECTION 15.4: The mortgagee and a guarantor of the mortgage affecting any Condominium Unit shall have the right to timely notice of the any of the following:

(a) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing such mortgage;
(b) Any sixty (60) day delinquency in the payment of assessments or Common Charges owed by the Owner of the Unit encumbered by such mortgage;
(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Condominium; and
(d) Any proposed action that requires the consent of a specified percentage of mortgagees.

Notwithstanding the foregoing, the Condominium and its Board, Unit Owners and agents shall not have liability to any such mortgagee or guarantor in the event the Condominium fails to provide the notice required under §15.4(b) above, due to unintentional failure to send such notice.

SECTION 15.5: Any first mortgagee who obtains title to a Condominium Unit pursuant to the remedies in the mortgage or through foreclosure or otherwise, will be liable for up to six (6) months of the Unit's unpaid regularly budgeted Common Charges accrued before the acquisition of title to the Unit by the mortgagee or its designee. In addition, the mortgagee will also be liable for any fees or costs related to the collection of the unpaid Common Charges noted above.

CONDOMINIUM RULES AND REGULATIONS
OF
SURF HOUSE 1 CONDOMINIUM

1. The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No tricycles, bicycles, scooters, baby carriages or similar vehicles shall be allowed to stand in the public passageways or other public areas of the Building.

3. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases of the Building, nor shall any fire exit thereof be obstructed in any manner.

4. Nothing shall be hung or shaken from any doors, windows, or placed upon the window sills of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

5. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, or service purposes in the Building.

6. Nothing shall be done or be kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his Family Members, agents, servants, employees, licensees or visitors shall, at any time, bring into or keep in his Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

7. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Unit or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit between 10:00 P.M. and the following 8:00 A.M., seven (7) days a week, if the same shall disturb or unreasonably annoy other occupants of the Building, and in no event shall any Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

8. No window guards or other window decorations shall be used in or about any Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surfaces of any windows at the Property be colored or painted.

9. No ventilator or air-conditioning device shall be installed in any Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

10. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale", "For Lease" or "For Rent" signs) shall be inscribed on or projected or hanged out of any window or other part of the Building, except such as are permitted pursuant to the terms of the Declaration and/or the By-laws or shall have been approved in writing by the Condominium Board, and which approval may be transmitted by the Managing Agent.

11. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

12. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

13. Each Unit Owner shall keep his Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-laws.

14. The agents of the Condominium Board or the Managing Agent, and any contractor or workmen authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

15. The Condominium Board or the Managing Agent may retain a passkey to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto, by the Unit Owner or his designee, immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit entry to his Unit at any time when entry therein is necessary or permissible under these Rules and Regulations or under the By-laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in

an emergency, only when specifically authorized by an officer of the Condominium or the Managing Agent) may forcible 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) and may assess fines against the Unit Owner for its failure to provide a copy of the key(s) to the Unit.

16. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 15 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

17. Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever enter upon, or attempt to enter upon, the roof of the Building except for those areas clearly delineated as terraces.

18. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

19. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

20. Unless expressly authorized by the Condominium Board in each instance, at least eighty (80%) of the floor area of each Unit (excepting only kitchens, bathrooms and closets) must be covered with rugs, carpeting and pads or equally effective noise reducing material, except for such portion of a Unit that is located in the Cellar of the Building, or the upper floor in a duplex Unit, unless the noise emanating from such Unit is disturbing other Unit Owners, in which case the aforementioned floor cover requirement shall be imposed.

21. Unit Owners may install appropriately sized washer and/or dryer appliances in their Units provided that such appliances are properly installed, used and maintained by the Unit Owner. No such appliance may be used during "quiet" hours as set by the Condominium Board from time to time. Each Unit Owner shall be responsible for any damage caused to the Condominium's property and/or neighboring Unit(s) as a result of the improper installation, use and/or maintenance of such appliances in their Unit.

22. This Rule serves as the Condominium's official Smoking Policy, in accordance with Section 17-506.1 of the Administrative Code of the City of New York, and consistent with the New York City Smoke-Free Act. This Rule will be posted in the Building.

a. Smoking is prohibited in all enclosed common areas of the Property and the Building, including but not limited to: Hallways, lobby, basement and stairwells as well as the following outdoor common areas within the property line limits

of the Building: Roofs, alleyways, entryway, refuse accumulation area, yards, courtyards and fire escapes. Smoking means inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco or other plant based product intended to be inhaled including without limitation, all smokeless/vapor - electronic cigarettes.

b. Smoking is generally permitted within Units and unenclosed areas ancillary to the Unit such as terraces and balconies – however, if any smoking is taking place within a Unit (or from an outdoor space ancillary to the Unit such as a terrace or balcony) the Unit Owner must not allow any smoke to escape such Unit and seep into the public areas of the Building or other Units within the Building thereby affecting the comfort, rights or convenience of others residents and/or occupants of the Building. The Board of Managers reserves the right to hold any Unit Owner in default of this Rule in the event such Unit Owner or their tenant or any guest/invitee of such Unit Owner and/or tenant, allows smoke (whether from within their Unit or from an outdoor space ancillary to their Unit) to escape into the common elements or another Unit in the Building and/or to insist that the Unit Owner install at its cost and expense (vis-à-vis the Unit Owner and the Condominium) an approved exhaust system designed to divert any smoke in the Unit to the outside of the Building.

c. No Unit Owner shall permit or otherwise allow himself/herself and/or his/her tenants/subtenants, roommates, guests, co-occupants and invitees to smoke in any prohibited area of the Property and/or Building or to otherwise violate any provision of this Smoking Policy and a breach of this Rule by any such person shall be considered a default by the Unit Owner of their obligations under the By-laws.

d. Each lease/sublease entered into by a Unit Owner/tenant with a tenant/subtenant after the date hereof must incorporate this Rule representing the Condominium's formal Smoking Policy, in any new lease/sublease or renewal of a lease/sublease that they enter into with their tenant/subtenant, as required by Section 506.1(b)(2) and (3) of Title 17 of the Administrative Code of the City of New York. Unit Owners are reminded that they also face civil penalties in the event that they fail to fulfill their obligations under Section 506.1(b)(2) and (3) and they are urged to consult with their own attorney or legal advisor in regard thereto.

CERTIFICATION OF SPONSOR AND PRINCIPALS OF SPONSOR

June 1, 2020

New York State Department of Law
Real Estate Finance Bureau
120 Broadway
23rd Floor
New York, New York 10271

Re: THE 163 BEACH 96TH STREET CONDOMINIUM
163 Beach 96th Street, Rockaway Beach, NY 11693

Dear Sirs:

We are the Sponsor and principals of the Sponsor of the condominium offering plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in 13 NYCRR 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 we:

a. Knew the truth;
b. With reasonable effort could have known the truth;

c. Made no reasonable effort to ascertain the truth; or
d. Did not have knowledge concerning the representation or statement made.

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

163 BEACH 96TH STREET CONDOS LLC

By: _____
Anthony Gurino, Managing Member

Sworn to before me this
1ST day of June, 2020

_____
Notary Public

_____
Anthony Gurino

Sworn to before me this
1ST day of June, 2020

_____
Notary Public

IANKEL OSORIO
NOTARY PUBLIC
STATE OF NEW YORK
Qualified in Queens County
01OS6405343
MY COMMISSION EXPIRES 03/20/2024

CERTIFICATION BY SPONSOR'S ENGINEER/ARCHITECT PURSUANT TO SECTION 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

Department of Law of the State of New York
28 Liberty Street
New York, NY 10005

Attn.: Real Estate Finance Bureau

Re: 163 Beach 96th Street
Queens, New York

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 (the Report). I visually inspected existing portions of the property, if any, on 1/13/2020 and the building plans and specifications prepared by Michael Muroff, R.A. dated 11/14/2019 and revised on 12/1/2020 and prepared the Report dated 06/16/2021, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a registered architect in the State in which the property is located. I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made. I certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;

(iii) does not omit any material fact;

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

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

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

(vii) does not contain any representation or statement which is false, where I: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statements made.

I further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing this Report is not contingent on the conversion of the Property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct.

REGISTERED ARCHITECT
KARIM AHMED
STATE OF NEW YORK

Karim Ahmed

Sworn to before me this
23rd day of June, 2021

Notary Public

ADAM K. SIEGEL
Notary Public, State of New York
Registration # 01SI5050501
Qualified in Nassau County
Commission Expires October 10, 2021

CERTIFICATION OF ADEQUACY OF BUDGET PURSUANT TO SECTION 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
New York, New York, 10271

Re: THE 163 BEACH 96TH STREET CONDOMINIUM
163 Beach 96th Street
Rockaway Beach, New York 11693

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B, containing projections of income and expenses for the first year of condominium operation.

Our experience in this field includes: Over seven (7) years prior experience managing properties in the New York metropolitan area. EBD Management Services LLC manages over two dozen (24) properties in Queens, Brooklyn and the Bronx, including management services for residential condominiums and rental properties.

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 Schedule B.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;
(ii) (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
(iii) does not omit any material fact;
(iv) does not contain any untrue statement of a material fact;
(v) does not contain any fraud, deception, concealment, or suppression;
(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (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.

EBD Management Services LLC

By:_____

Sworn to before me this
3rd day of June, 2020

_____
Notary Public

SAIMA SHAW
Notary Public, State of New York
No. 01SH6203358
Qualified in Kings County
Commission Expires April 6, 2021