CONDOMINIUM OFFERING PLAN
THE 499 EVERGREEN AVENUE CONDOMINIUM

A PLAN FOR CONDOMINIUM OWNERSHIP OF PREMISES KNOWN AS

499 EVERGREEN AVENUE
COUNTY OF KINGS, CITY OF NEW YORK
BROOKLYN, NEW YORK 11221

OFFERING PRICE OF 8 RESIDENTIAL UNITS OFFERED FOR SALE.....	$ 4,452,000.00
OFFERING PRICE OF 1 COMMUNITY FACILITY OFFERED FOR SALE……....	$ 100,000.00
OFFERING PRICE OF 5 STORAGE UNITS OFFERED FOR SALE……... ……..	$ 25,000.00
OFFERING PRICE OF 2 ROOF TERRACES OFFERED FOR SALE…….....	$ 20,000.00
TOTAL OFFERING PRICE ……	$ 4,597,000.00

SPONSOR:
503 EVERGREEN AVENUE LLC
467 KEAP STREET, SUITE 1A
BROOKLYN, NEW YORK 11211

ATTORNEYS FOR SPONSOR:
JEFFREY ZWICK & ASSOCIATES, P.C.
266 BROADWAY, SUITE 403
BROOKLYN, NEW YORK 11211
(718) 513-2050

DATE OF ACCEPTANCE FOR FILING:

THIS OFFERING PLAN MAY ONLY BE USED FOR 12 MONTHS FROM THIS DATE UNLESS EXTENDED BY A DULY FILED AMENDMENT.

SEE PAGE 2 FOR SPECIAL RISKS TO PURCHASERS.

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

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

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN (SEE SPECIAL RISKS SECTION OF THE PLAN).

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PART II

Document No. 1: Description of Property and Specifications
Document No. 2: Purchase Agreement
Document No. 3: New York State and New York City Tax Forms
Document No. 4: Form of Unit Owner's Power of Attorney
Document No. 5: Form of Condominium Unit Deed
Document No. 6: Declaration of Condominium
Document No. 7: Condominium By-Laws
Document No. 8: Housing Merchant Implied Warranty
Document No. 9: Form of Interim Lease
Certifications: Sponsor and Principal
Architect
Budget Expert

A. SPECIAL RISKS

The following is a summary of certain special risk considerations in connection with the Plan. It is not intended to summarize all major features of the Plan. Prospective Purchasers are urged to read the following special risk factors in conjunction with the Plan for a discussion of these and other important aspects of this condominium offering.

(A) Sponsor is reserving the unconditional right to rent rather than sell Units after the consummation of the Plan. This plan may not result in the creation of a condominium in which a majority of the units are owned by owner-occupants or investors unrelated to the Sponsor. There is no commitment by Sponsor to endeavor in good faith to sell more than 15%, or two residential Units, which is necessary to declare the Plan effective. With the sale of two Units, the Sponsor will have also met the requirement of the Preferred Lender for having 20% of the Units under contract prior to funding any loans. Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, in the event all of the Purchasers counted toward effectiveness rescind or terminate their Purchase Agreements prior to the First Closing, the Plan will be declared effective again, regardless of whether the Declaration has been recorded.

There is a construction loan on the Premises with a lender, Goldman Sachs Bank USA, c/o Genesis Capital, LLC, 15303 Ventura Boulevard, Suite 700, Sherman Oaks, CA 91403. The lender has placed no restrictions on the rentals, sales or marketing of the Units. If the loan is not satisfied at or prior to the First Closing, the mortgagee will either (a) consent to the formation of a condominium and acknowledge that its lien will be limited to Unsold Units; (b) subordinate the lien of its mortgage to the Declaration of Condominium; or (c) release its lien on the Condominium Unit being conveyed and its interest in the Common Elements. See "Introduction," "Terms of Sale," and "Rights and Obligations of Sponsor."

(B) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of the units in a building be sold before the lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building where the sponsor has not sold a substantial percentage of the apartments in the building which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building where an investor other than the original sponsor has an ownership interest of 10% or more. Even once a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements. See Section entitled "Introduction" for further details.

(C) Since the Board does not have the right to approve or disapprove Purchasers, there is no limit on the number of Unit Owners who may purchase for investment rather than for personal occupancy. Accordingly, there may always be a substantial percentage of Unit Owners who are non-residents and Purchasers should note that owner-occupants may never gain effective control of the Condominium. Owners for investment and owner-occupants have inherent conflicts of how to

operate the Condominium and how to manage the Board due to the inherent differences in their ownership and occupancy. In addition, since Sponsor is obligated to sell only a portion of the Units in this building, there may be a substantial number of residents who are non-owners. See Section "Introduction".

(D) Sponsor anticipates the First Closing to occur by May 1, 2021. Purchasers will be offered a right of rescission if: (i) the actual date of the First Closing; or (ii) the projected date of the First Closing occurs later than April 30, 2022, which is twelve months after the currently projected date for the First Closing. If the Plan is amended to provide for a later projected date for the First Closing, Purchasers will be entitled to an offer of rescission if the First Closing occurs more than 12 months beyond that amended, later date.

However, Purchasers should note that even if the First Closing occurs on or before May 1, 2021, (or such other date projected as the date of commencement of the operation at the time the Purchase Agreement was entered into) or within the twelve-month period thereafter, Sponsor may schedule the Closings of Title to other Units significantly later than such date. Unless your Purchase Agreement contains an outside Closing Date, the Sponsor is not obligated to schedule your Closing within any specified time frame or to ensure that Closing of Title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, the Sponsor cannot convey title to the Unit on or before of twelve (12) months from the date of the Purchase Agreement or the date of the projected budget at the time the Purchase Agreement was entered into, whichever is later, affected Purchasers will be offered a right of rescission. See "Procedure to Purchase."

(E) The Purchase Agreement and Interim Lease have various Time of the Essence provisions. Time of the Essence shall mean that Purchaser must satisfy the condition by the date indicated or else forfeit his Down Payment. Time is of the Essence to cure all defaults under the Purchase Agreement. In addition, Time is of the Essence to close on the date listed in the Notice of Closing, which will be provided thirty (30) days in advance of Closing. Time is of the Essence for an Interim Lessee to vacate a Unit if there is an uncured default under the Purchase Agreement. See Purchase Agreement, Section "Procedure to Purchase," "Interim Leases" and "Definitions".

(F) In the event the Purchaser does not close on the date set forth in the Notice of Closing and Sponsor elects not to cancel the Purchase Agreement, or if Sponsor approves Purchaser's request to adjourn the Closing of his Unit, interest shall accrue on the unpaid amount of the purchase price from the Closing date or adjourned Closing Date until such amount is paid. The interest rate shall be 10% per annum, in effect for as long as there are any unpaid amounts owing towards the full purchase price. In the event 10% per annum exceeds NYS usury or other applicable laws, the amount of interest charged will be the maximum amount allowable under law. See "Procedure to Purchase" for details.

(G) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive TCOs.

When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence Closings when some or all units are covered by a TCO rather than a FCO. 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 FCO covering the entire building within two years from the date of the issuance of the first TCO at its own cost and expense. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two-year period. **NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING AND SHALL EXERCISE ITS BEST EFFORTS TO OBTAIN IT WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT.** Unit owners and the Board shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings. Purchasers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A factsheet is available at http://www.nyc.gov/html/dob/ downloads/pdf/co_factsheet.pdf. See "Rights and Obligations of Sponsor" for further information.

(H) Purchaser is responsible for the following costs at Closing, in addition to the purchase price and other Closing costs and adjustments listed in Section "Unit Closing Costs and Adjustments":

(i) Transfer Tax. **Transfer taxes are typically a seller expense, however the terms of this offering Plan transfer the statutory obligation to pay the transfer taxes to the Purchaser.** New York City transfer taxes are in the amount of 1.425% of the purchase price for residential Units over $500,000.00 and 1.4% of the purchase price for residential Units under $500,000.00. New York State Documentary Stamp Taxes are in the amount of $4.00 per thousand plus an additional .25% of the purchase price for residential Units of $3,000,000.00 or more. For commercial Units, the transfer tax is in the amount of 2.625% of the purchase price for NYC and $4.00 per thousand plus an additional .25% of the purchase price for commercial Units of $2,000,000.00 or more. Mansion Tax due to the State of New York shall be in the amount of 1% for transfers of $1,000,000 or more. There is also a supplemental tax on residential property in the amount of 0.25% for transfers of $2,000,000-$2,999,999; and 0.75% for transfers of $3,000,000 to $4,999,999. The Mansion tax and supplemental taxes are imposed on purchasers by the State of New York. See "Unit Closing Costs and Adjustments".

(ii) Sponsor's Legal Fee. Purchaser shall pay a fee of $2,250.00 to Sponsor's attorney, Jeffrey Zwick and Associates, P.C., 266 Broadway, Suite 403, Brooklyn, New York 11211, for services rendered in connection with preparing documents for Closing. Should Sponsor's counsel be

required to attend a Closing outside their office at the request of Purchaser or its representatives, Purchaser will be responsible for paying an attendance fee of $500.00. In addition, there shall be a fee of $200.00 per hour if the duration of the Closing exceeds two (2) hours due to the fault of Purchaser or its representatives. There is an additional fee of $250.00 for any work in connection with obtaining a mortgage. There shall be a fee of $200.00 if e-forms for New York City Real Property Transfer Tax are prepared by Sponsor's attorney. See "Unit Closing Costs and Adjustments".

(iii) Initial Capital Payment. Purchaser will be required to deposit with the Board an amount equal to two (2) months' Common Charges for his Unit to be used as working capital. See Section "Working Capital Fund".

(iv) Insurance Adjustment. At Closing, Sponsor will collect each Purchaser's pro-rated share in the first year's insurance premium from the Closing Date until the end of the first year of operation. This amount will be calculated in proportion to each Purchaser's percentage of Common Interest and will be used to reimburse Sponsor for payment of the first year's premium. Purchasers will also pay the second year's premium in proportion to their Common Interest as part of monthly Common Charges. The Board and the Sponsor will not adjust for insurance. See "Unit Closing Costs and Adjustments".

(v) Defrayment of Sponsor Expenses. Each Purchaser shall pay an additional $2,000.00 at Closing to defray Sponsor's costs, e.g, architectural costs, filing fees, legal fees and other costs incurred in creating the Condominium. See Sections "Schedule A" and "Unit Closing Costs and Adjustments".

(I) Each Unit Owner is responsible for the payment of electricity costs of the individual Unit, which includes heating. See Schedules B and B-1.

(J) 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 entire Down Payment if unable to otherwise raise the funds for the Balance. Prospective purchasers who will need financing to purchase are advised to consult with a lending institution before execution of a Purchase Agreement to ascertain the likelihood of obtaining financing. Sponsor makes no representation as to the availability or cost of such financing.

However, Sponsor may, in its sole discretion, consent to permit a mortgage contingency by executing the Exhibit B to the Purchase Agreement. If Sponsor consents to permit a mortgage contingency, Purchaser may apply for financing to any Institutional Lender. Purchaser shall make said application within two (2) weeks of receipt of the fully executed Purchase Agreement for a loan in an amount not more than 80% of the purchase price or such other amount as to which the parties may agree, following which Purchaser must perform all requirements set forth in Section "Procedure to Purchase", subsection "Secured Loan Condition Rider". Pursuant to said section, in the event the commitment is not issued within forty-five (45) days or such time frame otherwise agreed upon

between the parties, Purchaser must provide notice of termination not later than five (5) business days after the expiration of the aforementioned period.

If the Purchaser is denied financing and if Seller has reasonably determined there is a high probability that Purchaser will be approved for a mortgage commitment with equal or better terms than those applied for under the original commitment, the Seller may, at its option within fifteen (15) days after receipt of the notice of rejection or expiration of the contingency period, whichever the case may be, cause Purchaser to submit an application together with the required fees to another Institutional Lender and Purchaser shall be required to accept the commitment under the same terms and conditions as stated above. The terms of such commitment will be equal to or better than the terms originally sought by the Purchaser.

It is possible that a Purchaser's financing commitment, or the terms of the commitment, may expire prior to the Closing and Purchaser will incur additional fees and costs. Note, however, that under New York law, when a mortgage commitment is not fulfilled through no fault of a Purchaser, performance is excused. Therefore, if the Purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused and the Sponsor must grant to such Purchaser a right of rescission and a reasonable time to exercise such right. See the Procedure to Purchase section for details.

(K) In accordance with Article 10 of the By-Laws, in order to resolve any dispute, controversy, claim or question arising with respect to the Condominium or the Purchase Agreement, including the disposition of Down Payments or advances received by Sponsor, the Limited Warranty or to break any deadlock in voting, any disputes involving the Condominium shall seek to be settled by arbitration. The parties shall submit such dispute or question to arbitration through the American Arbitration Association who will assign a neutral arbitrator. The fees, costs and expenses of the arbitrators shall be shared equally by the disputants. Each disputant shall also bear the fees and expenses of his or her own counsel and expert witnesses. Any decision rendered shall be final and conclusive and enforceable in a court of competent jurisdiction. A party's ability to have a court reverse or modify an arbitration award is very limited. Parties to the purchase agreement are giving up the right to sue, including the right to a trial by jury. See "Procedure to Purchase," and the Purchase Agreement for details.

(L) The Units will be prepared so that a temporary or final certificate of occupancy will be issued prior to Closing. Sponsor is providing in each Unit a refrigerator, range and dishwasher. Sponsor is not providing blinds or shades to the Units. It will be the responsibility of the Unit Owners to provide them at his or her own cost. Sponsor will provide space and hook ups only for two (2) sets of stackable washers and electric vented dryers each up to 27" in the common laundry room in the cellar. There will be no mechanical exhaust ventilation provided for the laundry closets. It will be the responsibility of the condominium association once formed to provide the laundry appliances. Laundry appliances will not be provided by Sponsor. In the event the Board elects to purchase same, the cost thereof will be borne by the Unit Owners as a Common Expense. The laundry room, roof terraces, and storage Units are expected to be operational at the Commencement Date. See "Introduction" and "Description of Property".

(M) The floor area of each Unit calculates the square footage from the outside of the exterior walls to the centerline of the partitions separating one Unit from another Unit and to the exterior of a partition separating the Unit from a common area, and from the top of the floor to the underside of the ceiling. Accordingly, they include the area of the interior walls of the Unit, and the actual livable area of the Unit is significantly less than the area set forth in Schedule A. All areas and dimensions are approximate within reasonable tolerances and are subject to immaterial construction variances and tolerances. Sponsor reserves the right to make changes due to unforeseen conditions, in accordance with the offering Plan. If there are any material changes to the offering Plan the sponsor will submit an amendment to the Department of Law and will not market or sell any affected Units until such amendment is accepted for filing. A decrease in a Unit area of 5% or less will not affect Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. See "Notes to schedule A" and "Changes to Prices and Units".

(N) The risk of loss from fire and other casualty remains with Sponsor until the Purchaser is conveyed legal title or occupies the Unit. A non-owner in possession of the Unit, however, cannot obtain insurance since there is no ownership interest and a Unit cannot be doubly insured. As such, in the event such Purchaser becomes a tenant pursuant to an Interim Lease prior to Closing, and the Unit is damaged, unless the cause thereof originated outside the Unit and did not result from the acts of the Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen, Purchaser shall assume the risk of loss and the obligation to repair the damage in excess of insurance proceeds available to the Sponsor prior to the First Closing, and to the Board thereafter. It is recommended that an Interim Lessee confer with an insurance advisor prior to entering into an Interim Lease. See Section "Interim Leases".

(O) After Closing, if a Unit is damaged by casualty and the insurance proceeds provided under the Condominium's master insurance policy are insufficient to cover the repair of the Unit, the amount necessary to restore the Unit exceeding the insurance proceeds will be the individual Unit Owner's expense. As such, Unit Owners must obtain an HO6 insurance policy, effective as of the date of Closing, to cover fire or casualty losses to the interior of his or her Unit. In addition, the coverage under the master insurance policy does not include claims for personal injury or property damage occurring within a Unit. Unit Owners should therefore also consider the desirability of obtaining at his or her own cost: (a) additional fire insurance coverage above and beyond the coverage maintained by the Board or the HO6 policy; and (b) additional insurance cost under the HO6 policy covering post-closing improvements, replacements or upgrades within the Unit, personal property, and liability for personal injury as a result of occurrences in the Unit. See sections "Footnotes to Schedule B" and "Rights and Obligations of Unit Owners and Board of Managers" for details.

(P) All Unit Owners shall severally indemnify each member of the Board against any liability or claim, contractual or otherwise, except those arising out of the bad faith, willful misconduct or gross negligence of such member or that are contrary to law or the terms of the Declaration or the By-Laws. However, the liability of any Unit Owner on account of the indemnification of the Board

will be limited to such proportionate share thereof as the Common Interests of such Unit Owner bear to the aggregate Common Interests of all Unit Owners. See Section “Rights and Obligations of Unit Owners and Board of Managers”.

(Q) The Escrow Account in which Down Payments or advances made by Purchasers will be placed is covered by federal bank deposit insurance to $250,000.00 per individual deposit. Any deposit in excess of $250,000.00 will not be insured in excess of $250,000.00. If Purchaser has other accounts at the bank or branches, the assets in all of Purchaser’s accounts will be aggregated together with the escrow deposit accounts for the purpose of determining whether the maximum FDIC insured amount is achieved. See Section “Procedure to Purchase” for further details.

(R) All funds received by Sponsor for upgrades or extras must initially be placed in the Escrow Account. However, Purchasers should note that such funds may be released from the Escrow Account by the Escrow Agent as long as Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, Purchaser will not receive a refund of any of these additional funds that were actually used for upgrades or extras, unless the Plan is abandoned in which case Purchasers will receive a full refund of the Down Payment and all other sums tendered. No provision in the Purchase Agreement allow for Sponsor’s retention of more than 10% of the Purchase Price as liquidated damages in the event of default, other than from the retention of actual cost incurred for any special work ordered by the Purchaser. Sponsor may not seek specific performance of the Purchase Agreement. See Section "Procedure to Purchase" and “Purchase Agreement” in Part II of this Plan for details.

(S) No representation is made that the initial working capital fund will be adequate to cover current or future expenses, including repairs or replacements, and if additional funds are required, the Board may increase Common Charges or impose a Special Assessment. See Section “Working Capital Fund” for details.

(T) There will be a reserve fund to provide for major capital repairs or improvements. The reserve fund contributions shall be collected monthly as part of Common Charges, thus, the reserve fund will not be fully funded until after the first year of operations. At this time, Sponsor has no knowledge of any capital improvements that may have to be made during the first five years of Condominium operation. If the amount in the reserve fund is inadequate to cover major capital improvements needed, there may be an increase in Common Charges or Special Assessment imposed. See “Reserve Fund.”

(U) As provided in the By-Laws, Sponsor will retain control of the Board until five (5) years from the date of the First Closing or until Sponsor owns less than 25% of total Units, whichever is sooner (“Initial Control Period”). There is no provision in the By-Laws that a Majority of Board members must be owner-occupants or members of an owner-occupant’s household who are unrelated to Sponsor and its principals after the Initial Control Period. Owner-occupants may never gain effective control of the Condominium. Owners for investment and owner-occupants may have inherent conflicts on how to operate the Condominium due to inherent differences between owner occupancy and investment. See Section “Control By Sponsor”.

(V) Since Sponsor is retaining the unconditional right to rent Units after the consummation of the Plan and there is no obligation to sell more than the 15% of Units, or two residential Units, required to declare the Plan effective. With the sale of two Units, the Sponsor will have also met the requirement of the Preferred Lender for having 20% of the Units under contract prior to funding any loans. Sponsor may retain ownership of Majority of the Units in this Plan. Thus, it is possible the Sponsor will retain voting control of decisions which require a vote of Unit Owners, including election of Board Members. Sponsor intends to declare the plan effective once 15%, or two residential Units, are under contract. See "Control by Sponsor."

(W) Until the earlier of five (5) years after the First Closing or until Sponsor owns less than 25% of the units, the Declaration, By-Laws and Rules and Regulations may not be amended or modified so as to adversely affect Sponsor or its designee without the prior written consent of every Unit Owner affected by such amendment, including Sponsor or its designee. See Section "Control by Sponsor" for details.

(X) Sponsor reserves the right to modify, renew and replace existing service, maintenance, employment, concessionaire and other agreements and insurance policies, and to enter into new agreements and policies that will be binding on the Board on the Closing Date. Sponsor may not unilaterally change the terms of the offer. Services must remain comparable to what is in the budget. Any such new agreement which has the effect of materially increasing common charges or is binding on the Board will be disclosed by a duly filed amendment to this Plan. See "Notes to Schedule B".

(Y) Unit Owners must notify the Managing Agent or Board 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 obtain and install, at the Unit Owner's expense, the required window guards in all windows of the Unit and shall not remove them until permitted by the law in any event, without the full knowledge of the Managing Agent. See "Rights and Obligations of Unit Owners and Board of Managers".

(Z) No bond or other security has been posted to secure Sponsor's obligations. Should Sponsor fail in its obligation to pay all Common Charges, Special Assessments and real estate taxes with respect to Unsold Units, the Board may file a lien against the Unsold Units in accordance with law and Purchasers under contract will be offered rescission. See "Rights and Obligations of Sponsor".

(AA) The Housing Merchant Implied Warranty applies to this offer. Pursuant to Article 36-B of the General Business Law (the "GBL"), Sponsor has elected to limit the Housing Merchant Implied Warranty.

Sponsor's Limited Warranty is limited to actual Purchasers and their successors who acquire title to the subject Unit by will or the governing intestacy laws. The Limited Warranty includes only actual damages and excludes all consequential, incidental, and/or special damages not foreseeable to the Sponsor; does not cover defects in appliances, fixtures, equipment and household items, if any are included in the sale, such as furniture, except those due to improper installation by Sponsor; does

not cover any defects in labor or in any work or materials ordered directly by any Purchaser from Sponsor's sub-contractors, suppliers, or independent contractor not engaged in any non-delegable duty(ies); and further excludes conspicuous defects and any defects which an inspection of the Unit would reveal; damage caused by the failure of Purchaser or any affiliate thereof, to comply with the requirements of Sponsor's Limited Warranty or of any requirements imposed by a manufacturer, supplier of appliances, fixtures, equipment or household items; damage caused by the misuse, overuse, or interference by Purchaser or anyone other than Sponsor, its employees or delegatees; any additional damage caused by the failure of purchaser to give adequate notice to Sponsor of any defects or damage in a timely fashion as provided in the Sponsor's Limited Warranty; any damage caused by changes, alterations or improvements made by anyone other than Sponsor or its employees or delegatees; any damage caused by purchaser's failure to adequately maintain and preserve any item or property covered under Sponsor's Limited Warranty; any loss or damage caused by or stemming from an accident, catastrophe, unnatural forces due to violence or gross negligence, fire, explosion, smoke, motor vehicles, acts of God, lightening, windstorm, hail, flood, earthquake, soil movement, and changes in the underground waterbase; any loss or damage caused by seepage of water unless such loss or damage is directly related to a construction defect resulting from construction by the Sponsor; any damage resulting from Purchaser's failure to take timely action to mitigate any pre-existing damages; any condition resulting from normal wear and tear or from normal settling of the Building, including but not limited to, concrete cracks and outer Building cracks which do not impair the structural stability of the Building; insects, vermin, rodent damage and infestation, or damage caused by other animals or pests; death, bodily injury or damage to personal property; damage which arises from any misuse or unauthorized use of the Unit. Additionally, repair of any damage to the load bearing portions of the Unit or Building will be limited to that which is necessary to restore their load bearing functions.

Sponsor's obligation, regardless of any limitations in the warranty or the Offering Plan, is to construct the premises in accordance with all applicable codes and filed Plans and Specifications. Any conflict between the disclaimers and Sponsor's obligation to construct the premises in accordance with all applicable codes and filed Plans and Specifications shall be resolved in favor of the latter. Section "Rights and Obligations of Sponsor".

(AB) There is a cross-default provision under the Purchase Agreement and Interim Lease. Under this provision, an uncured default by the Purchaser under one instrument will automatically constitute a default under the other and Purchaser shall have only the grace period stated under the Purchase Agreement to cure the default under both instruments. If the default is not timely remedied and the Purchase Agreement is cancelled, the Interim Lease shall simultaneously be cancelled. However, before Sponsor may utilize a default under the Interim Lease to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Interim Lessee, unless the Interim Lessee has vacated the Unit. See "Interim Leases".

(AC) Purchaser will disclose to Sponsor all real estate brokers that he or she has dealt with in connection with the acquisition of his or her Unit and will indemnify Sponsor against the claims of

any other broker, if such broker is not disclosed to Sponsor at the time of the Purchase Agreement. See "Procedure to Purchase."

(AD) Sponsor may, in its sole discretion, delay the collection of Common Charges and elect to pay the expenses of the building instead. During any such delay, Sponsor will timely pay all expenses of the Condominium, including but not limited to, insurance premiums and any reserve fund payments. Such expenses will not include individual Unit Owner expenses such as real estate taxes or utility charges. Upon commencement of collection of Common Charges, there will not be any assessment for any item in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as required by governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the Notice of Closing and in the post-closing amendment to the offering Plan. Such amendment shall also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the offering Plan. See "Notes to Schedule B," "Rights and Obligations of Sponsor," and "Rights and Obligations of Unit Owners and Board of Managers."

(AE) The Financial Crimes Enforcement Network ("FinCEN") has issued a Geographic Targeting Order ("GTO"), last updated in November 2020, which requires US title insurance companies to report the personal identity of purchasers in certain residential real estate transactions in NYC which meet the following criteria: (a) purchaser is a legal entity as defined in the GTO; (b) total purchase price is in excess of $300,000.00; (c) purchase is made without a bank loan or other similar form of external financing; and (d) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, virtual currency or a funds transfer. As long as the GTO remains in effect, its reporting requirements apply to all residential real property Closings meeting the above criteria. See "Procedure to Purchase."

(AF) Pursuant to Local Law 147, this building has implemented the following smoking policy: Smoking and/or use of electronic cigarettes is prohibited in all areas on the Property. This policy shall apply to all Unit Owners and tenants and their respective invitees as well as other persons on the premises. See "Rights and Obligations of Unit Owners and Board of Managers."

(AG) Excluded from the Property are that portion of the unused floor area development rights, if any, that are now owned, subsequently acquired or that may become available under the New York City Zoning Resolution, which shall be retained by the Sponsor and which may be sold, transferred or hypothecated to any other entity for the sole purpose of being merged into a zoning lot pursuant to a zoning lot development agreement ("ZLDA") or similar agreement. Said rights, if any, may not be used to add space or floors to the subject Property however, when sold, may be used to add space or floors to adjacent buildings. At this time, there are no unused development rights available. See "Reservation of Air and Development Rights."

(AH) For five (5) years after the First Closing or until the Unsold Units constitute less than twenty-five percent (25%) of the total Units, whichever is sooner, the Board must obtain Sponsor's prior written approval to: (a) raise Common Charges or levy a Special Assessment to (1) make an alteration to the Common Elements; (2) create an additional reserve fund for repairs, alterations, unanticipated expenses and/or contingencies which exceed 5% of the projected common expenses for the budget year; (3) increase, decrease, eliminate or otherwise change the number, type, classification or working hours of the building's service staff (if any), or to hire additional service staff; (4) increase, decrease, or eliminate building services; (5) increase, decrease, eliminate or otherwise change the amounts or types of insurance coverage from the coverages existing on the date of the First Closing; or (b) borrow money on behalf of the Condominium Association. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; (iii) to remedy any work order by an insurer; or (iv) to remedy any immediately hazardous condition which affects the health and/or safety of the occupants. See "Control by Sponsor."

(AI) The budget does not include a contingency fund, which is a line item sometimes found in a condominium budget for unanticipated expenses. In the event there are any such expenses, Common Charges may increase or an assessment may be imposed. See "Notes to Schedule B."

(AJ) The Storage Units are located in the cellar. The Storage Units may not be rented independently and may not be used for any habitable purpose. Doing so may result in a violation issued by the Department of Buildings. Unit CF1 is allocated accessory space in the cellar. Cellar Space contains less light and air than normal living space and may not be used for any habitable purpose such as sleeping or dining. Doing so may result in a building code violation. See "Schedule A" and Architect's Description of Property in Part II of this Plan.

(AK) During the Initial Control Period, Sponsor will manage the Condominium at no charge pursuant to a management agreement. However, after the Initial Control Period, the Condominium will not have any management employees. Therefore, administrative work such as collecting Common Charges and bookkeeping, is the responsibility of the Unit Owners. Should the board decide to hire a Managing Agent to perform tasks such as collecting Common Charges, managing the bank account and hiring employees, there will be an additional expense that will cause an increase of approximately 21% or $7,020.00 in the budget and a proportionate increase in the individual Common Charges.

In addition, after the Initial Control Period, the Condominium will not have any maintenance employees. Therefore, ordinary cleaning and maintenance, including refuse removal and snow removal, is the responsibility of the Unit Owners. Should the Board decide to hire a part time superintendent or other contractor in the future to perform cleaning of the Common Elements, snow removal or other tasks, there will be an additional expense that will cause an increase of approximately $6,240.00 or 19% in the budget and a proportionate increase in individual Common Charges as well. See Section "Notes to Schedule B" for further details.

(AL) If Purchaser is or hereafter becomes a tenant of the Unit pursuant to an Interim Lease or other written agreement, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon, within thirty (30) days following the closing, provided Purchaser is not in default under Purchaser's lease or tenancy obligations. If the Unit is occupied by someone other than Purchaser, then the unapplied security deposit (if any) of the tenant or occupant will be transferred at closing to Purchaser, who will, upon receipt, sign and deliver to Sponsor an agreement acknowledging the amount received, indemnifying Sponsor from all liability in connection therewith and agreeing to hold such security deposit in trust and to deposit same in an interest bearing bank account pursuant to the provisions of Section 7-103 of the New York General Obligations Law (such agreement to be in form and substance satisfactory to Sponsor). In either event, Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrearage owing to Sponsor and to bring an action against the tenant to the extent such rent security is insufficient. See "Interim Leases."

(AM) Pets are allowed in this Building however the Board reserves the right to levy an annual fee on any Unit Owner harboring a permitted pet. See "Rights and Obligations of Unit Owners and Board of Managers."

(AN) Certain budgeted items are allocated between the residential Units and non-residential Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of the particular Common Elements, pursuant to N.Y. Real Property Law (RPL) Section 339-m (2). Where the allocation of Common Expenses is not based on Common Interest, the budget and budget notes so indicate. Specifically, the community facility, storage units and terrace units contribute to all expenses in the budget besides for the projected water & sewer expenses since the Community Facility will be separately sub-metered and billed by the Board based on actual usage and the storage units and roof terrace units do not have water access. Additionally, the expenses relating to the elevator will be allocated 95% to the residential Units and 5% to the storage Units and terrace Units based on the usage of the elevator. The Community Facility Unit will not use the elevator and will not contribute to any expenses relating to the elevator. This special allocation is included in Section 6.1(B)(i) of the Bylaws. The requirements for amendment said section of the Bylaws do not differ from those otherwise provided in the Bylaws. The current projected monthly Common Charges for each Unit are included in Schedule A. See Budget and Budget Notes.

(AO) There are two rooftop terraces with recreational spaces designated as Units T1 and T2. Use of the recreational areas are subject to the following restrictions: no barbeques, no loud music, no other use that would void the roof warranty or otherwise increase insurance for the Condominium. These spaces will comply with the DOB bulletin 2018-002 as it will have elevator access, more than 1 route of egress and will be noted in the certificate of occupancy. Additionally, there are five (5) storage areas in the cellar designated as Units S1, S2, S3, S4, and S5. These storage Units may not be used for habitable purposes such as cooking, dining, and sleeping. Cellar space has less light and air than ordinary living space and is more susceptible to dampness. See "Introduction" and "Description of Property."

(AP) The Condominium will not meet the requirements for election of Section 528 during its first year of operation. Thus, the Condominium may not make such election during the first year if it is advantageous. However, since the requirements for election under Section 528 are applied annually it cannot now be determined whether the Condominium may elect Section 528 treatment in any subsequent tax year. It is anticipated that less than 85% of the total square footage of all Units will be used by individuals for residential purposes. This feature of the building may jeopardize the condominium's eligibility for tax-exempt status. See "Counsel's Income Tax Opinion."

(AQ) Unit CF, located on the cellar and first floor level, is designated as a community facility unit and is the only non-residential Unit in this Plan. The unit may be used for any purpose in compliance with zoning ordinances, which may include school, day care center, or religious institution. There is currently no prospective purchaser for this unit and it is not known what the unit will be used for. The unit as finished will conform to applicable zoning and legal requirements for the use of such space. The Sponsor reserves the right to change the use of the Unit to any use permitted by the New York City Building Code. The community facility unit owner shall have the right without the consent of the board to make alterations and repairs in the unit, including subdivision of the unit. The Board will have no right to restrict or limit any uses of the unit which are permitted by law and the New York City Zoning Resolution. See "Non-Residential Units."

(AR) Under the terms of the Purchase Agreement for this plan, Sponsor shall be excused from performing any obligation or undertaking provided for in the Purchase Agreement for so long as such performance is prevented, delayed or hindered by an act of G-d, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials, or supplies in the open market, failure of transportation, strike, lock-out, action of labor unions or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused. However, Sponsor cannot limit any rights which Purchaser has pursuant to Art. 23A of the GBL or applicable New York State regulations as may be specified in this Plan except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency or by executive order. Purchaser's time to perform its obligations under this Agreement may be tolled pursuant to applicable laws as well. Purchasers may be excused from obligations if it becomes impossible for them to fulfil their obligations due to an act of God. Under these circumstances, Purchasers should consult with their attorney.

Purchasers are advised that executing a Purchase Agreement that includes the foregoing provisions may impact the Purchaser's ability to close on her/his unit in the time frame originally contemplated in the Purchase Agreement and may limit the Purchaser's remedies for any such delay in the closing date. The Attorney General strongly recommends that Purchasers consult with their attorneys regarding any risks associated with executing a Purchase Agreement containing the foregoing provision prior to executing the Purchase Agreement.

(AS) On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and

deductions related to homeownership. This Plan includes tax information and projections based on new federal tax law, including, but not limited to, the opinions of counsel, tax expert's opinion letter, and other experts, and all other tax information and projections included in the Plan as applicable.

(AT) Sponsor is also developing the adjacent property, 503 Evergreen Avenue, into a 9 unit building with 1 community facility unit. The construction is expected to be completed prior to the First Closing. Unit Owners in this Plan will not have access to the neighboring property at 503 Evergreen as it is under a separate condominium regime.

(AU) Neither the storage Units nor the terrace Units can be subdivided. See Section "Non-Residential Units."

(AV) Sponsor has applied for a tax abatement pursuant to the Industrial and Commercial Abatement Program (ICAP) which benefits the Community Facility Unit and is administered by the NYC Department of Finance. The benefits provided under this section are stated in more particularity in the opinion letter included in this Plan hereafter. Briefly stated, the program reduces a portion of the increase in the real property taxes due to the new construction, modernization or rehabilitation of commercial or industrial buildings for up to 25 years. As such, the abatement would reduce the taxes attributable to the community facility unit by $23,329.00 for 25 years following completion of construction.

The Sponsor has made and will pursue this application with his best efforts and at his sole cost and expense and will make all filings necessary to obtain such benefits, including a timely filing of all applications, and timely compliance with all procedures required to properly process and maintain the benefits. Purchasers will not be required to reimburse Sponsor for costs associated with the tax benefit application. Purchasers will not be entitled to rescission if the benefits are not granted. Upon closing, the Sponsor will make all documents available to the Board of Managers for inspection and copying for the duration of the benefits.

The explanation and projection prepared by the Sponsor's tax abatement expert who prepared the ICAP application is expressly adopted by the Sponsor and included as part of this Plan. The projections of taxes due for the first year of operation are based on the figures and estimates in the accompanying experts opinion as to real estate tax benefits. However, it is not possible to accurately determine what the increase in actual assessed valuation will be. Moreover, it is equally impossible to predict any future increases in real estate taxes which may affect the amount of tax due on the property. Sponsor makes no representations or guarantees that the benefits applied for will be obtained. In the event the benefits are not obtained, Purchasers will not be entitled to an offer of a right of rescission. See "Real Estate Taxes."

B. INTRODUCTION

1. Purpose of the Offering Plan

This offering Plan sets forth all the material terms of the offer to sell these apartments as Condominium Units. The Plan may be amended from time to time to reflect changes which materially affect the offering. All amendments will be filed with the New York State Department of Law and will thereafter be served upon Purchasers who have executed and delivered Purchase Agreements to Sponsor, Unit Owners, and any other person entitled to service pursuant to 13 N.Y.C.R.R. § 20.1(d).

This offering Plan including Part I and Part II, all schedules and Parts A, B, C and D of the exhibits constitute the entire offer of Sponsor and contain all of the detailed terms and additional supporting documentation. All of these are available for inspection without charge to prospective Purchasers and their attorneys at the office of Sponsor's attorneys during regular business hours. There will be a charge of forty cents ($0.40) per page for copying. The Plan and exhibits are also available by appointment for inspection at no charge and for copying (at a current charge of $0.25 per page) at the Department of Law, 28 Liberty Street, 21st Floor, New York, New York 10005.

2. The Offer

Sponsor presents this offering Plan for the establishment of Condominium ownership of the Property pursuant to and in compliance with Article 9-B of the Real Property Law of the State of New York, as amended (the "Condominium Act"). The Condominium shall be known as The 499 Evergreen Avenue Condominium.

The offering Plan encompasses the land, the structure, and all appurtenances thereto at 499 Evergreen Avenue, Brooklyn, New York. Sponsor is 503 Evergreen Avenue LLC, a New York limited liability company with an address at 467 Keap Street, Suite 1A, Brooklyn, NY 11211. Sponsor acquired the deed to the property on November 22, 2016.

The building is a new construction on a property that was previously a vacant lot. There will be one (1) building on the site which will be newly constructed and is expected to be substantially completed by November 2020 under plans filed with and approved by the Department of Buildings of the City of New York ("Building"). The completed Building will have five (5) floors plus a cellar and will contain eight (8) residential Units, one (1) community facility, two (2) rooftop terraces, and five (5) storage units. The cellar will also contain a common laundry room for use by all Unit Owners and tenants. Sponsor will provide space and hook ups only for two (2) sets of stackable washers and electric vented dryers, each up to 27", in the common laundry room in the cellar. There will be no mechanical exhaust ventilation provided for the laundry closets. It will be the responsibility of the condominium association once formed to provide the laundry appliances. Laundry appliances will not be provided by Sponsor. In the event the Board elects to purchase same, the cost thereof will be borne by the Unit Owners as a Common Expense. There will be an elevator servicing all floors.

There are two rooftop terraces with recreational spaces designated as Units T1 and T2. Recreational spaces will be unfurnished by Sponsor. Use of the recreational areas are subject to the following restrictions: no barbeques, no loud music, no other use that would void the roof warranty or

otherwise increase insurance for the Condominium. These spaces will comply with the DOB bulletin 2018-002 as it will have elevator access, more than 1 route of egress and will be noted in the certificate of occupancy.

Additionally, there are five (5) storage areas in the cellar designated as Units S1, S2, S3, S4, and S5. These storage Units may not be used for habitable purposes such as cooking, dining, and sleeping. Cellar space has less light and air than ordinary living space and is more susceptible to dampness.

Both the terrace units and the storage units will be offered for sale to Unit Owners and conveyed via bargain and sale deed. There is no limit on the number a single Purchaser may purchase. They can be rented together with a residential Unit but may not be rented independently. The Sponsor will be responsible for costs and expenses of the storage units and terrace units until sold at which time the Purchaser of such unit will be responsible for the foregoing costs and expenses. However, Sponsor reserves the right to transfer any unsold storage and/or terrace units to the Board once all residential Units in the Building have been sold in which case the Unit Owners will be responsible for payment of common charges and real estate taxes on those Units and will be entitled to the profits from the sale of the Units. The storage units, laundry room, and roof terraces will all be operational at the time of the Commencement Date. See "Description of Property."

Sponsor has applied for a tax abatement pursuant to the Industrial and Commercial Abatement Program (ICAP) which benefits the Community Facility Unit and is administered by the NYC Department of Finance. The benefits provided under this section are stated in more particularity in the opinion letter included in this Plan hereafter. Briefly stated, the program reduces a portion of the increase in the real property taxes due to the new construction, modernization or rehabilitation of commercial or industrial buildings for up to 25 years. As such, the abatement would reduce the taxes attributable to the community facility unit by $21,368.00 for 25 years following completion of construction.

The Sponsor has made and will pursue this application with his best efforts and at his sole cost and expense and will make all filings necessary to obtain such benefits, including a timely filing of all applications, and timely compliance with all procedures required to properly process and maintain the benefits. Purchasers will not be required to reimburse Sponsor for costs associated with the tax benefit application. Purchasers will not be entitled to rescission if the benefits are not granted. Upon closing, the Sponsor will make all documents available to the Board of Managers for inspection and copying for the duration of the benefits.

The explanation and projection prepared by the Sponsor's tax abatement expert who prepared the ICAP application is expressly adopted by the Sponsor and included as part of this Plan. The projections of taxes due for the first year of operation are based on the figures and estimates in the accompanying expert=s opinion as to real estate tax benefits. However, it is not possible to accurately determine what the increase in actual assessed valuation will be. Moreover, it is equally impossible to predict any future increases in real estate taxes which may affect the amount of tax due on the property. Sponsor makes no representations or guarantees that the benefits applied for will be obtained. In the event the benefits are not obtained, Purchasers will not be entitled to an offer of a right of rescission. See "Real Estate Taxes."

The Building and Land are hereinafter collectively referred to as the "Property". As of the date the Plan has been submitted for filing, no Purchase Agreements have been entered into and no Down Payments or advances have been received. All of the Units offered under the Plan are vacant.

The Sponsor hereby offers eight (8) residential Units, one (1) community facility, two (2) rooftop terraces, and five (5) storage Units for sale under the Plan. The rooftop terraces and storage Units will be offered to Purchasers of residential Units only. Transfer of title for the rooftop terraces and storage Units will be by way of deed and Purchasers will take title in fee simple absolute without any restrictions or limitations. There is no limit as to how many storage Units may be purchased by an individual Purchaser. The purchase prices and estimated Common Charges for each Unit are listed in "Schedule A -- Offering Prices and Related Information." THE PRICES CONTAINED IN THE PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY GOVERNMENTAL AGENCY.

Excluded from the Property are that portion of the unused floor area development rights, if any, that are now owned, subsequently acquired or that may become available under the New York City Zoning Resolution, which shall be retained by the Sponsor and which may be sold, transferred or hypothecated to any other entity for the sole purpose of being merged into a zoning lot pursuant to a zoning lot development agreement ("ZLDA") or similar agreement. Said rights, if any, may not be used to add space or floors to the subject Property however, when sold, may be used to add space or floors to adjacent buildings. At this time, there are no unused development rights available. See section "Reservation of Air and Development Rights."

Since Sponsor is retaining the unconditional right to rent Units after the consummation of the Plan and there is no obligation to sell more than the 15% of Units, or two residential Units, required to declare the Plan effective. With the sale of two Units, the Sponsor will have also met the requirement of the Preferred Lender for having 20% of the Units under contract prior to funding any loans. Sponsor may retain ownership of Majority of the Units in this Plan. Thus, it is possible the Sponsor will retain voting control of decisions which require a vote of Unit Owners, including election of Board Members. Sponsor intends to declare the plan effective once 15%, or two residential Units, are under contract. Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, in the event all of the Purchasers counted toward effectiveness rescind or terminate their Purchase Agreements prior to the First Closing, the Plan will be declared effective again, regardless of whether the Declaration has been recorded.

There is a loan on the Premises with a lender, Goldman Sachs Bank USA, c/o Genesis Capital, LLC, 15303 Ventura Boulevard, Suite 700, Sherman Oaks, CA 91403. The lender has placed no restrictions on the rentals, sales or marketing of the Units. If the loan is not satisfied at or prior to the First Closing, the mortgagee will either (a) consent to the formation of a condominium and acknowledge that its lien will be limited to Unsold Units; (b) subordinate the lien of its mortgage to the Declaration of Condominium; or (c) release its lien on the Condominium Unit being conveyed and its interest in the Common Elements.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of the units in a building be sold before the lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building where the sponsor has not sold a substantial percentage of the apartments in the building which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building where an investor other than the original sponsor has an ownership interest of 10% or more. Even once a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements. Sponsor intends to declare the plan effective once 15%, or two residential Units, are under contract.

A bulk sale is defined as a simultaneous sale of ten (10) or more Units or twenty percent (20%) or more of the residential Units, whichever is less, to one Purchaser who will not use the Units for personal occupancy. In the event of a bulk sale by Sponsor of all or some of its Unsold Units, the Sponsor or its principals will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor. The successor sponsor will be bound by Sponsor's representations regarding unit sales.

3. Basic Aspects of Condominium Ownership

The ownership of a Condominium Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns his Unit outright in fee simple absolute and is entitled to exclusive possession of his Unit together with an interest in and right to use the Common Elements and the Limited Common Elements, if any. The Common Elements consist of all parts of the Property other than the Units themselves that are owned by all of the Unit Owners as tenants in common, each having an undivided interest therein. The Common Elements include, generally, but without limitation, the Condominium Property including the portions on which the Building are erected.

A. Limited Common Elements. Limited Common Elements are those Common Elements reserved for exclusive use and enjoyment by one or more (but not all) Units. The repair and maintenance of the Limited Common Elements is the responsibility of the Unit Owner to whose Unit the Limited Common Elements are allocated. In this Condominium, the Limited Common Element areas are the balconies and terraces allocated to the Units as noted on the floor plans and Schedule A. See Schedule A for details regarding the composition of each Unit and the Architect's Report included in Part II. Common and Limited Common Elements are not subject to partition nor are they severable from the Units except in accordance with the Condominium Act.

B. Common Charges. Each Unit Owner must pay Common Charges in accordance with the Condominium Act, Sections 339-i and 339-m. These charges are payable on a monthly basis. Common Charges have been estimated by Sponsor and include fire insurance for the Units, liability insurance for the Common Elements, and maintenance and operation of the Common Elements. For more information on Common Charges and how they are assessed, see Article VI of the By-Laws attached hereto as Document No. 7.

C. Ownership/Leasing of Units. Other than as set forth herein, there is no restriction upon ownership of a Unit. Any Unit Owner may sell or lease his or her Unit to anyone, without restriction or limitation, subject only to civil rights laws. No Unit Owner may convey or mortgage title to his Unit without including therein the Appurtenant Interest, general or Limited Common Elements.

No Unit Owner is permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he has paid in full to the Board all unpaid Common Charges previously assessed by the Board against his Unit, and until he shall have satisfied all unpaid liens against the Unit, except permitted mortgages.

D. Powers and Duties of the Board of Managers. The Board and its officers have a fiduciary duty to act in the best interest of the Condominium. The Board has the power and responsibility for the operation of the Condominium, which include, among other things, the care, upkeep and maintenance of the Common Elements; collection of Common Charges from Unit Owners; employment of personnel; adoption and amendment of Rules and Regulations; maintenance of bank accounts; obtaining insurance; making repairs, additions, improvements or alterations to the Common Elements; repair, reconstruction and restoration of damage by fire or other casualty; and such other functions as may be required in connection with the operation and maintenance of the Property. The Board will elect a President, a Secretary and a Treasurer. Neither Board members nor any officer will receive any compensation for acting in such capacity. The Board may engage a Managing Agent to perform any of its delegable duties as provided in the By-Laws, and may pay such Managing Agent such compensation as the Board deems desirable.

E. Voting. Unit Owners are entitled to one (1) vote for each Unit owned in matters that require a vote of Unit Owners, including Board elections. If two (2) or more Persons own a Unit, they shall designate in a writing to the Board one person amongst them to vote on behalf of their Unit and the vote of such designee shall be binding upon all Unit Owners. Failing such a designation, it will be presumed that all Unit Owners consented to the vote if any one of them purports to exercise such vote without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the vote appurtenant to such Unit shall be counted solely for the purpose of determining whether the required attendance is present to establish a quorum. Except where the Condominium Act, Declaration, or By-Laws provide otherwise, all matters to be decided by vote of Unit Owners will be decided by a Majority vote thereof. In accordance with the By-Laws, any deadlock in voting shall seek to be settled by Arbitration.

F. Real Estate Taxes and Mortgages. Each Unit will be separately taxed for real estate tax purposes. No Unit Owner is liable for the payment of real estate taxes on any Unit other than his own. Each Unit may be mortgaged separately. No Unit is subject to the lien of a mortgage on any other Unit.

G. Insurance. Fire and liability insurance covering the entire Condominium are included with other items as part of the Common Charges, but fire and liability insurance for individual Unit Owners' personal effects inside each Unit, including, but not limited to decorations, painting,

furniture or improvements made by the Unit Owner, should be obtained by the individual Unit Owner. Each Unit Owner desiring such coverage on his personal effects must purchase his own policy at his own cost and expense. Any policy purchased by Unit Owners must contain a waiver of subrogation and provisions to the effect that the liability of the carriers issuing insurance procured by the Board shall not be affected or diminished by reason of the policy or policies carried by Unit Owners.

H. Painting/Decoration of Common Elements and Units. All painting and decorating of exterior portions of the Building and Common Elements and repairs and replacements to Common Elements shall be made by the Board through its officers or Managing Agent. No further approval of Unit Owners is required for the foregoing, regardless of the cost. Such costs will be charged to Unit Owners as Common Charges, except to the extent same may be charged to a single Unit Owner if such costs are necessitated by his negligence or misuse.

Unit Owners may decorate the interior of his Unit in any manner so desired, subject to compliance with the By-Laws and the Rules and Regulations promulgated pursuant thereto, and will be solely responsible for the cost and expense of maintaining, repairing, painting and maintaining casualty and liability insurance on his or her Unit.

I. Appliances. As part of the purchase price for each Unit, Sponsor is providing in each Unit a refrigerator, range and dishwasher. Sponsor is not providing blinds or shades to the Units. It will be the responsibility of the Unit Owners to provide them at his or her own cost. Sponsor will provide space and hook ups only for two (2) sets of stackable washers and electric vented dryers, each up to 27", in the common laundry room in the cellar. There will be no mechanical exhaust ventilation provided for the laundry closets. It will be the responsibility of the condominium association once formed to provide the laundry appliances. Laundry appliances will not be provided by Sponsor. In the event the Board elects to purchase same, the cost thereof will be borne by the Unit Owners as a Common Expense.

J. Carbon Monoxide/Smoke Detectors. Sponsor is providing combination carbon monoxide/smoke detectors in each Unit at each level in accordance with the Administrative Code of the City of New York. The maintenance of the detectors shall be the Unit Owner's responsibility for those located within the Unit and the Board's responsibility for those located in Common Elements. See Part II, "Description of Property" for further details.

K. Purchasers for Occupancy or Investment. Since the Board does not have the right to approve or disapprove Purchasers, there is no limit on the number of Persons who may purchase for investment rather than personal occupancy and, accordingly, there may always be a substantial percentage of Unit Owners who are non-residents. Owners for investment and owner-occupants have inherent conflicts of how to operate the Condominium and how to manage the Board due to the inherent differences in their ownership and occupancy. Purchasers should note that under this Plan, owner-occupants may never gain effective control of the Condominium.

L. Limitations on Purchase of Units. There are no restrictions on who may purchase a Unit. However, Sponsor hereby reserves the right at any time for any reason whatsoever to refuse to

approve and execute (i) a Purchase Agreement for any Unit and/or (ii) a Purchase Agreement or Purchase Agreements, as the case may be, for more than one (1) Unit to any one Person; provided, however, that neither the Sponsor nor the Selling Agent will discriminate in the sale or lease of Units on the basis of race, creed, sex, color, disability, marital status, sexual orientation, or national origin, or any other grounds prohibited by law.

4. Contents of Part II

Part II of the offering Plan contains the forms of documents to be used in the occupancy, sale and transfer of Units, as well as operation of the Condominium in general. A list of the documents provided in Part II can be found in the Table of Contents and certain items are summarized below.

A. Purchase Agreement. The agreement to purchase a Unit is called a "Purchase Agreement," the general form of which is set forth in Part II as Document No. 2. The terms of sale of Units, as well as the procedure to purchase the same, are also summarized in Section "Procedure to Purchase" of the offering Plan.

B. Unit Owner's Power of Attorney. The form of Unit Owner's Power of Attorney that each Unit Owner will be required to give to the Board and to Sponsor pursuant to the Declaration is set forth as Document No. 4 in Part II of the Plan. The Power of Attorney (1) gives the Board the power to acquire a Unit when offered for sale by a Unit Owner or pursuant to foreclosure and (2) permits the Board to file amendments to the Condominium Documents, or other instruments affecting the Condominium with respect to compliance with laws, zoning, easements, etc.

C. The form of deed that Sponsor will issue to Purchasers is set forth as Document No. 5 in Part II.

D. A detailed description of the physical condition of the Property is set forth in Part II as Document No. 1, entitled "Description of Property", which includes an architect's report describing the property and the floor plans for each Unit, and should be reviewed carefully by prospective purchasers.

E. The salient provisions of the Declaration of the Condominium ("Declaration"), which is the document that establishes condominium ownership of the Property, and By-Laws of the Condominium ("By-Laws"), which govern the operation of the Condominium and to which are annexed the Rules and Regulations of the Condominium ("Rules and Regulations"), are partially summarized in Section "Rights and Obligations of Unit Owners and Board of Managers" and are reproduced in full in Part II as Documents Number 6 and 7, respectively. Each Unit Owner is obligated to comply with the Declaration, the By-laws, the Rules and Regulations and any other requirement of the Board.

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.

C. DEFINITIONS

This section contains various terms used frequently throughout this offering Plan and their respective meanings in the context of this offer. All defined terms are included in this section, but Purchasers should note certain laws or governmental agencies may be referenced throughout the Plan which are not included in this section.

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

2. Architect's Report: The written description of the Property and the condominium floor plans as prepared by Sponsor's architect available in Part II of the offering Plan, as the same may, from time to time have been amended or changed, or may, from time to time, hereafter be amended or changed in accordance with the Plan.

3. Balance: The purchase price, less the Down Payment, due at Closing.

4. Bank: The bank at which the Escrow Account is located, which is Signature Bank, 565 5th Avenue, New York, New York 10007.

5. Below Grade: Below first floor or ground floor level.

6. Board of Managers: (the "Board") The governing body of the Condominium, selected, authorized and directed to manage and operate the Condominium individually as provided by the Condominium Act, the Declaration and the By-Laws.

7. Building: The structure to be erected on the Property.

8. By-Laws: By-laws of the Condominium, which are annexed as Exhibit D to the Declaration, as the same may be amended from time to time pursuant to the terms thereof. The By-Laws outline the procedures and methods for the operation of the condominium.

9. Closing: The settlement of the mutual obligations of the Sponsor and Purchaser under a Purchase Agreement, or the date thereof as context requires, including the payment to Sponsor of the purchase price and the delivery to Purchaser of the deed transferring full ownership to the Unit on the terms set forth in the Purchase Agreement.

10. Common Charges: Assessments by the Board upon the Unit Owners, in proportion to their respective interests (unless otherwise indicated in the Condominium Documents)_in

the Common Elements for the purpose of paying Common Expenses. NOTE: These charges are payable by the Unit Owners on a monthly basis.

11. Common Elements: All that part of the Condominium Property or facilities servicing or benefitting all the Units comprising the Condominium, as defined in Section 339-e of the Condominium Act. The Common Elements include generally, and without limitation: (i) all parts of that building (other than the Units in that building) including but not limited to the foundation, common areas of the roof and supports of the building; and (ii) all areas or facilities for the common use of all the Units of the building and Unit Owners. Common Elements consist of all portions of the Condominium Property which are not designated as Units or parts thereof.

12. Common Expenses: Expenses and costs for which Unit Owners shall be proportionately liable, in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements not otherwise the responsibility of a specific Unit Owner; (ii) the establishment and/or maintenance of a general operating reserve or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); (iii) the purchase, lease, or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer, or convey the same or that is to be sold at a foreclosure or other sale; and (iv) generally, the conduct of the affairs of the Condominium.

13. Common Interest: The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit, as expressed in the Declaration of Condominium.

14. Condominium: The 499 Evergreen Avenue Condominium which was established pursuant to the terms of the Declaration and is to be governed pursuant to the terms of the By-Laws.

15. Condominium Act: Article 9-B of the Real Property Law of the State of New York, as amended, which sets forth provisions governing the creation and operation of condominiums, and to which the Condominium is the subject of this offering Plan, is submitted.

16. Condominium Association: The unincorporated association of Unit Owners in the Condominium.

17. Condominium Documents: This offering Plan, and the Declaration, Floor Plans, By-Laws and rules and regulations of the Condominium and all exhibits for the foregoing, as amended from time to time.

18. Declaration: The instruments by which the Building is submitted to the provisions of the Condominium Act and that instrument as from time to time amended, consistent with the provisions of the Condominium Act and the By-Laws of the Condominium.

19. DOB: The New York City Department of Buildings.

20. Down Payment: A sum equal to 10% of the purchase price of a Unit, subject to negotiation, which shall be tendered along with a fully executed Purchase Agreement.

21. Emergency: A condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building.

22. Equal or Better Quality: Comparable or better quality recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

23. Escrow Agent: Jeffrey Zwick & Associates, PC, 266 Broadway, Suite 403, Brooklyn, New York 11211.

24. Escrow Account: The account existing at Signature Bank entitled "Jeffrey Zwick & Associates, P.C. Attorney Escrow Disbursement Account" into which Down Payments will be placed.

25. Family Members: Spouse, children (natural and adopted), stepchildren, parents, grandchildren, grandparents, siblings, and parents-in-law of a Unit Owner who reside in such Unit Owner's Unit.

26. First Class Condition: Same as new, excepting normal wear and tear.

27. First Closing: Date on which title to the first Condominium Unit is transferred and operations, including the budget year, commences. In this Plan, the First Closing is anticipated to occur by May 1, 2021.

28. Floor Plans: The floor plans of the Units filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and By-Laws and the Floor Plans.

29. Initial Capital Payment: The amount of money collected at Closing from each initial Purchaser equal to two (2) month's Common Charges for its Unit, to be used as working capital.

30. Initial Control Period: Period during which Sponsor exercises voting control over the Board. In this plan, the period is for five (5) years after the First Closing or until Sponsor owns less than 25% of the Units, whichever is sooner.

31. Institutional Lender: (i) a savings bank, savings and loan associations, bank or trust company, insurance company, real estate investment trust, or mortgage trust or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

32. Insurance Trustee: An individual who is a resident of the State of New York, or a bank or trust company having an office in The City of New York, from time to time appointed to serve as such by the Condominium Board.

33. Interim Lease: Lease entered into between Sponsor and a Purchaser to allow for occupancy of a Unit for which the Purchaser has signed a Purchase Agreement, for the time between signing the Purchase Agreement and Closing.

34. Interim Lessee: Purchaser and other occupants who sign and Interim Lease and occupies a Unit prior to Closing, pursuant to such Interim Lease.

35. Law: The laws and ordinances of any or all of the Federal, New York State, New York City, in the particular County, and Borough governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the Property and/or the Condominium, and/or the direction of any public officer pursuant to law.

36. Limited Common Elements: Limited Common Elements generally are those Common Elements which service or which are reserved for use and enjoyment by one or more (but not all) Units. Examples of Limited Common Elements can be an area like a balcony, yard, or a facility like a boiler which is located in the cellar but provides heat and hot water to a specific Unit. The Limited Common Elements areas in this Condominium are the balconies and terraces.

37. Limited Warranty: The Housing Merchant Implied Warranty, as limited by Sponsor.

38. Lot Line: The boundaries of the tax lot as determined by the City of New York Department of Finance, Real Property Assessment Bureau. Lot line windows are windows located on such boundaries, in the event the Building is constructed on the lot lines. There will be no lot line windows in the completed Building.

39. Managing Agent: A Person or company employed by the Condominium Board pursuant to pursuant to paragraph (C) of Section 2.5 of the By-Laws, who shall undertake to

perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium Board shall delegate, subject to the limitations contained in paragraph (D) of Section 2.6 of the By-Laws.

40. Majority of Unit Owners: Those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

41. Mortgage Contingency Expiration Date: The date on which the mortgage contingency, if agreed to by Sponsor, expires, which date is forty-five (45) days from date the Purchaser receives an executed Purchase Agreement, subject to negotiation.

42. Notice of Closing: Letter sent to Purchasers setting a Closing date for the respective Unit which will be at least thirty (30) days after the date of the notice.

43. Permitted Mortgage: Any mortgage covering one or more Units that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws.

44. Permitted Mortgagee: Any holder of a Permitted Mortgage at the time in question.

45. Person: Any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

46. Plan: That certain offering plan to convert the Property to condominium ownership filed with the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York.

47. Plans and Specifications: The plans and specifications for the Building filed with the Department of Buildings and other appropriate governmental authorities, as the same may be amended or changed from time to time.

48. Property: All that certain tract, plot, piece, and parcel of land situate, lying and being in the County of Kings, City and State of New York, as more particularly described in Exhibit A to the Declaration, which is subject to the Condominium Act by the Declaration, together with all improvements thereon and all easements, rights and appurtenances belonging thereto or intended for the benefit thereof as fully detailed in the Declaration.

49. Purchaser: A Person who tendered the appropriate Down Payment and who has received a fully executed Purchase Agreement for a Unit in the Condominium.

50. Purchase Agreement: The written agreement to purchase a Unit.

51. Register's Office: The Office of the Register of the City of New York, Kings County.

52. Rules and Regulations: The rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

53. Selling Agent: The Corcoran Group or other NY licensed real estate broker appointed by Sponsor to market and sell the Condominium Units.

54. Special Assessments: The charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), in accordance with paragraph (D) of Section 6.1 of the By-Laws.

55. Sponsor: As per New York State regulations for newly constructed and vacant condominiums, means "any person, partnership, joint venture, corporation, company, trust, association or other entity or agent thereof who makes or takes part in a public offering or sale in or from the State of New York of participation interests or investments in real estate including condominium interests in realty." The Sponsor of this Plan is 503 Evergreen Avenue LLC.

56. Time of the Essence: Purchaser must cure a default or satisfy a condition in the Purchase Agreement by the date indicated or commit an incurable breach and forfeit his Down Payment.

57. Trust Funds: The moneys actually received from the insurance company pursuant to a claim for damage.

58. Unit: Any Unit designated as such in the Declaration of the Condominium and further described in the Floor Plans to be filed simultaneously with the Declaration.

59. Unit Owner: The Person or Persons owning, on record, a Unit in fee simple absolute.

60. Unsold Units: Any Unit owned by Sponsor or its designee at the time in question, excluding any Unit occupied by the Sponsor or any Family Member.

This complete set of definitions is also set forth in Exhibit C to the Declaration of the Condominium set forth in Part II of the plan.

D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

1. General. This description of the Property and improvements is intended to provide a general outline of the land, Building and Units, but shall not be interpreted as enlarging in any manner, directly or by reference, the obligations or liability of the Sponsor as set forth in this Plan. The Architect's Report is a more detailed description of the Building and Property compiled by Sponsor's architect and which includes the layouts for each Unit and the Building in general and is set forth as Document No. 1 in Part II of the Plan.

2. Site. The land is known by street addresses as 499 Evergreen Avenue, Brooklyn, New York 11221. The parcel is located in the Bushwick section of Brooklyn on tax lot number 3 of tax block 3368. The site is zoned as R6 on Map 17a of the 1961 Zoning Resolution, which permits residential use as a matter of right. Residential zoning districts also permit community facility use.

The building is a new construction on a property that was previously a vacant lot. There will be one (1) building on the site which was newly constructed and substantially completed in December 2020 under plans filed with and approved by the Department of Buildings of the City of New York ("Building"). The completed Building will have five (5) floors plus a cellar and will contain eight (8) residential Units, one (1) community facility, two (2) rooftop terraces, and five (5) storage Units. The rooftop terraces and storage Units will be offered to Purchasers of residential Units only. Transfer of title for the rooftop terraces and storage Units will be by way of deed and Purchasers will take title in fee simple absolute without any restrictions or limitations. There is no limit as to how many storage Units may be purchased by an individual Purchaser. The cellar will also contain a common laundry room for use by all Unit Owners and tenants. Sponsor will provide space and hook ups only for two (2) sets of stackable washers and electric vented dryers, each up to 27", in the common laundry room in the cellar. There will be no mechanical exhaust ventilation provided for the laundry closets. It will be the responsibility of the condominium association once formed to provide the laundry appliances. Laundry appliances will not be provided by Sponsor. In the event the Board elects to purchase same, the cost thereof will be borne by the Unit Owners as a Common Expense. There will be an elevator servicing all floors. Limited Common Elements will be allocated as follows: Units 2F, 3F, 3R, 4F, 4R and 5R will each be allocated a balcony; Units 2R and 5F will each be allocated a terrace. There will be an elevator servicing all floors.

There are two rooftop terraces with recreational spaces designated as Units T1 and T2. Recreational spaces will be unfurnished by Sponsor. Use of the recreational areas are subject to the following restrictions: no barbeques, no loud music, no other use that would void the roof warranty or otherwise increase insurance for the Condominium. These spaces will comply with the DOB bulletin 2018-002 as it will have elevator access, more than 1 route of egress and will be noted in the certificate of occupancy.

Additionally, there are five (5) storage areas in the cellar designated as Units S1, S2, S3, S4, and S5. These storage Units may not be used for habitable purposes such as cooking, dining, and sleeping. Cellar space has less light and air than ordinary living space and is more susceptible to dampness.

Both the terrace units and the storage units will be offered for sale to Unit Owners and conveyed via bargain and sale deed. There is no limit on the number a single Purchaser may purchase. They can be rented together with a residential Unit but may not be rented independently. All units, related sections of the condominium, recreational facilities and amenities including the storage units, laundry room, and roof terraces are expected to be completed in time for the First Closing.

The proposed project is governed by New York City zoning laws and the Building Code. The Property is being improved and the Units and Common Elements are being constructed in accordance with this Plan, with the filed Plans and Specifications as the same may be amended and with all applicable zoning and building laws, regulations, codes, and other government requirements. The Units will comply with all applicable rules, regulations, laws and other requirements of all governmental authorities having jurisdiction thereof, including those governing zoning and construction. The Plans and Specifications will be available for inspection at the Sponsor's office on the Property.

Sponsor is also developing the adjacent property, 503 Evergreen Avenue, into a 9 unit building with 1 community facility unit. The construction is expected to be completed prior to the First Closing. Unit Owners in this Plan will not have access to the neighboring property at 503 Evergreen as it is under a separate condominium regime.

3. Statement of Dimensions. The floor area of each Unit is measured from the outside of the exterior walls to the centerline of the partitions separating one Unit from another Unit or to the non-Unit side of walls separating one Unit from Common Elements. Accordingly, they include the area of the interior walls of the Unit, and the actual livable area of the Units is significantly less than the area set forth in Schedule A. All areas and dimensions are approximate within reasonable tolerances and are subject to immaterial construction variances and tolerances. Sponsor reserves the right to make changes due to unforeseen conditions, in accordance with the offering Plan. If there are any material changes to the offering Plan the sponsor will submit an amendment to the Department of Law and will not market or sell any affected Units until such amendment is accepted for filing. A decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that a decrease in area of 5% or less is not material.

4. Utilities.

A. Water. Water is provided by the City of New York and the Units will be billed together for water consumption as a Common Charge. Storm water is carried into the New York sewer system as is the entire sanitary waste from the Building.

B. Gas. There is no natural gas service to the Property.

C. Telephone. Telephone service is provided on an individual basis to each Unit by the local phone company who will bill each Unit Owner directly. There will also be a phone line for the

monitored fire alarm system and elevator, the cost of which shall be borne by all Unit Owners as a Common Expense.

D. Electricity. Electricity is provided by the Consolidated Edison Company. Each Unit is metered and billed separately. There will also be a separate meter for the Common Elements, for which the electrical services shall be paid by all Unit Owners as a Common Charge.

5. Appliances. Sponsor is providing in each Unit a refrigerator, range and dishwasher. Sponsor is not providing blinds or shades to the Units. It will be the responsibility of the Unit Owners to provide them at his or her own cost. Sponsor will provide space and hook ups only for two (2) sets of stackable washers and electric vented dryers, each up to 27", in the common laundry room in the cellar. There will be no mechanical exhaust ventilation provided for the laundry closets. It will be the responsibility of the condominium association once formed to provide the laundry appliances. Laundry appliances will not be provided by Sponsor. In the event the Board elects to purchase same, the cost thereof will be borne by the Unit Owners as a Common Expense.

E. LOCATION AND AREA INFORMATION

The following is a general description of the location of the Building and area surrounding the Property. Reference should be made to the Architect's Report, included as Document Number 1 in Part II of the Plan, for a more detailed description of the Property and its physical condition.

1. Site. The land is known by street addresses as 499 Evergreen Avenue, Brooklyn, New York 11221. The parcel is located in the Bushwick section of Brooklyn on tax lot number 3 of tax block 3368. The site is zoned as R6 on Map 17a of the 1961 Zoning Resolution, which permits residential use as a matter of right. Residential zoning districts also permit community facility use.

2. Neighborhood. Bushwick is the north-central portion of Brooklyn bordering Ridgewood, Queens on the north side, Evergreens Cemetery on the east, Bedford-Stuyvesant on the south and Williamsburg on the west. It is a mixed-use neighborhood with both residential and commercial establishments.

3. Accessibility. The Condominium is located .35 miles away from the Weirfield Street and Broadway NYC MTA subway station which services the J line. The B22, B60, B26 and Q24 New York City Bus Routes run on the surrounding five block radius. The area is accessible via the Brooklyn Queens Expressway and the Jackie Robinson Parkway, which connects the area to Queens. Both the Williamsburg Bridge and the Brooklyn Bridge are located within five (5) miles for access to Manhattan.

4. Public Services. The nearest police station is the 81st Precinct, located at 30 Ralph Avenue, approximately 0.44 mile away. The Fire Department has Battalion 37 Engine 222 Ladder 112 located at 32 Ralph Avenue, approximately 0.44 miles away. The Wycoff Heights Medical Center is located at 374 Stockholm Street, approximately .91 miles away. The City of New York provides street snow removal, trash pickup, road maintenance services and water services to the building.

5. Immediate Area and Surrounding Vicinity. The Building is adjacent to and across from multi-occupancy housing. Within one (1) mile are public, private and parochial schools serving all grades; over ten (10) religious institutions of different denominations; and more than ten (10) parks. Complete shopping needs and services are also available within a five (5) block radius, including banks, grocery stores, salons and more than ten (10) restaurants and bars. There is a post office and library located less than .5 miles from the Property.

Sponsor is also developing the adjacent property, 503 Evergreen Avenue, into a 9 unit building with 1 community facility unit. The construction is expected to be completed prior to the First Closing. The adjacent property will not impair any views that a Unit may have at the time of the First Closing. The adjacent property will not close any lot line windows as there are no lot line windows in the Building. Sponsor is in the process of submitting a condominium offering plan to the DOL for this property. Neither Sponsor nor Principal of Sponsor own, in whole or in part, or have an option to acquire, in whole or in part, any other adjacent areas which are not fully developed.

Any change to the information in this paragraph that occurs while sales are continuing will be disclosed in an amendment to the Plan within thirty (30) days after the information becomes known to Sponsor.

F. SCHEDULE A
OFFERING PRICES AND RELATED INFORMATION

The 499 Evergreen Avenue Condominium
499 Evergreen Avenue, Brooklyn, New York
Year Projected: May 1, 2021 - April 30, 2022

Unit No.	Location	Approximate Habitable Area (SF) (1)	Approximate Unhabitable Area (SF) (1)	Approximate Outdoor Area (SF) (1)	No. of Bedrooms/ Bathrooms (1)	Offering Price (2)	Percent Common Interest (3)	Projected Monthly Common Charges (4)	Projected Real Estate Taxes Without ICAP Post Construction (Monthly) (5)	Projected Real Estate Taxes With ICAP Post Construction (Monthly) (5)	Projected Real Estate Taxes Without ICAP Post Construction (Annual) (5)	Projected Real Estate Taxes With ICAP Post Construction (Annual) (5)	Projected Monthly Carrying Charges Without ICAP (6)	Projected Monthly Carrying Charges With ICAP (6)
CF1	1st Floor/Cellar	2420	1682	0	--	$ 100,000.00	27.73%	$ 395.42	$ 27,219.00	$ 3,890.00	$ 326,628.00	$ 46,680.00	$ 27,614.42	$ 4,285.42
2F	2nd Floor	735	0	51	1/1	$ 549,000.00	8.84%	$ 300.37	$ 8,677.06	$ 8,677.06	$ 104,124.73	$ 104,124.73	$ 8,977.43	$ 8,977.43
2R	2nd Floor	703	0	1153	1/1	$ 599,000.00	9.31%	$ 316.33	$ 9,138.40	$ 9,138.40	$ 109,660.78	$ 109,660.78	$ 9,454.73	$ 9,454.73
3F	3rd Floor	744	0	80	1/1	$ 559,000.00	9.07%	$ 308.18	$ 8,902.82	$ 8,902.82	$ 106,833.86	$ 106,833.86	$ 9,211.00	$ 9,211.00
3R	3rd Floor	703	0	55	1/1	$ 549,000.00	8.70%	$ 295.61	$ 8,539.64	$ 8,539.64	$ 102,475.70	$ 102,475.70	$ 8,835.25	$ 8,835.25
4F	4th Floor	744	0	80	1/1	$ 569,000.00	9.17%	$ 311.58	$ 9,000.98	$ 9,000.98	$ 108,011.75	$ 108,011.75	$ 9,312.56	$ 9,312.56
4R	4th Floor	703	0	55	1/1	$ 559,000.00	8.79%	$ 298.67	$ 8,627.98	$ 8,627.98	$ 103,535.79	$ 103,535.79	$ 8,926.65	$ 8,926.65
5F	5th Floor	556	0	403	1/1	$ 569,000.00	9.08%	$ 308.52	$ 8,912.64	$ 8,912.64	$ 106,951.65	$ 106,951.65	$ 9,221.16	$ 9,221.16
5R	5th Floor	475	0	48	1/1	$ 499,000.00	7.11%	$ 241.58	$ 6,978.95	$ 6,978.95	$ 83,747.36	$ 83,747.36	$ 7,220.53	$ 7,220.53
S1	Cellar	0	44	0	-	$ 5,000.00	0.16%	$ 3.55	$ 157.04	$ 157.04	$ 1,884.49	$ 1,884.49	$ 160.60	$ 160.60
S2	Cellar	0	42	0	-	$ 5,000.00	0.16%	$ 3.55	$ 157.04	$ 157.04	$ 1,884.49	$ 1,884.49	$ 160.60	$ 160.60
S3	Cellar	0	29	0	-	$ 5,000.00	0.12%	$ 2.67	$ 117.78	$ 117.78	$ 1,413.34	$ 1,413.34	$ 120.44	$ 120.44
S4	Cellar	0	28	0	-	$ 5,000.00	0.12%	$ 2.67	$ 117.78	$ 117.78	$ 1,413.34	$ 1,413.34	$ 120.44	$ 120.44
S5	Cellar	0	29	0	-	$ 5,000.00	0.12%	$ 2.67	$ 117.78	$ 117.78	$ 1,413.34	$ 1,413.34	$ 120.44	$ 120.44
T1	Roof	0	0	208	-	$ 10,000.00	0.77%	$ 17.10	$ 755.80	$ 755.80	$ 9,069.58	$ 9,069.58	$ 772.90	$ 772.90
T2	Roof	0	0	202	-	$ 10,000.00	0.75%	$ 16.66	$ 736.17	$ 736.17	$ 8,834.00	$ 8,834.00	$ 752.83	$ 752.83
8 Residential Units; 1 Community Facility; 5 Storage Units; 2 Roof Terraces		7783	1854	2335		$ 4,597,000.00	100.00%	$ 2,825.13	$ 98,156.85	$ 74,827.85	$ 1,177,882.20	$ 897,934.20	$ 100,981.98	$ 77,652.98

Note A: Cellar Space contains less light and air than normal living space and may not be used for any habitable purpose such as sleeping or dining. Doing so may result in a building code violation. Unit CF1 is allocated 1,682 SF of cellar space as noted in the chart above, column "Uninhabitable Space." In addition, there are five (5) storage units offered for sale located in the cellar which may not be used for habititable purposes such as sleeping and dining.

Note B: The Building contains certain Limited Common Elements which are allocated to the units as follows:

Unit 2F: 51 SF balcony
Unit 2R: 1,153 SF terrace
Units 3F and 4F: 80 SF balcony
Unit 3R and 4R: 55 SF balcony
Unit 5F: 403 SF terrace
Unit 5R: 48 SF balcony

Note C: At closing, each Purchaser shall deposit an Initial Capital Payment in an amount equal to two months' estimated common charges for the Unit. See "Working Capital Fund."

Note D: At closing, each Purchaser shall pay an additional $2,000.00 to defray Sponsor's costs in forming the condominium. See section "Unit Closing Costs and Adjustments."

G. NOTES TO SCHEDULE A
"OFFERING PRICES AND RELATED INFORMATION"
FOR EACH UNIT

(1) Any floor plan, sketch or measurements shown to a prospective Purchaser is only an approximation of the dimensions and layout of a Unit, within reasonable tolerances. Accordingly, each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. The number of bedrooms in each Unit is computed in accordance with the standards established by the New York City Building Code. The area calculates the square footage from the outside of the exterior walls to the centerline of the partitions separating one Unit from another Unit or to the non-Unit side of walls separating one Unit from Common Elements. Accordingly, they include the area of the interior walls of the Unit, and the actual livable area of the Units is significantly less than the area set forth in Schedule A. Purchasers will be offered a right of rescission if there is a change in Unit square footage that is materially adverse and must consent to any other material change in square footage of the Unit. A decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that a change in a Unit's area of 5% or less is not material. See the Architect's Report in Part II for a more detailed description of the Units and the rooms, including floor plans. Limited Common Elements will be allocated as follows: Units 2F, 3F, 3R, 4F, 4R and 5R will each be allocated a balcony; Units 2R and 5F will each be allocated a terrace.

(2) Prices are negotiable. Sponsor reserves the right to change the offering prices set forth in Schedule A. These offering prices, however, may only be changed by a duly filed amendment to this Plan when the change in 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. However, the prices for the Units are negotiable and Sponsor may enter into an agreement with a Purchaser to sell one or more Units at prices lower from those set forth in Schedule A. The results of negotiation for one Unit are independent of other negotiations and will not affect other negotiations. See Sections "Changes in Prices and Units" and "Unit Closing Costs and Adjustments" which discloses and explains the Closing costs and adjustments that a Purchaser must pay.

Sponsor reserves the right to negotiate with Purchasers all aspects of the purchase price, including but not limited to: renovations or improvements to the Units, fixtures or equipment contained therein or credits or allowances therefor; amount of Down Payment; terms of financing contingency in the event Sponsor agrees to permit same; extension of period to secure financing; default clause; application of the Interim Lease rental payment towards the purchase price; payment of all or part of purchaser's Closing or financing costs such as Closing costs, attorneys' fees, origination fees, commitment fees and waiver or reduction of the attorney's fees set forth in the offering Plan; and any and all other costs relating to the

cost of acquiring title to the Unit. Further, Sponsor will amend the Plan from time to time in order to add and/or delete negotiable terms.

(3) In accordance with Section 339-i(1)(iv) of the Condominium Act, the Common Interests of each of the Units have been allocated 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.

(4) Common Charges have been estimated by Sponsor and include fire insurance for Units and liability insurance for Common Elements, and maintenance and operation of the Common Elements. Common Charges do not include decoration, maintenance or repair to the inside of the Units, electricity, including heating or air conditioning for each Unit or insurance for personal effects. Additionally, if a Purchaser obtains financing, the Purchaser's debt service will be an additional expense and not included in Common Charges. Common Charges have been estimated by Sponsor based on the estimated operating budget annexed as Schedule B and certified by AYC Management LLC. See Schedule B-1 for individual electricity expenses for the Units.

(5) The real estate tax estimates set forth in Schedule A are based on a letter included in section "Real Estate Taxes" from Sponsor's expert, Metropolitan Realty Exemptions, 381 South 5th Street, Brooklyn, NY 11211 dated March 25, 2021. Sponsor's expert has been involved in the review of property tax assessments in the metropolitan New York City area for over ten (10) years and has filed applications and petitions for reductions in such tax assessments in New York City.

Construction on the Building was substantially completed in December 2020. The building was reassessed in January 2021 for the 2021/2022 tax year beginning July 1, 2021. The projected tax rate as assessed by the NYC Department of Finance based on the first full year of Condominium operations after construction is completed is anticipated to be $12.267 per One Hundred Dollars ($100.00) of assessed valuation for the residential Units and $10.694 per One Hundred Dollars ($100.00) of assessed valuation for the Community Facility Unit based on the current tax rates. The assessed valuation for the Building for the first full year of Condominium operations after completion of construction of the Building which includes the Community Facility Unit is projected to be approximately $818,028.00 resulting in taxes of approximately $98,157.00 in the aggregate for all Units. It is likely the projected assessed valuation and applicable taxes will be lower during the first year of condominium operations beginning May 1, 2021 as the valuation will be based on an uncompleted structure for part of that tax year. However, the tax projections shown in the Schedule A reflect a projection based on a full year assessment post-construction.

The Sponsor has applied for an ICAP Abatement which is described in detail in the section "Real Estate Taxes." Briefly stated, the program is administered by the NYC Department of Finance and reduces a portion of the increase in the real property taxes due to the new construction, modernization or rehabilitation of commercial or industrial buildings for up to 25 years. As such, the abatement, if granted, will reduce the tax burden of the community facility unit by $23,329.00. Below is a chart showing the projected assessed valuations and taxes due:

	Projected Assessed Valuation (Not affected by ICAP)	Projected Taxes without ICAP Abatement	Projected Taxes with ICAP Abatement
Commercial Unit	$221,888	$27,219	$3,890
Residential Units	$578,284	$70,938	$70,938
Total	**$800,172**	**$98,157**	**$74,828**

The Sponsor has made and will pursue this application with his best efforts and at his sole cost and expense and will make all filings necessary to obtain such benefits, including a timely filing of all applications, and timely compliance with all procedures required to properly process and maintain the benefits. Sponsor makes no guaranty regarding the procurement of these benefits and no right of rescission will be granted if the benefits are not granted. Upon closing, the Sponsor will make all documents available to the Board of Managers for inspection and copying for the duration of the benefits.

Estimated real estate tax assessments are determined using various factors including sales price, square footage, location of the Unit, availability of Limited Common Elements and/or access to Common Elements. No assurances can be given that the taxing authorities will assess the Building and allocate the assessments in the same manner and the actual assessments may not be in the same proportion as the Common Interests set forth in Schedule A. It is not possible to accurately determine what the increase in actual assessed valuation will be and it is equally impossible to predict any future increases in real estate tax rates which may affect the amount of tax due on the Property.

After separate tax lots are apportioned, each unit will be taxed as a separate lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. See section "Real Estate Taxes" for further details.

As per rules and regulations set by the Department of Finance, a four-story dwelling would be categorized as a tax class 2, which includes rental buildings and new construction condominiums with four (4) or more dwelling units, with a tax rate of 12.473% currently in effect.

Since no mortgage financing is offered by Sponsor, the only deductible item is real estate taxes, which is limited under current law to a total deduction of $10,000.00 for state and local taxes, including property tax. If a Purchaser obtains a mortgage loan, interest on such loan is deductible under current law. The Internal Revenue Code of 1986, as amended, limits the deductions of mortgage interest to mortgages incurred in acquiring, constructing or substantially improving the first and second residences of a taxpayer. The deduction is also limited to interest paid on acquisition indebtedness not to exceed $750,000.00. The projected amount deductible may vary in future years due to changes in the assessed value, the tax rate or in the method of assessing real property which results in a change in real property taxes, or due to changes in interest rates or in the allocation of constant debt service payments to interest and principal, or such other changes as may reasonably be expected to affect deductions.

THE ABOVE IS NOT INTENDED TO BE A COMPLETE DISCUSSION OF ALL LIMITATIONS IMPOSED BY THE CODE, PARTICULARLY FOR INVESTORS. ALL PURCHASERS ARE ADVISED TO SEEK ADVICE FROM THEIR TAX CONSULTANTS CONCERNING TAX CONSEQUENCES OF PURCHASE OF A UNIT IN A CONDOMINIUM.

(6) All projected total carrying charges are for the projected first year of operation beginning May 1, 2021. NOTE: Sponsor has not obtained, nor is it offering, financing commitments to purchasers. Therefore, if a purchaser obtains financing, debt service on such financing will be a monthly expense additional to the total charge listed. In addition, prospective Purchasers will be required to pay at Closing, among other things: (i) two (2) months' Common Charges to be used as working capital; (ii) New York City and State transfer taxes, which is a statutory obligation on the Seller that Sponsor is transferring on to the Purchaser; (iii) $2,000.00 to defray Sponsor's costs of creating the Condominium. See section entitled "Closing Costs and Adjustments" below.

H. SCHEDULE B
Budget for First Year of Condominium Operations

THE 499 EVERGREEN AVENUE CONDOMINIUM
499 Evergreen Avenue, Brooklyn, New York

Year Projected : May 1, 2021 – April 30, 2022

INCOME:	**TOTAL**	**Allocation for Expense (PCI = Percentage of Common Interest)**	**Community Facility**	**Residential Units**	**Storage/ Terrace Units**
Common Charges (1):	$33,425				
EXPENSES:					
Salaries & Wages (2):	$ -	-	-	-	-
Management (2):	$ -	-	-	-	-
Service Contracts (3):					
Fire Alarm	$ 1,500.00	PCI	$ 415.95	$ 1,051.05	$ 33.00
Elevator	$ 4,200.00	95% Residential; 5% Storage/Roof Terrace	$ -	$ 3,990.00	$ 210.00
Sprinkler	$ 750.00	PCI	$ 207.98	$ 525.53	$ 16.50
Backflow Prevention Testing	$ 750.00	PCI	$ 207.98	$ 525.53	$ 16.50
Gas (4):	$ -				
Electricity (5):	$ 2,602.00	100% Residential	$ -	$ 2,602.00	$ -
Franchise taxes (6):	$ 1,000.00	PCI	$ 277.30	$ 700.70	$ 22.00
Water & sewer (7):	$ 9,511.00	100% Residential	$ -	$ 9,988.00	-
Repairs, services & supplies (8):	$ 3,200.00	PCI	$ 887.36	$ 2,242.24	$ 70.40
Insurance (9):	$ 4,068.51	PCI	$ 1,128.20	$ 2,850.80	$ 89.51
Legal fees (10):	$ 1,000.00	PCI	$ 277.30	$ 700.70	$ 22.00
Audit fees (10):	$ 1,500.00	PCI	$ 415.95	$ 1,051.05	$ 33.00
Income Taxes (10)	$ -	PCI	$ -	$ -	$ -
Reserve Fund for Major Repairs (11):	$ 3,343.00	PCI	$ 927.01	$ 2,342.44	$ 73.55
	$ 33,424.51		$ 4,745.02	$28,570.04	$ 586.45

If the First Closing actually occurs, or is revised by amendment to the Plan to be projected to occur, six (6) months or more from the stated anticipated date of the First Closing, Sponsor will amend the Plan to include a revised budget disclosing updated projections. If such amended projections exceed the original projections by 25% or more, Sponsor will offer all Purchasers the right to rescind their offer to purchase and to have their Down Payments refunded. If such right to rescind is exercised within fifteen (15) days after presentation of the amendment, the Down Payment and unexpended sums for special work ordered will be refunded within ten (10) days of Sponsor's receipt of the notice of rescission. Sponsor may not declare the plan effective where there are any material changes to the budget which have not been disclosed by a duly filed amendment to the offering Plan.

H1. NOTES TO SCHEDULE B

All amounts listed in the budget are projections for the first twelve (12) months of Condominium operation, which shall commence with the First Closing, anticipated to be May 1, 2021 under this plan. The actual first year of condominium operation may begin earlier or later.

Sponsor reserves the right to modify, renew and replace existing service, maintenance, employment concessionaire and other agreements and insurance policies, and to enter into new agreements and policies that will be binding on the Board on the Closing date. Sponsor may not unilaterally change the terms of the offer. Services must remain comparable to what is in the budget. Any such new agreement which has the effect of materially increasing Common Charges or is binding on the Board of Managers will be disclosed by a duly filed amendment to this Plan and Purchaser will be entitled to rescission if there are any material and adverse changes.

Income

1. Common Charges. Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Building in accordance with the Condominium Act. These costs will generally be allocated and assessed amongst Unit Owners in accordance with their respective Common Interests, as an annual Common Charge payment payable in monthly installments (unless otherwise instructed by the Board).

However, certain budgeted items are allocated between the residential Units and non-residential Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of the particular Common Elements, pursuant to N.Y. Real Property Law (RPL) Section 339-m (2). Where the allocation of Common Expenses is not based on Common Interest, the budget notes so indicate. Specifically, the community facility, storage units and terrace units contribute to all expenses in the budget besides for the projected water & sewer expenses since the Community Facility will be separately sub-metered and billed by the Board based on actual usage and the storage units and roof terrace units do not have water access. Additionally, the expenses relating to the elevator will be allocated 95% to the residential Units and 5% to the storage Units and terrace Units based on the usage of the elevator. The Community Facility Unit will not use the elevator and will not contribute to any expenses relating to the elevator. This special allocation is included in Section 6.1(B)(i) of the Bylaws. The requirements for amendment said section of the Bylaws do not differ from those otherwise provided in the Bylaws. The current projected Common Charges are included in Schedule A.

While Sponsor owns Unsold Units, Sponsor may, in its sole discretion, delay the collection of Common Charges and pay the expenses of the Building instead. During any such delay, Sponsor will timely pay all expenses of the Condominium, including but not limited to, insurance premiums and any reserve fund payments. Such expenses will not include individual Unit Owner expenses such as real estate taxes or utility charges. Upon commencement of collection of Common Charges, there will not be any assessment for any item in the approved budget for the Condominium. Sponsor

shall remain obligated to update the budget for the Condominium as required by governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the Notice of Closing and in the post-closing amendment to the offering Plan. Such amendment shall also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the offering Plan.

Expenses

2. Labor.

A. Employees. Since the building contains only eight (8) residential units, there is no requirement for any staffing or labor as per Article 3, section 83 of the Multiple Dwelling Law (which is applicable in buildings with 13 or more families) and §27-2053 (b) of the NYC Administrative Code (which is applicable for buildings with 9 or more units). As such, housing and labor laws regarding the level of staffing are not applicable. It is anticipated that the Condominium will require no full time help and part time help will be supplied on an "ad hoc" basis which will obviate the need to allocate money for payroll costs. However, this will necessitate Unit Owners to pay for items as they arise. Each Unit Owner will be responsible for his own refuse removal and for keeping the common areas clear of all objects. Should the condominium board decide to hire a part time superintendent or other contractor in the future to perform tasks such as refuse removal, cleaning of the common areas, snow removal, changing hallway lightbulbs, and the like, such additional expense will cause an increase in the budget and the individual common charges. The average cost of a part-time superintendent is approximately $6,240.00 annually, according to Sponsor’s budget expert. The condominium board would comply with all applicable labor and housing laws with regard to such hire.

B. Management. Sponsor will manage the Condominium during the Initial Control Period for no fee. During this time, the Managing Agent will work in the best interest of the Condominium. After the Initial Control Period, the Board will be responsible for managing the Condominium, including, among other things: collecting Common Charges; writing checks; paying bills such as water and sewer charges or insurance premiums; and making arrangements for repairs to the Common Elements, garbage disposal, snow removal, etc. The Board shall bear the responsibility to assure that all assessments have been paid, that each Unit Owner adheres to the Rules and Regulations of the By-Laws and to collect any amounts payable to the Condominium. For further discussion, see the By-Laws and the Addendum to By-Laws in Part II of the Offering Plan.

In the event that an outside Managing Agent is retained, the Common Charges will be increased. The average cost for such service is approximately $7,020.00 per year according to Sponsor’s budget expert, which would increase the budget approximately 21%.

3. Service Contracts. It is expected that Sponsor or the Managing Agent will enter into agreements for specific services to the Building on or before the First Closing. Amounts indicated below are estimates made by AYC Management LLC, a qualified management expert with an address at 3215 Avenue R, Brooklyn, New York 11234 based upon their experience of managing similar properties and certain written proposals set forth below. No maintenance or service contracts have been entered into as of the filing date of the Plan.

A. Fire Alarm System – For both the fire alarm system equipment maintenance and fire alarm system monitoring, including the required phone lines, a combined and consolidated contract will be at a charge of $1,500.00 per year.

B. Sprinkler System – The sprinkler system must be inspected once per month by a Licensed Master Fire Suppression Contractor. Written records of these monthly inspections must also be kept at the Building. Fire Sprinkler monthly inspections and one annual inspection at the Building will cost roughly $750.00 per year.

C. Elevator System - Under New York City law, it is required that an elevator service contract be maintained. The budgeted amount of $4,200 includes monthly inspections, general maintenance, and one annual CAT 1 & CAT 5 inspection.

This fee is allocated 95% to residential Units and 5% to the storage and roof terrace Units. This means that each storage and roof terrace Unit will pay its proportionate share of 5% of the total cost, based on the Units percentage of Common Interest vis a vis the storage and terrace Units only, and each residential Unit will pay its proportionate share of 95% of the cost, based on the Unit's percentage of Common Interest vis a vis the residential Units only.

D. Backflow Prevention Testing- Backflow Prevention devices must be installed in this Building and tested annually by a certified tester. It is expected this will cost $750.00 per year.

4. Gas. There is no gas service to the Building.

5. Electricity. This item includes the cost of electricity servicing the Common Elements only, which includes common stairways, elevator, hallways, mechanical room lights, common air conditioning pumps and common heating. The amount set forth below is based upon a survey and estimate by AYC Management LLC, a qualified management expert with an address at 3215 Avenue R, Brooklyn, New York 11234, based on their experience managing buildings of similar size and condition and includes a 10% increase to provide for inflation:

Estimated usage in KWH:	8,130
Cost per KWH:	$0.32

Estimated total annual cost: $2,601.60

This expense has been allocated 100% to the residential Units. Each residential Unit will pay its proportionate share, based on the Unit's percentage of Common Interest vis a vis the residential Units only.

The cost of electricity to the Units is separately metered and the charges therefor will be paid directly to the utility company by Unit Owners. A projection is set forth in Schedule B-1, inclusive of consumption, rates, sales tax and a reasonable anticipated increase due to inflation.

6. Franchise Taxes. The budgeted item ($1,000.00) is for annual New York State franchise taxes payable by the Condominium pursuant to section 209.1 of the Tax Law. This figure includes the minimum franchise taxes payable by the Condominium Association to both New York City and New York State taking into account any possible tax increases. The Condominium Association must file annual franchise tax reports for all taxable years that it is subject to tax under Article 9-A.

7. Water and Sewer. The Building will be metered for water and sewer usage by the City of New York Department of Environmental Protection in accordance with current law. The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Units and the Common Elements, based on buildings of similar size and nature by AYC Management LLC, a qualified management expert with an address at 3215 Avenue R, Brooklyn, New York 11234. This estimate includes a 10% increase to provide for inflation:

Estimated daily usage = 240 cubic feet	Water charge: 3.81 per 100 CF = $3.81/HCF
Estimated annual usage = 87,600 cubic feet	Sewer charge: 159% of water charge = $6.06HCF
Convert to hundred cubic feet (HCF) = 876 HCF	Estimated water & sewer rates: $9.87/HCF

Usage		Rate per HCF	Cost
876 HCF	x	$9.87/HCF	= $ 9,510.73

This expense has been allocated 100% to the residential Units since the Community Facility will be separately sub-metered and billed by the Board based on actual usage, and the storage units and roof terrace units have no water access. Each residential Unit will pay its proportionate share, based on the Unit's percentage of Common Interest vis a vis the residential Units only. This special allocation is in accordance with provision 2 of § 339-m which allows special allocation to specific Units based upon exclusive use and availability when authorized in the bylaws. See Section 6.1(B)(i) of the bylaws authorizing the special allocation.

8. Repairs and Maintenance; Services and Supplies. This item represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including normal repairs to the interior of the Building, the exterior of the Building (including walls, foundations, windows, doors, and locks), common heating, plumbing and electrical systems, common equipment, and includes

various supplies (such as cleaning supplies and materials, lubricants, bulbs, public fixtures, general and hardware supplies), equipment for snow removal (shovels and salt), painting of common areas and administrative expenses and supplies, such as postage, tips, and paper. The projected amount does not include repairs, painting, maintenance, or supplies for the interior of the Units or Limited Common Elements, all of which are the responsibility of the individual Unit Owners. Inasmuch as this is a new construction, repairs and maintenance should be minimal. However, the Sponsor does not warrant that this will be the case and no funds are being provided for future capital improvements. The following is a breakdown of the repairs and maintenance based on the experience of AYC Management LLC, a qualified management expert with an address at 3215 Avenue R, Brooklyn, New York 11234, managing buildings of similar size and condition:

Supplies	$ 750
Administrative Expense	$ 550
General Repair and Maintenance	$1,500
Intercom	$ 400
TOTAL:	$3,200

9. Insurance. The insurance premium is based on the letter dated August 10, 2020 by V.A. Heinz Associates, Inc., a licensed insurance broker with an address at 146-08 Hillside Avenue, Jamaica, NY 11435 setting forth the following coverages:

Items Covered	Coverage Limits
Building Coverage, Replacement Cost	
Special Form All-Risk	$2,996,500
Boiler and Machinery	Included
Business Income	$150,000
Demolition and Cost of Construction	$100,000
Comprehensive General Liability	$1,000,000 per occurrence/ $2,000,000 aggregate
Personal and Advertising	$1,000,000
Fire Damage Legal	$100,000
Products/ Completed Operations	$1,000,000
Excess Liability	$3,000,000
Directors and Officers	$1,000,000
Deductible:	$2,500
Total Premium	$4,068.51

The total projected premiums for these various coverages are based upon the current replacement cost for the Building (excluding excavation and foundation) estimated by the insurance

broker, which, in its opinion, is adequate so that the insured will not be a co-insurer. The insurance coverage will meet the requirements of Sponsor or any mortgage lender procured by Sponsor. The total projected premiums for these various coverages are subject to underwriting review and consideration at the time of placement.

The fire, casualty and general liability insurance will be on terms that provide: (1) that each Unit Owner is an insured party; (2) that there will be no cancellation without notice to the Board and the Unit Owners; (3) a waiver of subrogation; (4) a waiver of invalidity because of the acts of the insured and Unit Owners; and (5) a waiver of *pro rata* reduction if Unit Owners obtain additional coverage. The Condominium will have public liability insurance which includes fire and casualty insurance at the First Closing. In the event of a loss, the claim is made payable to the named insured (the Board).

In order to safeguard the investment of its Unit Owners in the event of a substantial or total destruction of the Building, the Board should periodically review the amount of casualty insurance for the Building to ensure that the amount of coverage equals the Building's then replacement cost.

The coverage provided under the master policy listed above will cover the structure of the Building, the fixtures and furnishings in Common Element areas and any other personal property owned by the Condominium. The following coverages are not included in the premium and may be available at extra cost: construction and demolition; rent insurance in an amount equal to the Common Charges for one (1) year; workers' compensation and New York State disability benefits insurance (should the Board hire employees); hazard insurance.

This coverage does not include claims for damage to interior of Units. As such, Unit Owners must obtain an HO6 insurance policy, effective as of the date of Closing, to cover fire or casualty losses to the interior of his or her Unit. The coverage under the master policy further excludes personal injury or property damage resulting from occurrences in a Unit, and coverage of the furniture or personal property of Unit Owners. Therefore, each Unit Owner shall also consider the desirability to obtain additional insurance at his or her own cost covering among other items: (i) any replacements, additions, upgraded fixtures and improvements within their Unit; (ii) personal property; and (iii) liability for personal injury as a result of occurrences in the individual Unit.

10. Professional Fees.

A. Accounting Fees. A portion ($1,500) of the budgeted item will be used for auditing fees in connection with the preparation of the Condominium’s first year's audited financial statements and its Franchise tax returns, and its Federal, State and City income tax returns. Although the Counsel Opinion Letter included in the Plan cannot render an affirmative opinion that the condominium will be exempt from tax-exempt status under IRC 528, there is no anticipated income tax as there is no source of revenue stream for the building and all common charges collected will be used for building expenses. The estimate for accounting fees is based on a letter from A. Kahan, C.P.A., 266 Broadway, Suite 502, Brooklyn, New York 11211.

C. Legal Fees. An allowance ($1,000.00) is provided for miscellaneous (but not major) legal services, in the event the Board decides to engage an attorney for services which might include counseling on Board rights or overseeing unit owners' meetings. There is no attorney on retainer, and the Board may choose an attorney when needed.

11. Reserve Fund for Major Repairs. This item is to provide for major capital expenses, which is the maintenance, improvement or replacement of any aspect of the property that will either enhance the overall value of the property, adapt it to new uses, or increase its useful life. Examples of a major repair or major capital expense are replacement of the roof or the windows, etc. The basis of the figure projected for this item is greater than ten percent (10%) of the Common Charges. At this time, Sponsor has no knowledge of any capital improvements that may have to be made during the first five years of Condominium operation. In the event there is a need for major capital expenditure in excess of the funds available from the reserve fund, the Condominium Board will assess a charge to each Unit Owner in accordance with its percentage of Common Interest. The Reserve Fund for Major Repairs may not be used to reduce projected Common Charges.

The budget does not include a contingency fund, which is typically a line item in a condominium budget for unanticipated expenses. In the event there are any such expenses, Common Charges may increase or an assessment may be imposed.

In the opinion of AYC Management LLC, a qualified management expert with an address at 3215 Avenue R, Brooklyn, New York 11234, the projected receipts are adequate to meet the estimated expenses for the Condominium's first year of operation, assuming such first year to be the fiscal year commencing May 1, 2021. The foregoing schedule, however, is not intended and should not be taken as a guarantee by anyone that the annual Common Charges or expenses for the first year of operation or any subsequent year of operation will be as set forth in said schedule. It is likely that the actual annual Common Charges or expenses will vary from the amounts shown in the schedule.

Sponsor expects the First Closing to occur by May 1, 2021. Purchasers will be offered a right of rescission if: (i) the actual date of the First Closing; or (ii) the projected date of the First Closing occurs later than April 30, 2022, which is twelve months after the currently projected date for the First Closing. If the Plan is amended to provide for a later projected date for the First Closing, Purchasers will be entitled to an offer of rescission if the First Closing occurs more than 12 months beyond that amended, later date.

However, even if the First Closing occurs before May 1, 2021 (or such other date as may be projected at the time the Purchase Agreement is entered into), or within the twelve months thereafter, the Sponsor may schedule the Closings to other units significantly later than such date. Unless your Purchase Agreement contains an outside Closing date, the Sponsor is not obligated to schedule your Closing within any specified time frame or to ensure

that Closing to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, the Sponsor cannot convey title to the Unit on or before twelve (12) months from the date of the Purchase Agreement or the commencement date of the projected budget in place at the time the Purchase Agreement is signed, whichever is later affected Purchasers will be offered a right of rescission.

I. SCHEDULE B1

ENERGY COSTS FOR UNITS DURING
FIRST YEAR OF CONDOMINIUM OPERATION
499 Evergreen Avenue, Brooklyn, New York
For the Year May 1, 2021 – April 30, 2022

Unit	Estimated Electric Usage (KWH)	Estimated Cost per KWH	Estimated Electric Cost (Mo.)	Estimated Electric Cost (Yr.)
CF1	25,415	$ 0.32	$ 731.92	$ 8,783.00
2F	4,945	$ 0.32	$ 142.42	$ 1,709.00
2R	4,945	$ 0.32	$ 142.42	$ 1,709.00
3F	5,060	$ 0.32	$ 145.75	$ 1,749.00
3R	4,715	$ 0.32	$ 135.83	$ 1,630.00
4F	5,060	$ 0.32	$ 145.75	$ 1,749.00
4R	4,715	$ 0.32	$ 135.83	$ 1,630.00
5F	5,980	$ 0.32	$ 172.25	$ 2,067.00
5R	3,220	$ 0.32	$ 92.75	$ 1,113.00

NOTES TO SCHEDULE B-1

1. Each Unit Owner will be responsible for the cost of electricity service supplied to his Unit. The Building contains electric meters for each of the Units and one electric meter for the Common Elements (common electric charges are set forth in Schedule B). There is no gas service to the Building. Charges for each Unit will be payable directly to the utility company.

2. The above information is based upon a survey and estimate based on buildings of similar size and nature provided by AYC Management LLC, a qualified management expert with an address at 3215 Avenue R, Brooklyn, New York 11234. The Building uses electricity for all power needs. Electricity costs are roughly based on size of the Units. The yearly electricity costs for Unit 3F for example, are estimated based on current Con Edison rates of $0.32 per KWH and projected usage of 5,060 KWH per year, for approximately $1,749.00, including taxes and a 10% increase. This assumes thermostat settings of 70 degrees for 16 hours (day) and 60 degrees for 8 hours (night). The other Units have been calculated accordingly.

3. The estimated costs are subject to change based on changes in Con Edison delivery rates.

ALTHOUGH SPONSOR BELIEVES THAT THE FOREGOING IS ACCURATE, NO WARRANTY OR GUARANTY IS BEING MADE BY SPONSOR, MANAGING AGENT, OR ANY OTHER PERSON OR ENTITY AS TO WHAT THE SEPARATELY METERED ELECTRICITY COSTS MAY BE.

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J. COMPLIANCE WITH REAL PROPERTY LAW § 339-i

April 27, 2021

Re: 499 Evergreen Avenue, Brooklyn, New York
Condominium Offering Plan
Compliance with Real Property Law § 339-i

To Whom It May Concern:

I am the attorney representing the Sponsor of this offering Plan. I am not the Selling Agent or Managing Agent for this Property and have no beneficial interest in this project. I have been involved in the initial phases of development and in the preparation of many condominium offering plans in New York City. I have advised developers and sponsors as to the allocation of common interests of condominiums as it relates to the value of such units. This opinion is based on my experience with the foregoing.

The method selected for calculating the percentage of Common Interests in the Condominium pursuant to Real Property Law Section 339-i(1) is subparagraph (iv), which provides:

> "(iv) the Common Interests of each of the Units have been allocated 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."

The percentages of interest in the Common Elements in this Condominium have been allocated to the Units in accordance with the above factors in compliance with Real Property Law Section 339-i(1)(iv). They were allocated in this manner as each Unit is unique based on its location in the Building.

Very truly yours,
Jeffrey Zwick & Associates, PC

By:_____
Jacob Lebovics

J1. NON-RESIDENTIAL UNITS

Unit CF, located on the cellar and first floor level, is designated as a community facility unit. The unit may be used for any purpose in compliance with zoning ordinances, which may include school, day care center, or religious institution. There is currently no prospective purchaser for this unit and it is not known what the unit will be used for. The unit as finished will conform to applicable zoning and legal requirements for the use of such space. The Sponsor reserves the right to change the use of the Unit to any use permitted by the New York City Building Code. The community facility unit owner shall have the right without the consent of the board to make alterations and repairs in the unit, including subdivision of the unit. The Board will have no right to restrict or limit any uses of the unit which are permitted by law and the New York City Zoning Resolution.

The two rooftop Units and five storage Units are the only other non-residential Units in the Building. These Units will be offered to Purchasers of residential Units only. Transfer of title for the rooftop terraces and storage Units will be by way of deed and Purchasers will take title in fee simple absolute without any restrictions or limitations. There is no limit as to how many storage Units or terrace Units may be purchased by an individual Purchaser. The rooftop Units will be offered unfurnished and will be used for recreation in compliance with applicable laws. The storage Units will be used for residential storage needs. Both the terrace units and the storage units can be rented together with a residential Unit but may not be rented independently. The Sponsor will be responsible for costs and expenses of the storage units and terrace units until sold at which time the Purchaser of such unit will be responsible for the foregoing costs and expenses. However, Sponsor reserves the right to transfer any unsold storage and/or terrace units to the Board once all residential Units in the Building have been sold in which case the Unit Owners will be responsible for payment of common charges and real estate taxes on those Units and will be entitled to the profits from the sale of the Units. Neither the storage Units nor the terrace Units can be subdivided.

Certain budgeted items are allocated between the residential Units and non-residential Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of the particular Common Elements, pursuant to N.Y. Real Property Law (RPL) Section 339-m (2). Where the allocation of Common Expenses is not based on Common Interest, the budget and budget notes so indicate. The common charges payable by the owner of the non-residential Units will be sufficient to cover the expenses fairly attributable to such Unit. The portion of the insurance premiums paid by the non-residential Units will be not less than the estimated amount allocated to such Units by the insurance carrier.

The non-residential Units will contribute to the expenses of the Building in proportion to its percentage of Common Interest, except for the line items for water and sewer. The Building will have a submeter for the water and sewer usage to the Community Facility Unit and the Board shall charge the owner of the Community Facility Unit based on such usage. The rooftop Units and

storage Units will not have any water usage. Additionally, the expenses relating to the elevator will be allocated 95% to the residential Units and 5% to the storage Units and terrace Units based on the usage of the elevator. The Community Facility Unit will not use the elevator and will not contribute to any expenses relating to the elevator. This special allocation is in accordance with N.Y. Real Property Law (RPL) Section 339-m (2) as it is an allocation based on exclusive use and is authorized in Section 6.1(B)(i) of the Bylaws. In accordance with Article 10 of the Bylaws, in order to resolve any dispute, controversy, claim or question arising between the commercial Unit Owner and the Board regarding any special allocation, said dispute shall seek to be settled by arbitration. The parties shall submit such dispute or question to arbitration through the American Arbitration Association who will assign a neutral arbitrator. The fees, costs and expenses of the arbitrators shall be shared equally by the disputants. Each disputant shall also bear the fees and expenses of his or her own counsel and expert witnesses. Purchaser may be required to reimburse Sponsor for any attorneys' fees in the event Sponsor "successfully defends" itself or "successful enforces its rights in an arbitration proceeding. Any decision rendered shall be final and conclusive and enforceable in a court of competent jurisdiction. A party's ability to have a court reverse or modify an arbitration award is very limited. Parties to the purchase agreement are giving up the right to sue, including the right to a trial by jury.

Any assessment or increase in Common Charges to repair, maintain or improve the Common Elements not located within a Unit, which service only the Residential Units, including, but not limited to, the laundry room or machinery, intercom system, residential HVAC system, or garbage chute shall be levied against the Residential Units proportionately in accordance with the percentage of Common Interest for all Residential Units. Similarly, any assessment or increase in Common Charges which only benefit specific units shall be levied against the units so benefitting, proportionately in accordance with the percentage of Common Interest. For example, installing a recreational roof deck or purchasing furniture for the roof deck, hiring additional personnel or vendors, or upgrading the facade of the Building shall be levied against the residential Units proportionately in accordance with the percentage of Common Interest for the residential Units. Any assessment or increase in common charges to repair, maintain, or improve the Common Elements which serve all units shall be levied against all Units in accordance with their percentage of common interest. The relevant provision in the Bylaws may only be amended by unanimous consent of all unit owners (including the Community Facility owner) taken at a meeting duly called in accordance with the Bylaws.

Any amendment to the Bylaws which materially adversely affects the Community Facility Unit requires the consent of the Community Facility Unit Owner.

Within thirty (30) days of the expiration of the Initial Control Period, Sponsor shall call a meeting to elect a new Board consisting of three (3) members. At such time, all Unit Owners, including Sponsor, so long as Sponsor still holds Unsold Units, may nominate and vote for Board members. In addition, the Community Facility Unit Owner may appoint a nominee to one of the three seats on the Board.

K. CHANGES IN PRICES AND UNITS

1. Changes in Offering Price

The offering prices set forth in Schedule A may be changed by Sponsor from time to time, in Sponsor's sole discretion subject to this Section and all applicable requirements under 13 N.Y.C.R.R § 20.3(k). The offering prices: may be changed both prior and subsequent to the date of the First Closing; may be increased or decreased; may be changed on one Unit or on a line of Units.

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: (i) an across-the-board increase or decrease affecting one (1) or more lines of Units; (ii) is to be advertised; or (iii) is a price increase for an individual Purchaser. In all other cases, the prices for the Units are negotiable and Sponsor may enter into an agreement with a Purchaser to sell one or more Units at prices lower from those set forth in Schedule A without filing an amendment.

If the purchase price for a Unit is changed, the purchaser of one Unit may pay or may have paid more or less than other purchasers of comparable Units having the same Common Interest. However, such change shall not affect the Common Charges or Common Interest of any Unit (including Units whose purchase prices have changed), nor affect the purchase price stated in any Purchase Agreement then in effect.

2. Offering Prices and Price-Related Terms are Negotiable

Offering Prices and price related terms are negotiable on an individual basis, except Sponsor may not change the escrow provisions of the Purchase Agreement or any other provision in violation of Article 23-A of the General Business Law or Part 20 of the regulations issued by the Department of Law. In addition, Sponsor may not modify a Purchase Agreement to waive Sponsor's obligations or representations in the Plan or to reduce or abridge any rights Purchasers may have under Article 23-A.

The results of negotiation for one Unit are independent of other negotiations and will not affect other negotiations. Sponsor reserves the right to negotiate with Purchasers all aspects of the purchase price, including but not limited to: renovations or improvements to the Units or the fixtures or equipment contained therein or credits or allowances therefor; amount of Down Payment; terms of financing contingency in the event Sponsor agrees to permit same; extension of period to secure financing; default clause; application of the Interim Lease rental payment towards the purchase price; payment of all or part of Purchaser's Closing costs such as the waiver or reduction of the attorney's fees set forth in the offering Plan; and any and all other fees relating to the cost of acquiring title to the Unit within Sponsor's control. Further, Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms.

3. Changes in Size, Layout and Number of Units

A. In order to meet the possible varying demands for number and type of Units, or to meet the particular needs of prospective Purchasers, or for any other reason, Sponsor reserves the right from time to time, both before and after the First Closing to make the following changes to Units:

(i) to subdivide the Unit and establish new boundary walls separating the new Units established;

(ii) to combine all or portions of the or more Units and to incorporate walls, floors, ceilings, and/or other portions of the Common Elements or to establish new boundary walls, floors, ceiling and/or other portions of the Common Elements;

(iii) to raze, move and relocate the boundary walls, floors and/or ceilings of the Unit to incorporate a portion of the Common Elements;

(iv) to alter the Unit including changing the number of rooms and bathrooms or the layout and configuration of the Unit;

(v) to change the description of portions of the Unit and the affected Common Elements involved in a Unit change so that such applicable portions of the Common Elements become part of the Unit and/or portions of the Unit become Common Elements.

B. All Unit changes listed above may be made by Sponsor from time to time, both before and after the First Closing, and without the consent or approval of the Selling Agent, Managing Agent, Board, any Unit Owner, or any mortgagee, so long as such changes do not compromise the structural integrity of the Building. However, Sponsor shall first obtain the approval of all governmental authorities having jurisdiction thereof whose approval is required by law. All Unit changes made by Sponsor must comply with the following:

(i) No change will be made in the size or number of Units and/or their respective percentages of Common Interest, and no material change will be made in the size or quality of Common Elements, except by amendment to the Plan, and, when applicable, to the Declaration. As more particularly provided in the Declaration, Sponsor or its designee, as the owner of Unsold Units, will have the right itself to so amend the Declaration to effectuate any such change to the Unsold Units without the Board, the other Unit Owners, or any mortgagee consenting to, or executing, such amendment provided that all required consents, if applicable, as described in clauses (ii) and (iii) below, and elsewhere in the Plan, have first been obtained.

(ii) Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to Sponsor for that Unit and the Purchaser is not in default.

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

L. INTERIM LEASES TO PURCHASERS

1. Sponsor's Option to Rent to Purchaser. Sponsor has the exclusive option to enter into a lease with the Purchaser of a Unit to allow the Purchaser to occupy the Unit for the interim period between the Purchase Agreement signing and the Closing to that Unit (provided there is a temporary or final certificate of occupancy for the Building) both before and after consummation of the offering. In the absence of such Interim Lease, no purchaser shall have the right to occupy, use, decorate, alter or store belongings in the Unit purchased by him prior to the Closing.

2. No Rent Laws Applicable. These Units are not subject to rent stabilization or rent protection laws. As a result, if an Interim Lease for a Unit is signed, the rent will not be subject to any rent limitations or laws regulating rents and shall be a free-market, unregulated use and occupancy fee as determined by Sponsor in its sole discretion. Sponsor and its agents shall not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, or any other grounds prohibited by law.

3. Lease Form. The Interim Lease shall be prepared substantially in accordance with the form set forth as Document No. 8 in Part II of the Plan, which is applicable to Units not under any rental protection laws. The term of such Interim Lease shall be subject to negotiation. In the event of any inconsistencies between the Interim Lease and the Plan, the Plan shall govern. If Sponsor elects to lease a Unit pursuant to this section, the Interim Lease will be for such rent and other terms as may be mutually agreed upon. Any dispute under the lease shall seek to be settled by arbitration in accordance with article 10 of the Bylaws.

4. Cross-Default Provisions. Such Interim Lease will provide that an uncured default by the Purchaser under his Purchase Agreement will automatically constitute a default under the Interim Lease and Purchaser shall have only the grace period stated under the Purchase Agreement to cure the default under both instruments. Sponsor must make a written demand to cure after default at least 30 days before forfeiture of the Down Payment may be declared. If the default under the Purchase Agreement is not timely remedied and the Purchase Agreement is cancelled, the Interim Lease shall simultaneously be cancelled.

The Purchase Agreement contains a similar cross-default provision entitling the Sponsor to cancel the Purchase Agreement in the event the Purchaser fails to cure a default under his Interim Lease within the applicable grace period (if any). Before Sponsor may utilize the default under the Interim Lease to declare a default under the Purchase Agreement, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Interim Lessee unless the Interim Lessee has vacated the Unit. Effective on the date such order of eviction is issued or the Unit is vacated (as applicable), the Purchase Agreement will be cancelled and Sponsor shall be entitled to receive and retain Purchaser's Down Payment and any earned interest thereon (if any) without giving the Interim Lessee/Purchaser any further grace period to cure the default under the Purchase Agreement.

5. 30 Days to Vacate. If the Purchase Agreement is cancelled based on an uncured default of Purchaser; Sponsor's election to abandon or withdraw the Plan; or the exercise of a right of rescission under the Purchase Agreement, the Plan, or an amendment, the Interim Lessee will have thirty (30) days to vacate and surrender vacant possession of the Unit, free of all occupants, furniture, furnishings, household items and personal belongings, broom clean and in the same condition as existed at the start of the Interim Lease (reasonable wear and tear expected). Said 30 day period shall begin to run on the date of the cancellation or rescission of the Purchase Agreement. Time is of the Essence to surrender vacant possession of the Unit within the 30 day period. Failure to surrender vacant possession by the deadline shall result in Purchaser's liability for all costs and expenses incurred by Sponsor for the delay and to recover vacant possession including, but not limited to, reasonable legal lees (if Sponsor is the prevailing party) and disbursements; court costs and litigation expenses; carrying costs of the Unit; per diem interest on the Unit's purchase price at the rate of 10% per annum. The amount of interest charged will not exceed NYS usury or other applicable laws. Sponsor reserves the right to retain said fees, if applicable, from the Down Payment.

6. Rent Security Deposit. If Purchaser is or hereafter becomes a tenant of the Unit pursuant to an Interim Lease, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon, within thirty (30) days following the Closing, provided Purchaser is not in default under Purchaser's lease or tenancy obligations. If the Unit is occupied by someone other than Purchaser, then the unapplied security deposit (if any) of the tenant or occupant will be transferred at Closing to Purchaser, who will, upon receipt, sign and deliver to Sponsor an agreement acknowledging the amount received, indemnifying Sponsor from all liability in connection therewith and agreeing to hold such security deposit in trust and to deposit same in an interest bearing bank account pursuant to the provisions of Section 7-103 of the New York General Obligations Law (such agreement to be in form and substance satisfactory to Sponsor). In either event, Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrearage owing to Sponsor and to bring an action against the tenant to the extent such rent security is insufficient.

7. Risk of Loss. Sponsor assumes the risk of loss from fire or other casualty until the Purchaser assumes such risk by taking possession of the Unit. If the Purchaser becomes the tenant or actually occupies the Unit before the Closing, he cannot ensure the Unit since there is no ownership interest. ACCORDINGLY, IF THE PURCHASER BECOMES THE TENANT OR ACTUALLY OCCUPIES THE UNIT BEFORE THE CLOSING AND, BEFORE SUCH CLOSING, THE UNIT IS DAMAGED BY CASUALTY OR OTHERWISE, SUCH PURCHASER SHALL ASSUME THE RISK OF LOSS AND THE OBLIGATION TO REPAIR THE DAMAGE IN EXCESS OF INSURANCE PROCEEDS AVAILABLE TO THE SPONSOR PRIOR TO THE FIRST CLOSING, AND TO THE BOARD THEREAFTER, UNLESS THE CAUSE THEREOF ORIGINATED OUTSIDE OF THE UNIT AND DID NOT RESULT FROM THE ACTS OF SUCH PURCHASER OR OTHER OCCUPANTS OF THE UNIT OR SUCH PURCHASER'S

GUESTS, INVITEES, OR WORKMEN. Purchaser should consult with an insurance adviser regarding insurance for the Unit.

In addition, Purchaser as Interim Lessee shall be solely responsible for any damage to, or loss or other condition in the Unit not covered by insurance resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its installations. However, until Closing, Sponsor will remain responsible to make those repairs required of it as a landlord.

M. PROCEDURE TO PURCHASE

This section describes the procedure to purchase a Unit and the essential terms of the Purchase Agreement, which is reproduced in full as Document Number 2 in Part II of the Plan. The Purchase Agreement contains the terms and conditions upon which the Unit will be sold and should be read carefully by the prospective Purchaser and his or her legal or financial representative before being executed.

1. Procedure to Purchase. Purchasers shall have at least three (3) business days to review the Plan and all duly filed amendments prior to executing a Purchase Agreement.

A. Purchase Documents. A person desiring to purchase a Unit will be required to execute, in triplicate, a Purchase Agreement in the form set forth as Document 2 in Part II of the Plan. Purchaser must also deliver the IRS Form W-8 (for foreign entities or non-resident aliens) or W-9 (for US Citizens or resident aliens). All of the above documents must be sent via overnight delivery with tracking services to Sponsor's attorney's office. Purchasers should note that the Unit Deed and other Closing documents must match exactly the name or names of the Purchaser as signed on the Purchase Agreement. If legal ownership is to be in the name of two (2) individuals (e.g., husband and wife), both must sign the Purchase Agreement and provide a W9 form.

B. Down Payment. Together with the above documents, Purchasers must pay a sum equal to 10% of the purchase price, subject to negotiation. Said funds should be payable to "Jeffrey Zwick & Associates, P.C. Attorney Escrow Account" and can be sent via overnight delivery with tracking services to Sponsor's attorney's office. The Down Payment can also be wired to the Sponsor's attorney upon request.

C. Countersigned Purchase Agreement. A Purchase Agreement submitted by any prospective Purchaser will not be binding on Sponsor until a fully executed duplicate of such Purchase Agreement is returned to such prospective Purchaser. Within five (5) business days after Purchaser delivers an executed Purchase Agreement together with the required Down Payment, Sponsor will either accept the Purchase Agreement and return a fully executed counterpart to the Purchaser, or if not returned within such time, the Purchase Agreement will be deemed rejected and all monies submitted with such Purchase Agreement will be returned to such prospective Purchaser, with interest, if any within ten (10) business days thereafter. 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, or any other ground prohibited by law.

D. Notice of Closing. Each Purchaser will receive written notice of the date of the Closing, containing the time and place (in The City of New York) for the transfer of title to such Unit after the last of the following events to occur: (a) temporary or final certificate of occupancy covering the building in which the Unit is located is issued; (b) plan is declared effective; (c) Declaration is recorded. The Notice of Closing will be served in compliance with the Purchase

Agreement and with GBL 20.1(d)(1) no less than thirty (30) days before the date set for the Closing of the Unit. Time is of the Essence as to Purchaser's obligations to Close on said date. Time of the Essence shall mean that Purchaser must close by the date indicated on the Notice of Closing or else forfeit his Down Payment. Purchaser, at his option, may waive the thirty (30) day notice provision as provided in the Purchase Agreement.

If the First Closing takes place prior to the issuance of a FCO for the Building, Sponsor will maintain all Down Payments and other funds tendered for special work ordered in the Escrow Account as required by GBL Section 352-e(2)(b) unless Sponsor's engineer, architect or other expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a FCO, in which case the sum exceeding the amount so certified by Sponsor's engineer or architect may be released from the Escrow Account. Alternatively, the Sponsor must deposit with the Escrow Agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified after the Department of Law approves Sponsor's request to use alternate forms of security in lieu of escrowed funds.

E. Title Closing. At the Closing, such Purchaser shall pay the Balance stated in the Purchase Agreement by official cashier's check drawn on a New York bank, a member of the New York Clearing House Association. Purchaser will also be responsible for payment of other fees and costs described in detail in Section "Unit Closing Costs and Adjustments." A Purchaser seeking financing will be responsible for all fees and costs imposed by the lender, including (but not limited to) appraisal and origination fees (if any). It is possible that a Purchaser's financing commitment, or the terms of the commitment, may expire prior to the Closing and Purchaser will incur additional fees and costs.

The Financial Crimes Enforcement Network ("FinCEN") has issued a Geographic Targeting Order ("GTO") most recently updated in November, 2018, which requires US title insurance companies to report the personal identity of purchasers in certain residential real estate transactions in all New York City boroughs which meet the following criteria: (a) purchaser is a legal entity as defined in the GTO; (b) total purchase price is in excess of $300,000.00; (c) purchase is made without a bank loan or other similar form of external financing; and (d) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, virtual currency or a funds transfer. The GTO was first issued in January 2016, and was re-issued to expand coverage to more jurisdictions in July 2016 and February 2017. In August 2017, FinCen revised the GTO to capture a broader range of transactions. In May 2018, the GTO was again extended, however, the terms of the revised order remain confidential. As long as the GTO remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria.

In addition, at Closing, Purchaser shall execute a Unit Owner's Power of Attorney. This document allows the Board to acquire a Unit from an individual Unit Owner if such Unit Owner sells the Unit to the Board, or in a foreclosure sale, and enables the Board to sign documents

and act on the Unit Owners' behalf in connection with the maintenance and operation of the Condominium and Common Elements, including the filing of amendments to the Condominium Documents. Every Purchaser is required to sign a Power of Attorney to the Board of Managers at the Closing. Failure to sign a Unit Owner's Power of Attorney at Closing will result in immediate cancellation of the Purchase Agreement and forfeiture of the Purchaser's Down Payment. Purchaser will obtain title via a bargain and sale deed with covenants against grantors act. See Document 5 in Part II of this offering Plan for the form deed to be issued.

F. Estimate of Commencement. Sponsor anticipates the First Closing to occur by approximately May 1, 2021. Purchasers will be offered a right of rescission if: (i) the actual date of the First Closing; or (ii) the projected date of the First Closing occurs later April 30, 2022, which is twelve months after the currently projected date for the First Closing. If the Plan is amended to provide for a later projected date for the First Closing, Purchasers will be entitled to an offer of rescission if the First Closing occurs more than 12 months beyond that amended, later date.

However, Purchasers should note that even if the First Closing occurs on or before May 1, 2021, (or such other date projected as the date of commencement of the operation at the time the Purchase Agreement was entered into) or within the twelve-month period thereafter, Sponsor may schedule the Closings of Title to other Units significantly later than such date. Unless your Purchase Agreement contains an outside Closing date, the Sponsor is not obligated to schedule your Closing within any specified time frame or to ensure that the Closing of your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, the Sponsor cannot convey title to the Unit on or before a date which is twelve (12) months from the date of the Purchase Agreement or the date of the projected budget at the time the Purchase Agreement was entered into, whichever is later, affected Purchasers will be offered a right of rescission.

If the First Closing actually occurs, or is revised by amendment to the Plan to be projected to occur, six (6) months or more from the stated anticipated date of the First Closing, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed the original projections by 25% or more, Sponsor will offer all Purchasers the right to rescind their offer to purchase and to have their Down Payment s refunded. If such right to rescind is exercised within fifteen (15) days after presentation of the amendment, the Down Payment and unexpended sums for special work ordered will be refunded within ten (10) days of Sponsor's receipt of the notice of rescission. Sponsor may not declare the Plan effective where there are material changes to the budget which have not been disclosed by a duly filed amendment to the offering Plan.

Terms of Purchase Agreement. The following is a summary of certain material provisions of the Purchase Agreement but is not intended as a complete statement of these or other important provisions of the same. Reference should be made to the form of Purchase Agreement set forth as

Document No. 2 of the Plan for the complete terms of these and other material provisions. All representations set forth in the offering Plan, all obligations pursuant to the GBL, and such additional obligations under the offering Plan which are to be performed subsequent to the Closing date shall survive delivery of the deed. However, no provisions of the Purchase Agreement shall survive the delivery of the deed, except those obligations expressly stated therein or to be performed subsequent to the Closing or set forth under all applicable laws.

In the event a Purchase Agreement is cancelled, both Sponsor and Purchaser shall be relieved of all further obligations and liabilities thereunder and under the Plan, and Sponsor shall be free to sell the Unit to another as though such Purchase Agreement had never been made and without accounting to the Purchaser for the proceeds received on such sale. The parties may be required to sign a general release to this effect.

A. Incorporation of the Plan. The Plan (including without limitation the Condominium Documents contained in Part II of the Plan) and any amendments thereto duly filed by Sponsor are incorporated into each Purchase Agreement by reference. The execution and submission of a Purchase Agreement constitutes Purchaser's acceptance of the Plan (Parts I and II) and his agreement to abide and be bound by the terms of same, as well as all amendments to the Plan duly filed by Sponsor. No Purchaser shall have the right to approve or consent to any such duly filed amendments, including, without limitation, any changes, modifications, or updating of the estimated Common Charges or estimated real estate taxes or assessments to be paid by Purchaser and no such duly filed amendment will excuse a Purchaser from performing his obligations under a Purchase Agreement or entitle such Purchaser to any credit or offset against the purchase price set forth therein.

However, if an amendment is submitted after a Purchase Agreement has been executed and the amendment materially adversely affects the rights or status of then-existing Purchasers, Purchasers will be given the right to rescind their Purchase Agreements by notifying Sponsor within not less than fifteen (15) days of the presentation of such amendment and will receive a refund of their Down Payment and unexpended sums for special work ordered, with interest, if any, within ten (10) business days after Sponsor's receipt of Purchaser's election to rescind. Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. The parties may be required to sign a general release to that effect. Notwithstanding the foregoing, Sponsor may not declare the plan effective where there are material changes to the budget which have not been disclosed in a duly filed amendment to the offering Plan.

B. Funds. All funds received from prospective Purchasers by Sponsor will be handled in accordance with the provisions of Sections 352-h and 352-e(2)(b) of the GBL and Section 71-a(3)(a) of the Lien Law and shall be used by Sponsor only in connection with the consummation of the Plan. Section 71-a(3) of the Lien Law requires, at Purchaser's option, that the Down Payment be placed in an escrow account in a bank trust company, savings bank, or state or federal savings

and loan association located in New York State. Said monies must be deposited by Escrow Agent within five (5) business days of receipt. Escrow Agent must advise Purchaser in writing within ten (10) business days after the deposit has been made of the name of the depository where the funds have been placed. Funds may be released (a) pursuant to the 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.

All funds received by Sponsor for upgrades or extras must initially be placed in the Escrow Account. However, Purchasers should note that such funds may be released from the Escrow Account by the Escrow Agent as long as Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras unless Sponsor abandons the Plan, in which case Purchaser will receive a refund of the entire Down Payment plus all other sums tendered.

C. Secured Loan Condition Rider. The Purchase Agreement is not conditioned on Purchaser obtaining financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his entire Down Payment if unable to raise the funds for the Balance. Prospective Purchasers who will need financing to purchase are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by Sponsor as to the availability or cost of such financing.

However, Sponsor may, in its sole discretion, approve a mortgage contingency request prior to signing a Purchase Agreement. If Sponsor consents to permit a mortgage contingency, the Purchaser may condition his Purchase Agreement upon obtaining a loan from any Institutional Lender doing business in New York of not more than 80% of the sales price, or such other amount as to which the parties may agree, and the Purchase Agreement will be modified by appending to same the Secured Loan Condition Rider set forth as Exhibit B to the Purchase Agreement in Part II of this Plan (the terms of which are also set forth below). Purchasers should note that the financing commitment may expire or that the terms of the commitment may change prior to the Closing. The following are the terms of the Secured Loan Condition Rider:

(i) Contingency Period and Terms of Loan. The obligations of Purchaser hereunder are conditioned upon issuance on a date which is on or before forty-five (45) days from date the Purchaser receives an executed Purchase Agreement ("Mortgage Contingency Expiration Date"), of a written commitment from any Institutional Lender (which shall include a mortgage banker and broker) pursuant to which such Institutional Lender agrees to make a first mortgage loan to Purchaser, at Purchaser's sole cost and expense, of an amount equal to 80% of the purchase price or such lesser sum as Purchaser shall be willing to accept, or such other sum as to which the parties may agree, at prevailing interest rates for a term of at least thirty (30) years and on other customary commitment terms, whether or not conditional upon any factors other than an appraisal satisfactory to the Institutional Lender.

(ii) Application Procedure. Within two (2) weeks of receipt of the fully executed Purchase Agreement, Purchaser must make a mortgage application. Within seven (7) business days thereafter, Purchaser must provide Seller and/or Seller's attorney with the name and address of the bank or mortgage broker to which application has been made. Purchaser shall authorize the mortgage broker or lending institution to talk directly to Seller's attorney regarding the status of the mortgage application. Failure to send such notice, after receiving written notice from the Seller, will be considered to be a waiver of the mortgage contingency.

(iii) Purchaser's Responsibilities. Upon making an application pursuant to this section, Purchaser shall: (1) furnish accurate and complete information regarding Purchaser and Purchaser's Family Members, as required, (2) pay all fees, points and charges required in connection with such application and loan, which may include the appraisal, credit checks, and origination fees, (3) pursue such application with diligence, and (4) cooperate in good faith with such Institutional Lender to obtain such commitment. Purchaser shall comply with all requirements of such commitment (or of any other commitment accepted by Purchaser) and shall furnish Seller with a copy thereof promptly after receipt.

(iv) Failure to Obtain Commitment. The Purchaser will have the right to terminate the Purchase Agreement and be refunded all monies deposited thereunder, without interest, and unexpended sums for special work ordered in the event:

(a) an institutional lender fails, through no fault of the purchaser, to issue its commitment on the terms described above within 45 days (or such other period as the Sponsor may permit, in Sponsor's sole discretion), provided the purchaser gives notice of termination not later than five (5) business days after the expiration of the aforementioned period. In such event, if Seller has reasonably determined there is a high probability that Purchaser will be approved for a mortgage commitment with equal or better terms than those applied for under the original commitment, the Seller may, at its option within fifteen (15) days after receipt of the notice of rejection or expiration of the contingency period, whichever the case may be, cause Purchaser to submit an application together with the required fees to another Institutional Lender and Purchaser shall be required to accept the commitment under the same terms and conditions as stated above. The terms of such commitment will be equal to or better than the terms originally sought by the purchaser; or

(b) the commitment issued by the lender lapses, expires or is not funded by the Closing through no fault of the Purchaser, provided the Purchaser acts in good faith and gives notice of termination no later than ten (10) days before the scheduled Closing unless Purchaser did not receive sufficient notice and is therefore unable to give

notice to Sponsor within ten days of Closing. This is because under New York law, when a mortgage commitment is not fulfilled through no fault of a Purchaser, performance is excused. Therefore, if the Purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused and the Sponsor must grant to such Purchaser a right of rescission and a reasonable period of time to exercise such right.

(iv) Failure to Notify. If Purchaser fails to give timely notice of cancellation in accordance with paragraph (iii), then Purchaser shall be deemed to have waived the right to cancel the Purchase Agreement and to receive a refund of the Down Payment and unexpended sums for special work ordered by reason of the contingency. The Purchase Agreement will remain in full force and effect and the mortgage contingency will no longer apply. In addition, Sponsor may, at its option, cancel the Purchase Agreement and thereafter neither party shall have any further rights against or obligations or liabilities to, the other by reason of this Purchase Agreement, and upon cancellation the Down Payment and unexpended sums for special work ordered shall be promptly refunded to Purchaser.

D. Escrow and Trust Fund Requirements. This Plan shall be in compliance with the provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds. All Down Payments shall be held in compliance with the foregoing regulations. Details regarding the escrow requirements are as follows:

(i) The Escrow Agent: The law firm of Jeffrey Zwick & Associates, P.C., 266 Broadway, Suite 403, Brooklyn, NY 11211, telephone number 718-513-2050, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated Jeffrey Zwick and Daniel Cohen to serve as signatories. All designated signatories are admitted to practice law in the State of New York. Neither Escrow Agent nor any authorized signatories on the account are Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(ii) The Escrow Account: Escrow Agent has established an escrow account at Signature Bank at its branch located at 565 Fifth Avenue, New York, New York 10007 ("Bank") which is authorized to do business in the State of New York. The escrow account is entitled "Jeffrey Zwick & Associates, P.C. Attorney Escrow Disbursement Account" ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured. If Purchaser has other accounts at the bank or branches, the assets in all of Purchaser's accounts will be aggregated together with the escrow deposit accounts for the purpose of determining whether the maximum FDIC insured amount is achieved.

All Down Payments shall be in the form of checks or wire transfers, and shall be made payable to or endorsed by the Purchaser to the order of "Jeffrey Zwick & Associates,

P.C. Attorney Escrow Account", 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 Down Payments made into the Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue upon placing the Down Payment 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.

(iii) The Purchase Agreement: The Purchase Agreement is attached hereto as Document Number 2 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 Escrow Agent.

(iv) Notification to Purchaser: Within five (5) business days after the fully executed Purchase Agreement has been tendered to Sponsor along with the Down Payment, Sponsor shall either sign the Purchase Agreement and place the Down Payment into the Escrow Account or return any Down Payment tendered by Purchaser. Within ten (10) business days of the fully executed Purchase Agreement, Escrow Agent shall provide written notice to Sponsor and Purchaser confirming the deposit. The notice shall provide the account name, account number and the initial interest rate to be earned on the Down Payment. 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.

Escrow Agent is obligated to send notice to Purchaser once the Down Payment 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 Down Payment, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Down Payment to Sponsor or 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, 21st Floor, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Down Payments and requisite notice was timely mailed to Purchaser.

(v) Escrow revisions. Before funds are transferred to any new Escrow Account, or if the Escrow Agent is replaced, the Plan must be amended to provide the same full disclosure with respect to the any new account, the Escrow Agent and the escrow agreement as was originally provided. A bond, letter of credit or other security may be substituted for the

Escrow Account only after the Department of Law approves in writing the use of such alternate form of security, pursuant to the provisions of paragraph (iv) of this subdivision.

(vi) 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 Down Payment 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 Down Payment if so directed:

(a) pursuant to the terms and conditions set forth in the Purchase Agreement upon Closing of 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 Escrow Agent is not directed to release the Down Payment pursuant to paragraphs (a) through (c) above, and Escrow Agent receives a request by either party to release the Down Payment, then Escrow Agent must give both Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Down Payment. If Escrow Agent has not received notice of objection to the release of the Down Payment prior to the expiration of the thirty (30) day period, the Down Payment shall be released and Escrow Agent shall provide further written notice to both parties informing them of said release. If Escrow Agent receives a written notice from either party objecting to the release of the Down Payment within said thirty (30) day period, Escrow Agent shall continue to hold the Down Payment until otherwise directed pursuant to paragraphs (a) through (c) above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Down Payment 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.

Sponsor shall not object to the release of the Down Payment 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.

(iv) Waiver Void: Any provision of any Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Down Payment 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.

(viii) 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.

(ix) Records on file. The Escrow Agent shall maintain all records concerning the Escrow Account for seven years after release of the funds. Upon the dissolution of any law firm which was the Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of them or by the successor firm and shall notify the Department of Law of such transfer

(x) Trust obligation of Sponsor. Nothing contained herein shall diminish or impair the Sponsor's statutory obligation to each Purchaser pursuant to GBL section 352-h to hold in trust all Down Payments, advances or payments made in connection with the offer until consummation of the transaction with such Purchaser. Consummation of the Plan does not relieve Sponsor of its obligations pursuant to GBL section 352-h. Funds from the Escrow Account remain the property of the Purchaser until employed in connection with the consummation of the transaction. Such funds shall not be a part of the estate of the Sponsor or the Escrow Agent upon any bankruptcy, incapacity or death.

E. Events of Default. Time is of the Essence to cure defaults. If Purchaser (i) defaults in paying the Balance on the date scheduled by Sponsor for Closing; or (ii) defaults in performing some other obligation under the Purchase Agreement and fails to cure such default within thirty (30) days after Sponsor sends written notice to Purchaser specifying the nature of the default, Sponsor's sole remedy is to cancel the Purchase Agreement by sending thirty (30) days' written notice to such Purchaser and, if Purchaser fails to cure such default within said period, to

retain, as and for liquidated damages the amount of the Down Payment (but in no event to exceed ten percent (10%) of the Purchase Price) except that the actual cost incurred by Sponsor for any special work ordered by Purchaser may also be retained as liquidated damages unless the Sponsor abandoned the plan. Any payments received by Sponsor in excess of the Down Payment plus actual cost incurred by Sponsor for any special work ordered by Purchaser, together with any interest earned on such excess payments, if any, shall be refunded to Purchaser with reasonable promptness. Sponsor may not seek specific performance of the Purchase Agreement.

F. Interim Lease. If a Purchaser is or becomes a tenant or occupant of the Building pursuant to an Interim Lease and fails to pay rent or otherwise to comply with his lease obligations, or vacates or abandons the Unit, then Sponsor may cancel his Purchase Agreement as set forth above whether or not Purchaser is evicted by reason thereof. However, before the Sponsor may utilize the default under the Interim Lease to declare a default under the Purchase Agreement, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Interim Lessee unless the Interim Lessee has vacated the Unit. The Interim Lessee will have thirty (30) days to vacate the Unit after a default under the Purchase Agreement or in the event the Interim Lessee defaults on the Purchase Agreement. However, if such Purchaser is not evicted from the Building by reason of such default, by vacating or abandonment, Sponsor shall return to such Purchaser all monies deposited under the Purchase Agreement, together with the interest earned thereon, if any.

The Purchaser may not occupy the Unit or perform any work in the Unit prior to Closing without the prior written consent of Sponsor. If Purchaser occupies the Unit or performs any work in the Unit prior to Closing without the prior written consent of Sponsor, such event shall constitute a default under the Purchase Agreement.

G. Fixtures and Appliances. The Units will be prepared so that a temporary or final certificate of occupancy will be issued prior to Closing. Sponsor is providing in each Unit a refrigerator, range and dishwasher. Sponsor is not providing blinds or shades to the Units. It will be the responsibility of the Unit Owners to provide them at his or her own cost. Sponsor will provide hook ups only for two (2) washers and two (2) electric ventless dryers in the common laundry room in the cellar. Laundry appliances will not be provided by Sponsor. In the event the Board elects to purchase same, the cost thereof will be borne by the Unit Owners as a Common Expense. Furniture, wall coverings, furnishings, decorations and the like in or about any model are not included in the sale. There will be no modifications or extras unless agreed to in writing by the parties.

H. Fee to Sponsor's Counsel. Purchaser shall pay a fee of $2,250.00 to Jeffrey Zwick and Associates, P.C., 266 Broadway, Suite 403, Brooklyn, New York 11211 for services rendered in connection with preparing documents. Should Sponsor's counsel be required to attend a Closing outside their office at the request of Purchaser or its representatives, Purchaser will be responsible for paying an attendance fee of $500.00. In addition, there shall be a fee of $200.00 per hour if the duration of the Closing exceeds two (2) hours due to the fault of Purchaser or its representatives.

There is an additional fee of $250.00 for any work in connection with obtaining a mortgage. There shall be a fee of $200.00 if e-forms for New York City Real Property Transfer Tax are prepared by Sponsor's attorney.

I. Closing of Title. The Closing of title to each Unit will be held at Sponsor's attorney's office on such date and at such hour as Sponsor shall designate to Purchaser on not less than thirty (30) days' prior written notice. Purchaser may waive this notice provision. Sponsor has the right to postpone the Closing Date and to fix a new Closing Date within a reasonable time period. In such event, Sponsor shall give Purchaser not less than ten (10) days' notice of the new date and time of Closing. In the event Purchaser does not close on the date set forth in the Notice of Closing and Sponsor elects not to cancel the Purchase Agreement, or if Sponsor approves Purchaser's request to adjourn the Closing of his Unit, interest shall accrue on the unpaid amount of the purchase price from the Closing date or adjourned Closing date until such amount is paid. The interest rate shall be 10% per annum, in effect for as long as there are any unpaid amounts owing towards the full purchase price. In the event 10% per annum exceeds NYS usury or other applicable laws, the amount of interest charged will be the maximum amount allowable under law.

The First Closing shall take place only after or concurrently with the following events: (a) temporary or final certificate of occupancy covering the Building is issued; (b) Plan is declared effective; (c) Declaration is recorded. Purchasers desiring to arrange for the Closing to take place at another location in New York City should promptly notify Sponsor's attorney of that address and, in addition, will be responsible for the payment of an attendance fee.

The foregoing shall not affect Sponsor's right to abandon the Plan as set forth in section "Effectiveness". In the event the Plan is abandoned, the Purchase Agreement will be deemed cancelled and the Down Payment paid by Purchaser thereunder, together with interest earned, if any, and all funds received for upgrades or extras shall be disbursed as discussed in the subsection entitled "Funds" of the Purchase Agreement and Plan. After the funds are so disbursed, neither Purchaser nor Sponsor shall have any claims against each other or against the Selling Agent in connection with the Purchase Agreement or the Plan, and all of the same shall be released and discharged from all liabilities under the Purchase Agreement and the Plan. The parties may be required to sign a general release to this effect.

J. Broker. Purchaser will disclose to Sponsor all real estate brokers that he or she has dealt with in connection with the acquisition of his or her Unit and will indemnify Sponsor against the claims of any other broker, if such broker is not disclosed to Sponsor at the time of the Purchase Agreement.

K. No Lien. Neither the Purchase Agreement nor any monies deposited thereunder shall constitute a lien against the Property, including the Unit.

M. Damage to Units. The risk of loss from fire and other casualty remains with the Sponsor until the Purchaser closes title or takes possession of the unit. However, a non-owner occupant cannot insure the Unit since there is no ownership interest and the Unit cannot be doubly insured. Thus, If the Purchaser becomes the tenant of the Unit pursuant to an Interim Lease and, before the Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage in excess of insurance proceeds available to the Sponsor prior to the First Closing, and to the Board thereafter, unless the cause thereof originated outside of the Unit and did not result from the acts of the Purchaser or other occupants of the Unit, or such Purchaser's guests, invitees, or workmen. No Purchaser shall have the right to occupy a Unit purchased by him prior to Closing unless Sponsor agrees to permit such occupancy under an Interim Lease. See "Interim Leases" for further discussion.

Except as set forth above, all other risk of loss or damage in excess of insurance proceeds prior to Closing is assumed by Sponsor, but Sponsor shall not be obligated or liable to repair the damage. Sponsor shall be notified by the Board of damages within fifteen (15) days of the occurrence of the damage and will make a determination whether or not to repair the damage within fifteen (15) days of receipt of said notice at which time it will notify Purchaser of its decision. If Sponsor or (in the event the Declaration is filed) the Unit Owners do not elect to repair the damage, the Purchase Agreement will be cancelled and be of no further force or effect. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor with interest earned thereon, if any.

If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect; Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the purchase price; Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacement; and purchaser shall not be required to pay the Balance unless and until (i) the Unit has been repaired in compliance with the offering Plan and the repairs result in a condition that is Equal or Better Quality than immediately prior to the casualty, (ii) essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored and (iii) any condition in the Unit for which a violation (if any) is noted or issued has been corrected, other than those that are the obligations of the tenant to cure or that are caused by the act or omission of the tenant. Sponsor will remove subsequent to Closing all violations of record which it is obligated to correct within ninety (90) days of the violation posting. Additionally, if Sponsor elects to repair or replace the loss or damage and the Purchase Agreement is contingent on the purchaser obtaining financing, if, after making a good faith effort to extend the term of the commitment to enable Sponsor to repair the damage, an extension is not obtained, the Purchaser will be afforded a right of rescission.

N. Purchaser's Remedy. Sponsor may abandon the offering Plan any time before it is declared effective. After the Plan is declared effective, if Sponsor shall be unable to convey and deliver the Units in accordance with the terms of the Purchase Agreement, (except for any failure to perform any obligation imposed by applicable statute or regulation, or a failure to perform his obligations under the offering Plan) and Sponsor is unable to cure the defects because of : (a) a

defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total offering, or (b) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half of one percent of the total offering, or (c) the taking of any material portion of the Property in condemnation proceedings or by eminent domain, Sponsor may abandon the Plan and the sole remedy of Purchaser shall be to rescind the Purchase Agreement and be refunded the entire Down Payment with interest, if any, plus all sums provided for special work ordered. These are the only three reasons Sponsor may abandon the Plan after it is declared effective. In the event Sponsor shall be unable to convey and deliver the Units in accordance with the terms of the Purchase Agreement, for any reason other than the three bases referenced herein above, Sponsor must cure such defects within a reasonable time. See Section "Effectiveness" for further details.

O. Conflict Between Governing Documents. To the extent there are any inconsistencies between the terms of the Purchase Agreement and the Plan, the terms of the Plan shall govern The Purchase Agreement and Plan may not contain, be modified to contain a provision waiving a Purchaser's right or abrogating Sponsor's obligations under Article 23-A of the General Business Law.

P. Arbitration. In order to resolve any dispute, controversy, claim or question arising with respect to the Condominium or the Purchase Agreement, including the disposition of Down Payments, the Limited Warranty or to break any deadlock in voting, the dispute or question shall be submitted to arbitration through the American Arbitration Association ("AAA"), which will give any party the rights he is entitled to under New York law. The arbitration proceeding will follow the rules of the AAA. The arbitrator will be neutral and independent of Sponsor and its principal and will be designated by the AAA. The hearing will take place in the county where the building is located.

The parties to the Purchase Agreement are giving up the right to bring suit in court, including the right to a trial by jury, concerning disputes over the disposition of escrowed funds, except as provided by the rules of the arbitration forum in which a claim is filed. The decision of the arbitrators so chosen shall be given within thirty (30) days after their selection or appointment and said decision shall be final and binding. A party's ability to have a court reverse or modify an arbitration award is very limited. The ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings. The arbitrators may not have to explain the reason for their award. Unlike litigation, New York law does not authorize the filing of a notice of pendency based on ongoing arbitration proceedings. There may be time limits imposed for bringing a claim in arbitration.

The fees, costs and expenses of the arbitrators shall be shared equally by the disputants. Each disputant shall also bear the fees and expenses of his or her own counsel and expert witnesses. The rules and fee schedule of the AAA can be found on their website: http://www.adr.org. Nothing contained in this paragraph shall be construed to preclude any

purchaser's rights under Article 23-A of the GBL. The Board shall follow the directions of the Arbitrators. The panel will have the authority to file their decision with the Court under the New York Arbitration Law and Article 75 of the CPLR. Any decision rendered shall be final and conclusive upon the parties and a judgment thereon may be entered in a court of competent jurisdiction. The decision shall be enforceable in a court of competent jurisdiction. If the arbitration proceeding concerns an escrow dispute under the purchase agreement, the Down Payment shall not be released from escrow until at least 90 days has elapsed from the issuance of a final arbitration award. If the purchaser brings a proceeding pursuant to CPLR §7511 to vacate the award, the funds must remain in escrow until that proceeding is finally adjudicated.

N. ASSIGNMENT OF PURCHASE AGREEMENT

The Purchase Agreement is not assignable without the consent of the Sponsor. Any request for assignment shall be submitted to Sponsor's attorney in writing at least fifteen (15) days prior to the scheduled Closing. Sponsor may, in its sole and absolute discretion, permit the Purchase Agreement to be assigned to allow Purchaser to add, delete or substitute the name of a Purchaser's Family Member or to take title in the name of an entity controlled by Purchaser. If Sponsor consents to an assignment, Purchaser must provide an executed assignment and assumption agreement prepared by Sponsor's attorney pursuant to which Purchaser assigns the Purchase Agreement and Down Payment to the new party named as Purchaser, who shall assume all of Purchaser's obligations thereunder, along with a new IRS W-8 or W-9 form (as applicable) for the new Purchaser at least five (5) days prior to the scheduled Closing. In no event will Purchaser be entitled to delay or postpone the Closing to effectuate such name change or assignment. Sponsor will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law. There is no additional fee for an assignment agreed to by Sponsor.

O. EFFECTIVENESS

The offer to sell the Units under this Plan is contingent upon the Plan being declared effective in accordance with the provisions set forth below.

1. Minimum Effectiveness Requirements. The Plan may not be declared effective unless *bona fide* Purchasers, including Purchasers for investment, have signed Purchase Agreements for at least fifteen percent (15%) of the Units, or two (2) Units offered under the Plan. Storage Units and roof terrace Units will not be counted toward effectiveness. Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, in the event all of the Purchasers counted toward effectiveness rescind or terminate their Purchase Agreements prior to the First Closing, the Plan will be declared effective again, regardless of whether the Declaration has been recorded. Sponsor intends to declare the Plan effective once two (2) Units are under contract.

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

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

(b) where the Purchaser did not have three (3) business days to review the Offering Plan and all duly filed amendments prior to executing a Purchase Agreement; or

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

2. Mandatory Effectiveness. The Plan must be declared effective when Purchase Agreements have been accepted by Sponsor for 80% of the residential Units under the Plan. In this Offering, Sponsor must declare effective by accepting Purchase Agreements for seven (7) residential Units, which satisfies the eighty percent threshold.

3. Procedure to Declare Effective. The Plan may be declared effective by (a) an amendment to the Plan or (b) personal service of notice on every Purchaser or by commencement of service by mail, addressed to the offeree at the last known residence of such offeree, stating that the Plan is

declared effective and submitting an amendment to the Department of Law within five (5) days confirming that the Plan was declared effective on a specified date. No Closing shall occur until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

4. Abandonment. Sponsor may, at its option, declare the Plan abandoned for any reason whatsoever before it is declared effective. If Sponsor has accepted any Purchase Agreements at that point, Sponsor shall promptly file an amendment together with a notice of abandonment on form RS-3. All monies paid by Purchasers shall be refunded to them in full, with interest earned, if any, within five (5) days after the amendment abandoning the Plan has been accepted for filing. If there are no outstanding Purchase Agreements, Sponsor shall submit a form RS-3 only.

Sponsor may not abandon the Plan after effectiveness for any reason other than (a) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total offering, or (b) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half of one percent of the total offering, or (c) the taking of any material portion of the Property in condemnation proceedings or by eminent domain. Any amount relied upon as a basis for abandonment after effectiveness excludes attorney 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 Sponsor or are a matter of public record. Sponsor cannot abandon the Plan for any judgments or liens against the property resulting from acts of Sponsor or any of its principals or which are known to Sponsor or any of its principals on the date of the Plan. Subsequent to the First Closing, this Plan may not be withdrawn or abandoned unless at least eighty percent (80%) of the residential Unit Owners vote to terminate the Condominium.

P. TERMS OF SALE

1. Deed and State of Title. Upon delivery to Sponsor of: (i) the Balance, (ii) a Unit Owner's Power of Attorney in favor of the Board and Sponsor and (iii) a transferee affidavit or a transfer tax return in the form required to be filed with The City of New York, each of which must be executed and acknowledged by the Purchaser, Sponsor will execute, acknowledge and deliver to the Purchaser a Bargain and Sale Deed with covenant against grantor's acts substantially in the form set forth as Document Number 5 in Part II of the Plan, conveying title to such Unit to Purchaser subject only to the title exceptions reproduced in this section and in Exhibit A to the Purchase Agreement.

2. Title 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 permitted encumbrances which are reproduced below and repeated in the Purchase Agreement Exhibit A. Title exceptions include the state of facts shown on a stated survey and any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unmarketable. The title company will affirmatively insure that none of the same affect the use of the premises as a Condominium, if so requested by Purchaser in writing to the title company and Sponsor’s attorney at least ten (10) days prior to the Closing, by the issuance of a title insurance binder insuring fee title to the Unit in the Purchaser, at Purchaser's expense, subject only to the encumbrances set forth in Purchaser's Purchase Agreement (all other liens will be removed or insured against enforcement or collection by Purchaser's title company prior to or at Closing), which binder will also insure that a valid condominium has been created pursuant to the terms of the Condominium Act. (See Section "Unit Closing Costs and Adjustments" for an estimate of the cost to the Purchaser to obtain title insurance). Such permitted encumbrances include:

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

B. State of facts which an accurate survey or personal inspection of the Land would show, provided such facts would not prevent the use of the Unit for dwelling purposes nor render title unmarketable.

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

D. Consents by Seller or any former owner of the Land for the erection of any structure or structures on, under or above any street or street on which the Land may abut.

E. Any easement or right of use in favor of handicapped persons or any easement or right of use in favor of any utility company for electricity, steam, gas, telephone, water, or other service, and the right to construct, use, maintain, repair, and replace all utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections 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 (which is to be paid by the Condominium Board).

G. Encroachments of shrubbery, stoops, areas, steps, doors, ledges, window sills, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and stand pipes, sewerage pipes, air-conditioning units, canopies, ramps, and similar projections, if any, on, over, or under the Property or the streets or sidewalks or property abutting the Property and the rights of governmental authorities and adjoining property owners 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 are adjusted at the Closing.

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

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

L. Any lease covering the Unit.

M. Certificate of Occupancy to be issued covering the Building.

N. Any violations against the Property (other than the Unit) which are the obligation of the Board or another Unit Owner to correct, provided the same does not affect the health or safety of the unit owner.

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

P. Any matters of record which do not prohibit the use of the premises.

3. Certificate Of Occupancy. The Closing to a residential Unit will take place only after or concurrently with the issuance of a permanent or temporary certificate of occupancy for the building in which the Unit is located. Sponsor and its principals will provide all items necessary to procure a certificate of occupancy. Sponsor and its principals have the obligation to procure the permanent certificate of occupancy and keep the temporary certificates of occupancy current until such time as the permanent certificate of occupancy is procured.

4. Condominium Documents. The Declaration, By-Laws, and Floor Plans for the Condominium and such other documents as required by law will be recorded or filed by Sponsor, at its expense, prior to the First Closing in accordance with the Condominium Act or applicable state and local law in the Register's Office.

5. Warranties. Sponsor shall assign any manufacturers' warranties with respect to equipment and appliances in the Unit to the Unit Owner and with respect to the equipment and appliances in the Common Elements or Limited Common Elements, to the Board. All personal property located within a Unit on the date the purchase agreement is signed or located within the Common Elements on the date the declaration is filed, that is owned by the Sponsor or the owner of the property, is included in the conveyance unless specifically excepted in the Plan. Sponsor hereby excepts all construction material and tools and model furniture in the model unit from the conveyance. Sponsor will remove any such personal property located in a Unit prior to the Closing for that Unit and located in the Common Elements within ninety (90) days of the First Closing.

6. Existing Mortgages. There is a loan on the Property with a lender, Goldman Sachs Bank USA, c/o Genesis Capital, LLC, 15303 Ventura Boulevard, Suite 700, Sherman Oaks, CA 91403. The lender has placed no restrictions on the rentals, sales or marketing of the units. If the loan is not satisfied at or prior to the First Closing, the mortgagee will either (a) consent to the formation of a condominium and acknowledge that its lien will be limited to Unsold Units; (b) subordinate the lien of its mortgage to the Declaration of Condominium; or (c) release its lien on the Condominium Unit being conveyed and its interest in the Common Elements.

7. Risk of Loss. Sponsor shall assume the risk of loss until Purchaser is conveyed legal title or occupies the Unit. However, an occupant cannot insure the Unit since there is no ownership interest and the Unit cannot be doubly insured. Thus, if Purchaser is or becomes the tenant or the occupant of the Unit before the Closing thereto pursuant to an Interim Lease and, before the Closing to the Unit, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage in excess of the Condominium's insurance proceeds available to Sponsor prior to the First Closing and to the Board thereafter, and the full risk of loss

to repair damage to his/her personal belongings and any other property not covered by the insurance for the Condominium, unless the cause thereof originated outside of the Unit and did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. A temporary or final certificate of occupancy will be obtained by Sponsor prior to Closing and occupancy of the Unit. A prospective Purchaser should carefully consider the aforementioned risk of loss before occupying a Unit prior to the Closing. Such risk of loss may also affect the Purchaser's ability to close the loan under any financing commitment.

Except as set forth in the preceding paragraph, all other risk of loss or damage prior to Closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair or restore the same. The By-laws include a provision that in the event Sponsor has relinquished control of the Board, the Board will notify Sponsor of any damage to Unsold Units. Sponsor shall be notified by the Board of damages within fifteen (15) days of the occurrence of the damage and will make a determination whether or not to repair the damage within fifteen (15) days of receipt of said notice at which time it will notify the Purchaser. If Sponsor or (in the event the Declaration is filed) the Board does not elect to repair the damage, the Purchase Agreement will be cancelled and be of no further force or effect. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor, including sums paid for special work, with any interest earned thereon.

If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect; Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the purchase price; Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacement; and Purchaser shall not be required to pay the Balance unless and until (i) the Unit has been repaired in compliance with the offering Plan and the repair is in Equal or Better condition than immediately prior to the casualty, (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored and (iii) any condition in the Unit for which a violation (if any) is noted or issued has been corrected, other than those that are the obligations of the Interim Lessee to cure or that are caused by the act or omission of the Interim Lessee. Sponsor will remove subsequent to Closing all violations of record it is obligated to correct within 90 days of the violation posting. Additionally, if Sponsor elects to repair or replace the loss or damage, and the Purchase Agreement is contingent on the Purchaser obtaining financing, if, after making a good faith effort to extend the term of the commitment to enable Sponsor to repair the damage, an extension is not obtained, the Purchaser will be offered a right of rescission. See section "Procedure to Purchase" for further details.

6. Tentative Tax Assessment. Prior to Closing, Sponsor will procure the Real Property Transfer Gains Tax Tentative Assessment and Return. Transfer tax is typically a seller's expense, however, the terms of this offering Plan transfer the statutory obligation to pay the New York City transfer taxes and New York State Documentary Stamp Taxes from the seller to the Purchaser, so that the cost of such taxes represent an additional Closing cost, and an additional item of

consideration on which transfer taxes must be paid. Both the Purchaser and Seller shall comply with the requirements of the New York State Department of Taxation and Finance.

Q. UNIT CLOSING COSTS AND ADJUSTMENTS

1. Closing Adjustments. At the Closing of Title to each Unit, Sponsor and Purchaser shall apportion, as of midnight of the day preceding the Closing: (i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the New York fiscal year beginning July 1 of the year for which assessed, including water charges and sewer rents (if separately assessed) and escrows for real estate taxes, if any; (ii) rent and other charges, if any, pursuant to an Interim Lease for, or tenancy of, such Unit; (iii) insurance for the first year premium; (iv) common charges for the month in which the Closing occurs.

There will be no adjustments between the Board and Sponsor. At Closing, Sponsor will collect each Purchaser's pro-rated share in the first year's insurance premium from the Closing Date until the end of the first year of operation. This amount will be calculated in proportion to each Purchaser's percentage of Common Interest and will be used to reimburse Sponsor for payment of the first year's premium. The Board and the Sponsor will not adjust for insurance. This provision shall only apply to Units which close within the first year of Condominium operations. Purchasers will also pay the second year's premium in proportion to their Common Interest as part of monthly Common Charges.

2. Closing Costs. At Closing, each Purchaser will pay certain closing costs in addition to the amount of any net credit in favor of Sponsor resulting from the closing apportionments described above. Such closing costs will include the following, the amounts of which are based on rates in effect on the date of the Plan.

A. Title Insurance. If such Purchaser elects to obtain fee title insurance, he will pay a premium therefor to the title insurance company which will vary depending upon the amount of insurance requested. **Purchaser is free to use a title company of his or her choosing without incurring a penalty.** The premium for fee title insurance should be $774.00 for the first $100,000.00 of fee insurance plus $4.36 for each $1,000.00 or fraction thereof of additional fee insurance up to $500,000.00 and $3.98 for each $1,000.00 or fraction thereof of additional fee insurance over $500,000.00. The premium for mortgage title insurance should be $654.00 for the first $100,000.00 of insurance plus $3.64 for each $1,000.00 or fraction thereof of additional insurance up to $500,000.00 and $3.31 for each $1,000.00 or fraction thereof of additional insurance over $500,000.00. Riverside Abstract, 3839 Flatlands Avenue, Suite 208, Brooklyn, New York 11234 has been retained by Sponsor to clear any title issues affecting the Property, and to record the Condominium Declaration and any other documents requiring recording with respect to this offering Plan. A copy of the title report may be furnished to the Purchaser upon request.

B. Recording Fees. A fee for recording the deed and Unit Owner's Power of Attorney of $32.00 for each instrument plus $5.00 per page, together with a service charge to the title company for such recording for a total of approximately $185.00;

C. Mortgage Fees. If Purchaser obtains a mortgage loan, Purchaser will pay:

(i) a fee and service charge for recording the mortgage of approximately $200.00;

(ii) mortgage recording tax in the amount provided for by law, currently 2.05% (1.8% paid by the purchaser, 0.25% paid by the Lending Bank) of the face amount of the mortgage for mortgages under $500,000.00 and 2.175% (1.925% paid by the purchaser, 0.25% paid by the Lending Bank) for mortgages over $500,000.00);

(iii) Purchasers will pay a premium through the title company for the mortgage title insurance policy. In addition, such Purchaser shall pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser is entitled under Section 339-ee (2) of the Condominium Act. All such payments shall be made upon execution of the loan documents;

(iv) Sponsor at its option may request any Purchaser who is obtaining a mortgage to have his lender accept an assignment of a portion of Sponsor's existing mortgage. In such event, Purchaser shall pay to the Sponsor such amount that the Purchaser is saving with respect to the mortgage that the Purchaser would have paid if there was no assignment of mortgage. The severance and assignment of the portion of the mortgage on the Property as contemplated herein would not result in any additional cost or risk to the Purchaser and will be initiated only after Purchaser has procured financing. Should the Purchaser's lender refuse to accept the assignment, Sponsor may require Purchaser to continue with the transaction without the assignment or may refund the Purchaser's Down Payment and terminate the Purchase Agreement. Accordingly, Purchaser may apply for a mortgage with a lending institution that will accept an assignment of mortgage. Because this transaction would require additional coordination between the parties, it may potentially delay the Closing. In the event Sponsor exercises such option, the above paragraph regarding the mortgage tax credit will be inapplicable and the Purchaser will not be required to make any payments to the Sponsor in respect to the mortgage tax credit.

(v) all costs and expenses in connection with such loan in amounts determined by the lender, *i.e.*, application, points, credit report, survey, appraisal, bank's attorney's fees, Residential and Condominium Endorsements (title insurance forms required by banks) and any other fees required by lender. Sponsor makes no representation or warranty as to such closing costs or expenses or as to the availability of such financing.

D. Transfer Taxes. **Transfer taxes are usually a seller's expense, however, the terms of this offering Plan transfer the statutory obligation to pay the New York City transfer**

taxes and New York State Documentary Stamp Taxes. New York City transfer taxes are in the amount of 1.425% of the purchase price for residential Units over $500,000.00 and 1.4% of the purchase price for residential Units under $500,000.00. New York State Documentary Stamp Taxes are in the amount of $4.00 per thousand plus an additional .25% of the purchase price for residential Units of $3,000,000.00 or more. For commercial Units, the transfer tax is in the amount of 2.625% of the purchase price for NYC and $4.00 per thousand plus an additional .25% of the purchase price for commercial Units of $2,000,000.00 or more. Mansion Tax due to the State of New York shall be in the amount of 1% for transfers of $1,000,000 or more. There is also a supplemental tax on residential property in the amount of 0.25% for transfers of $2,000,000-$2,999,999; and 0.75% for transfers of $3,000,000 to $4,999,999. The Mansion tax and supplemental taxes are imposed on purchasers by the State of New York. The sample calculation of taxes below includes tax on the consideration.

E. Initial Capital Payment. Purchaser will be required to deposit with the Board two (2) months' estimated monthly Common Charges for his unit.

F. Sponsor's Attorney Fees. Purchaser shall pay a fee of $2,250.00 to Jeffrey Zwick and Associates, P.C., 266 Broadway, Suite 403, Brooklyn, New York 11211 for services rendered in connection with preparing documents. Should Sponsor's counsel be required to attend a Closing outside their office at the request of Purchaser or its representatives, Purchaser will be responsible for paying an attendance fee of $500.00. In addition, there shall be a fee of $200.00 per hour if the duration of the Closing exceeds two (2) hours due to the fault of Purchaser or its representatives. There is an additional fee of $250.00 for any work in connection with obtaining a mortgage. There shall be a fee of $200.00 if e-forms for New York City Real Property Transfer Tax are prepared by Sponsor's attorney.

G. Defrayment of Sponsor Expenses. Each Purchaser shall pay an additional $2,000.00 at Closing to defray Sponsor's costs, e.g, architectural costs, filing fees, legal fees and other costs incurred in creating the Condominium.

3. Closing Cost Example. All fees are cumulative to the extent applicable to an individual Purchaser. If, for example, a Unit has a purchase price of $559,000.00, a mortgage of $447,200.00 and title insurance, the following closing costs are estimated:

Owner's policy:	$ 2,222.00
Loan Policy:	$ 548.00
Residential Endorsement:	$ 25.00
Condominium Endorsement:	$ 25.00
NY State transfer tax:	$ 2,278.00
NYC Real Property transfer tax:	$ 8,111.12
Mansion Tax:	$ 0.00
Mortgage tax:	$ 8,019.60
Legal fee to Sponsor's Attorney:	$ 2,500.00
Deed Recording:	$ 350.00

Mortgage Recording:	$ 250.00
Municipal searches:	$ 250.00
E-forms (if applicable)	$ 200.00
2 months est. Common Charges	$ 576.46
Defrayment Fee	$ 2,000.00
TOTAL:	$ 27,346.18

The Residential Endorsement provides affirmative insurance coverage against specific loss or inaccuracies. A Condominium Endorsement provides assurance that the condominium project was created in accordance with applicable laws.

4. Real Estate Tax Apportionment.

A. After Assessment. Once units are separately assessed by the NYC Department of Finance, each Unit Owner will be responsible for the real estate taxes, assessments, fines and other fees for his or her own Unit.

B. Prior to assessment. In the event units have not been separately assessed for real estate tax purposes at the time of the First Closing, Sponsor shall place in escrow, in the name of the Board, an amount equal to the unpaid real estate taxes which will be levied against the Property for the six (6) month period following the First Closing. The amount placed in escrow will be disclosed in the initial post -closing amendment to the Plan.

When the real estate taxes are next due, the Board will pay the real estate taxes from the escrow account. Sponsor, as funder of the escrow account, will be entitled to reimbursement from Unit Owners to the extent of the actual assessment. As such, at each Unit Closing, Sponsor will collect the estimated amount of taxes attributable to such Unit based on the Unit's pro rata share (in proportion to its Common Interest) of the then current real estate taxes assessed against the Property.

R. RIGHTS AND OBLIGATIONS OF SPONSOR

In addition to Sponsor's obligations to pay Common Charges and to perform other duties as a Unit Owner with respect to any Unsold Units and to comply with all applicable laws and regulations, the remainder of this Section sets forth certain other rights and obligations of Sponsor applicable while Sponsor still owns Unsold Units under this Plan. Some rights and obligations listed below may be repeated in other sections of the offering Plan, and some other sections of the offering Plan may contain additional rights and obligations of Sponsor. Nothing contained in the Plan shall be deemed to limit the rights of Purchasers relative to their Units under their respective Purchase Agreements and under all applicable laws.

Sponsor must meet all its obligations under the Plan as those obligations are disclosed in the Plan and owes a duty to the Condominium to do so. Obligations of Sponsor under this section with respect to the Condominium, the Common Elements or the Limited Common Elements shall be enforceable only by the Board on behalf of all Unit Owners. Such actions initiated by the Board will be funded from the Condominium funds collected from Common Charges. In no event shall any obligations of Sponsor to the Condominium be enforceable by individual Unit Owners unless: (1) the alleged construction defect relates to one (1) Unit only and is not a common defect affecting two (2) or more Units; or (2) if the Board has not commenced any action within (a) ninety (90) days after notice or (b) within thirty (30) days or less of the expiration of the statute of limitations, whichever occurs earlier.

The Board has a fiduciary duty to act in the best interest of the Condominium, even during the Initial Control Period when Sponsor will be in control of the Board. Any provision that gives Sponsor control of the enforcement of Sponsor's obligations is not lawful. If there are non-sponsor controlled Board members and there is a vote on whether to sue the Sponsor, Sponsor's Board representatives cannot vote on that issue. Sponsor must enforce its obligations under the plan, as those obligations are described in the plan, and owes a duty to the condominium to do so, however, since Sponsor might not enforce the obligations of Sponsor under the Plan or as otherwise required by law during the Initial Control Period, (as a result of the Sponsor's control thereof), the Unit Owners may have to undertake enforcement of the obligations of Sponsor. This may be funded with the line item from the budget to cover attorney fees, or the Board may impose an assessment. The Board agrees that it will enforce such obligations pursuant to a resolution passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting called for such purpose. Any dispute between the Board and the Unit Owners will be resolved through arbitration in accordance with article 10 of the By-Laws. All building amenities will be fully operational by the First Closing. Sponsor may not change the size, location of buildings or Unit's 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.

1. Rights of Sponsor. The following are additional rights of Sponsor with regard to the Units:

A. Sponsor is reserving the unconditional right to rent rather than sell Units after the consummation of the Plan. This plan may not result in the creation of a condominium in which a majority of the units are owned by owner-occupants or investors unrelated to the Sponsor. Sponsor does not have to endeavor in good faith to sell all Units in a reasonably timely manner as there is no commitment by Sponsor to sell more than 15%, or two (2), of the residential Units, which is necessary to declare the Plan effective. However, in the event all of the Purchasers counted toward effectiveness rescind or terminate their Purchase Agreements prior to the First Closing, the effectiveness will become invalidated, and the offering Plan will be declared effective again regardless of whether the Declaration has been recorded. In addition, the By-laws do not contain a provision that, after the Initial Control Period, a Majority of the Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principal(s). Purchasers should note that owner-occupants may never gain effective control of the Condominium.

There is a loan on the Premises with a lender, Goldman Sachs Bank USA, c/o Genesis Capital, LLC, 15303 Ventura Boulevard, Suite 700, Sherman Oaks, CA 91403. The lender has placed no restrictions on the rentals, sales or marketing of the Units. If the loan is not satisfied at or prior to the First Closing, the mortgagee will either (a) consent to the formation of a condominium and acknowledge that its lien will be limited to Unsold Units; (b) subordinate the lien of its mortgage to the Declaration of Condominium; or (c) release its lien on the Condominium Unit being conveyed and its interest in the Common Elements.

B. So long as Sponsor owns Unsold Units, Sponsor may, without obtaining the consent of the Board or the other Unit Owners, use any one or more of such Units as model units and sales and/or promotion offices in connection with the sale of the Unsold Units or for any other purpose, subject only to compliance with current laws, statutes or regulations.

C. Sponsor is obligated to construct the Building in accordance with the Architect's Report and the plans and specifications identified in the Plan. However, Sponsor reserves the right to amend or modify from time to time the Plans and Specifications (including, without limitation, changes in layouts and designs or changes affecting the materials, appliances, equipment, fixtures and other construction details) and to substitute materials, appliances, equipment and fixtures in place of those described in the Plans and Specifications or the Architect's Report, provided such substitutions are of Equal or Better Quality and design, subject to Section K of this offering Plan.

D. Any change to Unsold Units not under contract may be made by Sponsor without prior notice to or authorization from the Board or any other party. Should any Unit Change be required to be disclosed in an amendment to the Declaration and/or Floor Plans, Sponsor or its designee, as the Owner of Unsold Units, will have the right itself to so amend the Declaration to effectuate any such change to the Unsold Units without the Board, the other Unit Owners, or any mortgagee consenting to, or executing, such amendment.

E. Sponsor is obligated to construct the Building in accordance with the Architect's Report and the plans and specifications identified in the Plan. Except as provided under applicable law,

Sponsor will not be obligated to correct and will not be liable to any Unit Purchaser as a result of a variation that is deemed immaterial from: (i) the Plans and Specification or the Architect's Report contained in Part II of the offering Plan; or (ii) Plans and Specifications or the Architect's Report set forth in the Plan which are neither in violation of applicable building codes nor require the approval of any governmental authority having jurisdiction or which are necessitated by site conditions or job requirements, or (iii) the dimensions or arrangement of rooms, walls or other areas within Units, provided (A) such variations are of Equal or Better Quality and Design than that originally set forth in the Plans and Specifications, (B) such changes do not change the size, location of buildings or units or Common Elements if such changes affect the 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 Unit Owners and Purchasers affected by such change consent in writing to such change; and (C) such changes are made with any consent required by the governing regulations of the Department of Law. The foregoing shall not affect Sponsor's obligations to complete construction of the Building, including the Units, with materials of Equal or Better Quality and design than those set forth in the Plan. Sponsor's obligation, regardless of any limitations in the warranty or the Offering Plan, is to construct the premises in accordance with all applicable codes and filed Plans and Specifications. Any conflict between the disclaimers and Sponsor's obligation to construct the premises in accordance with all applicable codes and filed Plans and Specifications shall be resolved in favor of the latter.

F. Subsequent to the date a Unit Owner is given possession of, or Closes Title to, his Unit, Sponsor shall not be responsible for immaterial repairs such as paint touch-ups, repair of dented appliances, porcelain or formica chips and scratches, marks, breaks, or other blemishes in the following: windows, sliding glass doors, screens, electric fixtures, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, medicine cabinets, saddles, wood flooring, appliances, woodwork and doors. At least ten (10) days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign a written list detailing unfinished items, and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to produce a punch list, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. The parties may agree on a reasonable time frame within which to complete the items Sponsor shall deliver the Units in broom swept condition containing the appliances listed in this Plan, the Unit and appliances in new condition, normal wear and tear excepted.

G. Except as set forth in this Plan and/or as required by applicable law or regulation, Sponsor makes no undertaking or warranty and shall not be obligated to correct or repair any immaterial conditions in the Building, including (without limitation) the Units, the Common Elements and the Building systems, appliances and all other installations, apparatus, fixtures and appurtenances. Notwithstanding the foregoing, Sponsor shall remain obligated to correct or repair all material conditions in the Building.

H. Sponsor's sole obligation hereunder shall be to repair or replace (at Sponsor's option) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material materially at variance with the Plans and Specifications), subject to the terms and conditions (and within the time limits) set forth in this section and elsewhere herein and under all applicable laws.

I. Sponsor may, in its sole discretion, delay the collection of Common Charges and elect to pay the expenses of the Building instead. During any such delay, Sponsor will timely pay all expenses of the Condominium, including but not limited to, insurance premiums and any reserve fund payments. Such expenses shall not include individual Unit Owner's expenses such as real estate taxes or utility charges. Upon commencement of collection of Common Charges, there will not be any assessment for any item in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as required by governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the Notice of Closing and in the post-closing amendment to the offering Plan. Such amendment shall also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the offering Plan.

2. Construction Obligations. Sponsor has undertaken the obligations listed below in connection with the offering of Units pursuant to schedule A and the construction of the Building. All references in this Plan to Plans and Specifications shall mean the plans and specifications for the Building filed with the Department of Buildings and other appropriate governmental authorities, as the same may be amended or changed from time to time. Unless otherwise stated in this section and/or required by applicable law or regulation, the construction obligations of Sponsor under this subsection shall survive the delivery of the deed to the Unit Owners.

A. Sponsor is obligated to build and complete the Condominium in accordance with the Plans and Specifications and will, at its sole cost and expense and with reasonable diligence, perform or cause to be performed such work, and will supply or cause to be supplied all materials necessary to complete the Building and its appurtenances in accordance with the Plans and Specifications and with a quality of construction comparable to currently prevailing local standards. Units will be delivered in new condition, normal wear and tear excepted.

B. Prior to the First Closing, Sponsor shall obtain a temporary (TCO) or final (FCO) certificate of occupancy for the Building. 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 FCOs are issued by the New York City Department of Buildings ("DOB").

A TCO is intended to indicate that the property conforms substantially to the DOB approved Plans and Specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. TCOs have an expiration date, typically 90 days after the date

of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units.

In New York City, it is common for sponsors to commence closings when some or all units are covered by a TCO rather than a FCO. 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 FCO covering the entire building. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within two years, which is the timeframe anticipated by the Multiple Dwelling Law for issuance of a FCO. **NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING AND SHALL EXERCISE ITS BEST EFFORTS TO OBTAIN IT WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT.** Unit owners and the Board shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings. The TCO may lapse for reasons outside the sponsor's control. In the absence of a FCO or TCO it is unlawful to reside in or rent a unit and will be difficult for purchasers to obtain financing or pass clear title. Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A factsheet on this topic is available on the DOB website at http://www.nyc.gov/html/dob/downloads/pdf/co_ factsheet.pdf.

C. If the First Closing takes place prior to the issuance of a FCO for the Building, Sponsor will maintain all Down Payments and other funds tendered for special work ordered in the Escrow Account as required by GBL Section 352-e(2)(b) unless Sponsor's engineer, architect or other expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a FCO, in which case the sum exceeding the amount so certified by Sponsor's engineer or architect may be released from the Escrow Account. Alternatively, the Sponsor must deposit with the Escrow Agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified after the Department of Law approves Sponsor's request to use alternate forms of security in lieu of escrowed funds.

D. Prior to Closing, Sponsor will assign any manufacturer's warranties with respect to equipment or appliances installed in the Unit to the Unit Owner and any warranties with respect to equipment and appliances installed in the Common Elements to the Board prior to the First Closing.

E. Sponsor agrees to pay for the authorized and proper work involved in the construction, establishment and sale of the Condominium that Sponsor is obligated to complete under the Plan and shall cause all mechanic's liens with respect to such construction to be promptly discharged or bonded.

F. The Sponsor will deliver a set of "as-built" floor plans to the Board.

G. Sponsor expects the common areas and public portions of the Building will be completed before the First Closing. Sponsor and its contractors, subcontractors, agents and employees will have a right of reasonable access to each Unit and its appurtenant Limited Common Elements and

to all of the Common Elements for purposes of completing construction of the Building or performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan, provided (i) Sponsor repairs any resulting damage to the Unit and restores it to the condition it was in prior to Sponsor's entry and (ii) Sponsor provides at least 2 business days' prior notice to the Owner of the Unit to which access is required of at least two (2) business days, except in the case of Emergency.

H. Housing Merchant Implied Warranty: Notwithstanding any other provision of the Offering Plan, the Housing Merchant Implied Warranty is applicable to this offering since the new construction will result condominium units in a building that is five (5) stories or less. The following is a brief summary of GBL Article 36-B, which went into effect as of March 1, 1989. The full text of the law is set forth as Document number 8 in Part II of the Plan.

(i) Housing affected: Newly constructed single-family homes and cooperative and condominium units in buildings of five (5) stories or less. This law affects the condominium units offered in this Offering Plan.

(ii) Coverage: (i) For one (1) year, the home must be free from defects caused by workmanship or materials that do not meet the standards of the applicable building code; for items not covered by code, the construction must be in accordance with locally accepted building practices; (ii) For two (2) years, the plumbing, electrical, heating, cooling and ventilation systems must be free from defects caused by unskillful installation; (iii) For six (6) years, the home must be free from physical defects in the structural elements (foundation, floors, walls, roof framing).

(iii) Not covered: (i) A defect not caused by defective workmanship, materials or design; (ii) Defects in items sold with the home, such as stoves, refrigerators, air conditioners, etc. There are implied warranties from the manufacturers of such goods which are described in other laws.

(iv) Notice: Buyers must give notice of defects in their home in writing no later than thirty (30) days after the end of the warranty period.

(v) Limitation of the Warranty: **Sponsor has elected to limit the Housing Merchant Implied Warranty.** Sponsor reserves the right to amend the Plan to modify the limitation on the warranty for any Unit which has not been conveyed by deed or purchased via execution of a Purchase Agreement. Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, is to construct the Property in accordance with all applicable codes, filed Plans and Specifications and locally accepted building practices for items which are not covered by codes. Any conflict between the disclaimers and Sponsor's obligation to construct the

Property in accordance with all applicable codes and filed Plans and Specifications shall be resolved in favor of the latter. The Limited Warranty:

(1) Includes only actual damages and excludes all consequential, incidental, and/or special damages not foreseeable to the Sponsor.

(2) Does not cover defects in appliances, fixtures, equipment and household items, if any are included in the sale, such as furniture, except those due to improper installation by Sponsor.

(3) Does not cover any defects in labor or in any work or materials ordered directly by any purchaser from Sponsor's sub-contractors, suppliers, or independent contractor not engaged in any non-delegable duty(ies).

(4) Is limited to actual purchasers whom acquire title from Sponsor and their successors who acquire title by will or governing intestacy laws.

(5) Further excludes:

(a) conspicuous defects and any defects which an inspection of the Unit would reveal;

(b) damage caused by the failure of purchaser or any affiliate thereof, to comply with the requirements of Sponsor's Limited Warranty or of any requirements imposed by a manufacturer, supplier of appliances, fixtures, equipment or household items;

(c) damage caused by the misuse, overuse, or interference by purchaser or anyone other than Sponsor, its employees or delegatees;

(d) any additional damage caused by the failure of purchaser to give adequate notice to Sponsor of any defects or damage in a timely fashion as provided in the Sponsor's Limited Warranty;

(e) any damage caused by changes, alterations or improvements made by anyone other than Sponsor or its employees or delegatees;

(f) any damage caused by purchaser's failure to adequately maintain and preserve any item or property covered under Sponsor's Limited Warranty;

(g) any loss or damage caused by or stemming from an accident, catastrophe, unnatural forces due to violence or gross negligence, fire, explosion, smoke, motor vehicles, acts of God, lightening, windstorm, hail, flood, earthquake, soil movement, and changes in the underground waterbase;

(h) any loss or damage caused by seepage of water unless such loss or damage is directly related to a construction defect resulting from construction by the Sponsor;

(i) any damage resulting from purchaser's failure to take timely action to mitigate any pre-existing damages;

(j) any condition resulting from normal wear and tear or from normal settling of the building, including but not limited to, concrete cracks and outer building cracks which do not impair the structural stability of the building;

(k) insects, vermin, rodent damage and infestation, or damage caused by other animals or pests;

(l) death, bodily injury or damage to personal property;

(m) damage which arises from any misuse or unauthorized use of the Unit.

(6) Repair of any damage to the load bearing portions of the Unit or Building will be limited to that which is necessary to restore their load bearing functions.

SPONSOR'S LIMITED WARRANTY REPLACES ALL OTHER WARRANTIES ON THE SALE AND CONSTRUCTION OF THE UNIT AND ANY AND ALL COMPONENTS THEREOF, BOTH EXPRESS AND IMPLIED (INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE).

COMPLETION AND DELIVERY OF NOTICE OF WARRANTY CLAIMS WITHIN THIRTY (30) DAYS AFTER THE EXPIRATION OF THE APPLICABLE WARRANTY PERIOD IS NECESSARY TO PROTECT THE RIGHTS OF THE PURCHASER UNDER THIS LIMITED WARRANTY. ALL TIME PERIODS FOR SAID COVERAGES ARE OF THE ESSENCE AND WILL NOT BE EXTENDED BY THE SPONSOR.

THE FULL TEXT OF SPONSOR'S LIMITED WARRANTY IS ANNEXED TO THE PURCHASE AGREEMENT. PURCHASERS ARE URGED TO REVIEW THE SPONSOR'S LIMITED WARRANTY CAREFULLY BEFORE EXECUTING A PURCHASE AGREEMENT.

3. Other Obligations.

A. Sponsor shall be liable for and obligated to defend any suits or proceedings arising out of the acts or omissions of Sponsor, representations made by Sponsor in this Plan, or any obligations imposed by statutes and/or regulations. With respect to such suits and proceedings, Sponsor shall indemnify the Board of Managers and the Unit Owners and shall defend such proceedings on their behalf.

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

C. Sponsor agrees to pay all Common Charges, Special Assessments and real estate taxes with respect to Unsold Units. Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. Such obligations shall be funded through the sales of Unsold Units and from other funds of the Sponsor. No bond or other security has been posted to secure Sponsor's obligations. Should Sponsor fail in its obligation to pay all Common Charges, Special Assessments and real estate taxes with respect to Unsold Units, the Board may file a lien against the Unsold Units in accordance with law and Purchasers under contract will be offered rescission.

D. Sponsor will cause the Board to maintain the Property in substantially the same condition and manner as on the date of First Closing until expiration of the Initial Control Period.

E. If Purchaser is or becomes the tenant or the occupant of the Unit before the Closing of title thereto pursuant to an Interim Lease and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage to his/her personal belongings and any other property not covered by the insurance for the Condominium, unless the cause thereof originated outside of the Unit and did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. Except as set forth in the preceding sentence, all other risk of loss or damage prior to Closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair or restore the same.

The Sponsor shall be notified by the Board of damages within fifteen (15) days of the damage and will make a determination whether or not to repair the damage within fifteen (15) days thereafter, at which point it will notify Purchaser. If Sponsor or (in the event the Declaration is filed) the Board does not elect to repair the damage, the Purchase Agreement will be cancelled and be of no further force or effect. Thereafter, the Purchaser will be refunded all monies paid to Sponsor with any interest earned thereon.

If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect; Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the purchase price; Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacement; and Purchaser shall not be required to pay the Balance unless and until (i) the Unit has been repaired in compliance with the offering Plan and the repairs done with equal quality or in better condition than immediately prior to the casualty, (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored and (iii) any condition in the Unit for which a violation (if any) is noted or issued has been corrected, other than those that are the obligations of the tenant to cure or that are caused by the act or omission of the tenant. Sponsor will remove subsequent to Closing all violations of record it is obligated to correct. Additionally, if Sponsor elects to repair or replace the loss or damage, and the Purchase Agreement is contingent on the Purchaser obtaining financing, if, after making a good faith effort to extend the term of the commitment to enable Sponsor to repair the damage, an extension is not obtained, the Purchaser will be offered a right of rescission. Any work required to be completed in order to repair the damage or otherwise complete construction on the Building shall as best as possible not interfere with the Purchasers' or Unit Owners' use and shall, whenever practicable, be performed during workday hours.

F. Sponsor shall procure fire and casualty insurance in an amount sufficient to avoid co-insurance, as reflected in Schedule B.

G. In the event of dissolution or liquidation of the Sponsor or a bulk sale, which is defined as the transfer of ten or more Units or twenty percent (20%) or more of the total number of Units in the Condominium, whichever is less, to one Purchaser who will not use the Units for personal occupancy, the Principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those units under the offering Plan, applicable laws or regulations.

S. CONTROL BY SPONSOR

1. Board Control.

A. Prior to the First Closing. Until the First Closing, Sponsor will have voting control over the Board of Managers. Sponsor shall designate the initial Board.

B. After the First Closing. As provided in the By-Laws, Sponsor will have voting control over the Board of Managers for five (5) years after the First Closing or until Sponsor owns less than 25% of the total Units, whichever is sooner ("Initial Control Period"). During this period, Sponsor shall designate a Majority of Board Members and shall have the same right to vote as all other Unit Owners. In Sponsor's capacity as the Board, Sponsor has a fiduciary duty to act in the best interest of the Condominium. Additionally, Sponsor, in it's individual capacity, must enforce its obligation under the Plan, as those obligations are described in the Plan, and owes a duty to the Condominium to do so.

Sponsor intends to declare the plan effective once 15%, or two residential Units, are under contract. With the sale of two Units, the Sponsor will have also met the requirement of the Preferred Lender for having 20% of the Units under contract prior to funding any loans.

Within four (4) months of the First Closing, a meeting will be held to elect a new Board consisting of five (5) Members. At such time, Sponsor shall designate three (3) Board members and the Unit Owners, including Sponsor so long as Sponsor owns Unsold Units, shall elect the remaining two (2) members. The term of office for these two seats on the Board shall continue for one (1) year.

C. Expiration of Initial Control Period. Within thirty (30) days of the expiration of the Initial Control Period, Sponsor shall call a meeting to elect a new Board consisting of three (3) members. At such time, all Unit Owners, including Sponsor, so long as Sponsor still holds Unsold Units, may nominate and vote for Board members. In addition, the Community Facility Unit Owner may appoint a nominee to one of the three seats on the Board. Sponsor may relinquish control at any time prior to the expiration of the Initial Control Period by calling a special meeting of Unit Owners to elect a new Board. The By-laws do not include a provision requiring a Majority of the Board be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals after the Initial Control Period. Purchasers for their own occupancy may never gain effective control of the Board of Managers. Owner occupants and non-resident owners may have inherent conflicts on the management of the condominium.

2. Voting Control. Since Sponsor is retaining the unconditional right to rent Units after the consummation of the Plan and there is no obligation to sell more than the 20% required by the Preferred Lender to fund a mortgage loan in this Building, Sponsor may retain ownership of Majority of the Units in this Plan. Thus, it is possible the Sponsor will retain voting control of decisions which require a vote of Unit Owners, including election of the Board, even after Sponsor relinquishes control of the Board.

3. Veto Control

A. Right to Veto. For five (5) years after the First Closing or until the Unsold Units constitute less than twenty-five percent (25%) of the common interest, whichever is sooner, the Board

must obtain Sponsor's prior written approval with regard to the below items. During this time, Sponsor may veto these actions, subject to the limitation in Paragraph 3.B below.

(i) Raise Common Charges or levy a Special Assessment to:

a. make an alteration to the Common Elements;
b. create an additional reserve fund for repairs, alterations, unanticipated expenses and/or contingencies which exceed 5% of the projected common expenses for the budget year;
c. increase, decrease, eliminate or otherwise change the number, type, classification or working hours of the building's service staff (if any), or to hire additional service staff.
d. increase, decrease, or eliminate building services;
e. increase, decrease, eliminate or otherwise change the amounts or types of insurance coverage from the coverages existing on the date of the First Closing.

(ii) Borrow money on behalf of the Condominium Association.

B. Limitations on Veto Control. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; (iii) to remedy any work order by an insurer; or (iv) to remedy any immediately hazardous condition which affects the health and/or safety of the occupants.

4. Document Control. For five (5) years after the First Closing or until the Unsold Units constitute less than twenty-five percent (25%) of the common interest, whichever is sooner, the Declaration, By-Laws and Rules and Regulations may not be amended or modified so as to adversely affect Sponsor or its designee without the prior written consent of every Unit Owner affected by such amendment, including Sponsor or its designee. Notwithstanding the forgoing, Sponsor may not exercise veto rights on items described in Section 3.B herein.

5. Control Limitation. Any provision that gives Sponsor control of the enforcement of Sponsor's obligations is not lawful. If there are non-Sponsor controlled Board Members and there is a vote on whether to sue the Sponsor, Sponsor's Board representatives cannot vote on that issue.

T. BOARD OF MANAGERS

This section describes how the affairs of the Condominium will be governed and restates certain portions of the By-Laws and Declaration, included in full as Documents 6 and 7 in Part II of the Plan. Purchasers should review said documents carefully.

1. Composition and Eligibility of Board Members. The affairs of the Condominium will be governed by the Condominium Board which shall be comprised of three (3) members, each having one (1) vote. Until the first meeting, the Board is anticipated to be comprised of the principal of the Sponsor, Nadav Hamo. The By-laws do not include a provision requiring that Majority of Board members be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board may serve. Any person over 18 may serve on the Board. No member of the Board shall be compensated for acting as such.

2. Board's Fiduciary Responsibility. The Board has a fiduciary duty to act in the best interest of the Condominium, even during the Initial Control Period when the Sponsor is in control of the Board. During this time in capacity as the Board of Managers, Sponsor and its principals will act in the best interests of the Condominium and will not engage in sweetheart deals. Any provision that gives Sponsor control of the enforcement of Sponsor's obligations is not lawful. If there are non-sponsor controlled Board members and there is a vote on whether to sue the Sponsor, Sponsor's Board representatives cannot vote on that issue. Sponsor must enforce its obligations under the plan, as those obligations are described in the plan, and owes a duty to the condominium to do so, however, since Sponsor might not enforce the obligations of Sponsor under the Plan or as otherwise required by law during the Initial Control Period, (as a result of the Sponsor's control thereof), the Unit Owners may have to undertake enforcement of the obligations of Sponsor. The Board agrees that it will enforce such obligations pursuant to a resolution passed by a Majority of the Unit Owners, excluding Sponsor, at a special meeting called for such purpose. Such actions initiated by the Board will be funded from the Condominium funds collected from Common Charges. Any dispute between the Board and the Unit Owners will be resolved through arbitration in accordance with article 10 of the Bylaws.

3. Meetings. As stated in the Bylaws, Board members shall elected annually by plurality of Unit Owners' votes at a meeting called for such purpose at which a quorum is present.

A. First Meeting. The first meeting to elect Board members will be held within four (4) months after the First Closing. At this meeting, Sponsor shall designate three Board members and the Unit Owners shall elect the remaining members. The term of office of each elected member of the Board shall continue for one (1) year with elections held annually.

B. Annual Meetings. Unit Owners shall hold annual meetings on or about the anniversary of the first meeting and every anniversary thereafter. At each annual meeting, the Unit Owners shall conduct such business as may properly be conducted. When desirable, meetings (including the first meeting) may be held via teleconference upon consent of all Unit Owners.

C. Special Meetings. Special meetings of Unit Owners may be held from time to time whenever necessary for the affairs of the Condominium. The Board shall call a special meeting of the

Unit Owners whenever so directed by a duly adopted resolution of the Board or upon receipt of a petition calling for such a meeting signed by a Unit Owner. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

D. Quorum. Pursuant to section 4 of the Bylaws, the presence, in person or by proxy, of a Majority of all Unit Owners shall constitute a quorum at all meetings of Unit Owners, and unless otherwise provided, the decision of a Majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all of the Unit Owners.

E. Voting. When votes of the Unit Owners are required (to elect Board members and otherwise), each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own at least one (1) Unit) shall be entitled to cast one (1) vote for each Unit owned. If two (2) or more Persons own a Unit, they shall designate one Person amongst them to vote on behalf of their Unit in a writing given to the Board, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually exercise the vote appurtenant to such Unit under one ballot without division, and the concurrence of all Persons shall be conclusively presumed if any one of them purports to exercise such vote without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the vote appurtenant to such Unit shall be counted solely for the purpose of determining whether the required attendance is present to establish a quorum.

F. Board Member Meetings. Board meetings shall be held at least annually on or about the anniversary of the date of the first unit owners meeting, and as often as necessary to govern the affairs of the Condominium. Board meetings may be in person or via teleconference. Any member of the Board may call a special meeting of the Board whenever he or she deems the same to be necessary or desirable. A quorum for Board meetings is Majority of all of the Board members. All decisions or acts requiring a vote, resolution, approval, agreement or consent of the Board of Managers must be made by the affirmative vote, approval, resolution, agreement, or consent of a Majority of the Board Members at which a quorum is present.

4. Removal and Vacancy of Board Members.

A. Removal. At any regular or special meeting of Unit Owners, any one or more of the members of the Board may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created, provided notice of such proposed removal was given to the Board member and was specified in the notice of the meeting. Any member of the Board whose removal has been proposed shall be given an opportunity to be heard at the meeting. Any member of the Board whose removal has been proposed shall be given an opportunity to be heard at the meeting. Regardless of whether a Unit Owner's appointee to the Board is removed by the Sponsor, its designee or the other unit owners or board members, only the appointing Unit Owner or its designee shall have the right to designate a replacement for such appointee.

B. Withdrawal. Any board member may voluntarily withdraw his or her position as board member by sending written notice to the other board members. In said case, the withdrawal will be effective immediately and the withdrawing member may appoint someone to serve in his or her place. In the event the withdrawing member does not appoint anyone within five (5) business days by a writing

to the board, the other board members may elect amongst themselves someone to fill the vacancy. Notwithstanding the foregoing (except in accordance with the first election after the First Closing), if an appointed Board member withdraws, only the appointing Unit Owner or its designee shall have the right to designate a replacement for such appointee.

5. Officers of the Condominium. Officers shall consist of President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board. Officers shall serve without compensation from the Condominium. All officers must be members of the Board. Any officer may be removed, without cause, by vote of a Majority of the Board at a meeting called for such purpose.

6. Liability of the Condominium Board and the Unit Owners. The Board has a fiduciary duty to act in the best interests of the Condominium. The Board members will have no liability to Unit Owners for errors of judgment, negligence, or otherwise, except that individual members will be liable for their own bad faith, willful misconduct or gross negligence. Every contract made by the Board, by any Condominium officer, or any superintendent or Managing Agent of the Building, shall state (if obtainable) that (a) it is made only as agent for all Unit Owners, and the members of the Board or such officer, superintendent, or Managing Agent 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 thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) such Unit Owner's interest in his or her Unit and its Appurtenant Interest, unless otherwise provided by law.

All Unit Owners shall severally indemnify each Board Member against any liability or claim, contractual or otherwise, except those arising out of the bad faith or willful misconduct of such member or that are contrary to law or the terms of the Declaration or the By-Laws. However, the liability of any Unit Owner on account of the indemnification of the Board will be limited to such proportionate share thereof as the Common Interests of such Unit Owner bear to the aggregate Common Interests of all Unit Owners.

7. Powers and Duties of the Board. The Board shall have the powers and duties necessary for administration of the affairs of the Condominium (subject to the limitations set forth in the By-Laws), including, without limitation, the following:

A. Common Elements: to operate, maintain, repair, restore, add to, improve, lease, alter and replace the Common Elements, including, without limitation, as the Board shall deem necessary or proper in connection therewith: (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel;

B. Acquisition of Property: to acquire, in the name of the Board or its designee, corporate or other, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Board for use in connection with the ownership and operation of the Property as a residential Condominium;

C. Financial Records: to maintain records with respect to the finances and the operation of the Condominium, including, without limitation: (a) detailed accounts of receipts and expenditures affecting the Property; (b) other financial records, as well as other books of account of the

Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (c) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

D. Budget: to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

E. Common Charges: to determine amounts and establish the means and methods of payment of, and to collect, Common Charges and Special Assessments from Unit Owners, and to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses; (b) the making of restorations, additions, alterations and improvements to the Common Elements and (c) creation of contingency and/or reserve funds;

F. Loans: to borrow money on behalf of the Condominium when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) with respect to the borrowing of any sum in excess of $25,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) in addition to the affirmative consent of a Majority of the members of the Board, the affirmative consent of a Majority of all Unit Owners (including Sponsor if Sponsor owns at least one unit) at a duly constituted Unit Owners meeting shall be required and if approved, the Board may, in its discretion, assess each Unit Owner the pro rata share of the cost of the additions, alterations, or improvements according to the Common Interest, as part of Common Charges; (b) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (c) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Board pursuant to this subparagraph (vi) shall not be repaid by the Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interest of all Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file, against such Unit Owner's Unit;

G. Bank Accounts: to open and maintain bank accounts on behalf of the Condominium and to designate the required signatories;

H. Insurance: to obtain insurance for the Property, including the Units, pursuant to the terms of the By-laws;

I. Claims: to adjust and settle claims under insurance policies obtained pursuant to the terms of the By-Laws, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners; (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

J. Contracts: to make, or contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, in accordance with Bylaws;

K. Acquire Units: to accept the surrender of any Unit pursuant to the Bylaws, in the name of the Board or its designee, corporate or otherwise, and on behalf of all Unit Owners, or to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Board or its designee, corporate or otherwise, and on behalf of all Unit Owners, or to purchase Units at foreclosure or other judicial sales, in the name of the Board or its designee, corporate or otherwise, and on behalf of all Unit Owners provided, however, that all Units acquired or leased by the Board or its designee shall be held on behalf of all Unit Owners and any rent, purchase price, Closing costs and Closing adjustments payable in connection therewith shall be assessed against all Unit Owners as a Common Expense, and that no Units held by the Board or its designee shall carry voting rights;

L. Sell Units: to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to exercise the votes appurtenant to any such Unit;

M. Rules and Regulations: to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same;

N. Enforce Condominium Documents: to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

O. Incorporate: to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and by-laws;

P. Create Entities: to organize corporations to act as the designees of the Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a residential condominium;

Q. Execute Documents: to execute, acknowledge and deliver: (a) any declaration or other instrument affecting the Property that the Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, renovation, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Board deems necessary or appropriate; and to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration

or By-Laws, whenever, in the Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the same;

R. Review Real Estate Assessments: to review, appeal and file anything necessary for obtaining a reduction in the tax assessment and will file such documents on behalf of all of the Unit Owners until such time as the Units have been separately assessed;

S. All Other Duties: to carry out any other duties imposed upon the Board pursuant to the Declaration and the By-Laws.

T. Amendments to the Condominium Documents. Unless otherwise noted in the Condominium Documents, any provision of the Declaration or the By-Laws, may be amended, modified, added to or deleted in accordance with the Plan by the affirmative vote of 66 2/3 of the Units in Common Interest, taken in accordance with Article 4 of the By-Laws subject to certain exceptions and provided that any required consent of the Mortgage Representatives is obtained. However, this section regarding the procedure and requirements to amend the Plan may only be amended with unanimous consent of all Unit Owners. The Board shall have the right to amend, modify, add to or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by the vote of 75% of the Unit Owners.

Until the earlier of five (5) years after the First Closing or until Sponsor owns less than 25% of the Units, the Declaration, By-Laws and Rules and Regulations may not be amended or modified so as to adversely affect Sponsor or its designee without the prior written consent of every Unit Owner affected by such amendment, including Sponsor or its designee.

Notwithstanding the foregoing, any amendment which affects only Unsold Units may be made by Sponsor, without the consent or approval of the Board or any other Unit Owner, subject to 13 N.Y.C.R.R. § 20.3 (k), restated in Section K of this Plan and all applicable laws. In such event, Sponsor may sign any required document in connection therewith on behalf of the Board.

U. RIGHTS AND OBLIGATIONS OF UNIT OWNERS & BOARD OF MANAGERS

1. Sales and Leases of Units

A. No Discrimination. Each Unit Owner may sell or lease his or her Unit without limitation except that no Unit Owner may discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or any other grounds prohibited by law. Any lease terms, including rent, shall be subject to state and local law. The Board does not have a right of first refusal.

B. No Severance of Ownership. Each conveyance of a Unit shall include, as part of the property to be conveyed, such Unit Owner's (i) Common Interest; (ii) undivided interest in any Unit or Units acquired by the Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and (iii) an undivided interest in any other assets of the Condominium.

C. No Arrears. Title to a Unit may not be conveyed unless all unpaid Common Charges and liens against the Unit, except Permitted Mortgages, are paid and satisfied at or prior to Closing. At the time of acquisition of a Unit and as a condition thereof, the new Unit Owner shall be required to execute, acknowledge and deliver a Unit Owner's Power of Attorney in favor of the Board and Sponsor, in accordance with the Declaration.

D. Sale Voidable. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Board.

E. No Right of First Refusal. The Board does not have any right of first refusal.

2. Mortgages of Units

A. Restriction on Mortgages. Each Unit Owner has the right to mortgage his or her Unit, provided that, with respect to Units other than the Unsold Units, the conditions set forth in Article 8 of the By-Laws are first complied with. As more fully set forth in said Article 8, these conditions include the requirements that:

(i) no Unit Owner shall be permitted to mortgage, pledge or hypothecate his Unit unless and until he shall have paid in full to the Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens;

(ii) no Unit Owner shall execute any mortgage or other document mortgaging, pledging or hypothecating title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or

described therein so that at all times, all of the Units interests in the Condominium shall remain and shall not be severed;

(iii) any mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan;

(iv) the Board is notified in writing of the making of such mortgage and is given a copy thereof.

B. Sponsor's rights. Sponsor or its designee, as the owner of Unsold Units, shall have the right to mortgage the Unsold Units subject only to provision (ii) above, and subject to all other applicable law and regulations.

3. Common Charges: Assessment, Collection and Lien for Non-Payment

A. Commencement of Collection.

(i) The Board will commence collection of Common Charges upon the Closing of Title to the first Unit provided the Sponsor has not exercised its option to pay all expenses of operation of the Property in lieu of Common Charges.

(ii) Sponsor may, in its sole discretion, elect to pay the expenses of the Building in lieu of collecting Common Charges. During any such delay, Sponsor will timely pay all expenses of the Condominium, including but not limited to, insurance premiums and any reserve fund payments. Such expenses shall not include individual Unit Owner's expenses such as real estate taxes or utility charges. Upon commencement of collection of Common Charges, there will not be any assessment for any item in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as required by governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the Notice of Closing to Purchasers and in the post-closing amendment to the offering Plan. Such amendment shall also disclose the anticipated period of delay. Sponsor will notify all unit owners in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of common charges and will disclose such fact in the following amendment to the offering Plan.

B. Budget. The Board will prepare and distribute to all Unit Owners, at least annually, a budget setting forth its projection of the Common Expenses for the upcoming fiscal year of the Condominium.

(i) Such Common Expenses will include, among other things:

(a) all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any required alteration, to the Common Elements;

(b) water charges and sewer rents in connection with the Building (unless the same are separately assessed to individual Units);

(c) and assessments levied with respect to the Property (until the same are separately assessed to individual Units); and

(d) amounts for such other items as the Board may deem proper (such as amounts for reserves, to make up deficits for prior years, to prepay indebtedness of the Condominium, or to purchase or lease Units).

(ii) Determination of Common Charges. Based upon such budget, the Board will promptly determine and advise each Unit Owner of the Common Charges payable by such Unit Owner during the ensuing fiscal year, which Common Charges shall represent a portion of the projected Common Expenses of the Condominium assessed to such Unit Owner pro-rated according to the Common Interest of his or her Unit. The Board has the right to allocate certain budgeted items on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of the particular Common Elements, pursuant to N.Y. Real Property Law (RPL) Section 339-m (2).

(iii) Revision of Budget. Pursuant to the terms of Article 6 of the Bylaws, the Board has the right to revise its projection of the Common Expenses at any time and from time to time during any fiscal year of the Condominium. Any such revision may result in an increase or decrease in the amount of Common Charges payable by Unit Owners during such fiscal year. However, no such revision shall have a retroactive effect on the amount of Common Charges payable by Unit Owners prior to the date of such new determination.

C. Payable in Monthly Installments. Unless otherwise determined by the Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month. No Unit Owner will be relieved from liability for the payment of his or her Common Charges by waiving the use of any of the Common Elements or by abandonment of his Unit. No Unit Owner will be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale and transfer, or other conveyance by him or her of such Unit.

D. Exemption from Accruement of Common Charges. Any Unit Owner may, by conveying his or her Unit, without consideration, to the Board and complying with certain conditions set forth in the Bylaws in connection therewith, exempt himself or herself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to his or her Unit and such Unit being free and clear of all liens and encumbrances other than any statutory lien for unpaid Common Charges. However, in no event shall

Sponsor or its designee be permitted to convey any Unsold Unit to the Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing, unless:

(i) the aggregate Common Interests of the Unsold Units constitutes fifteen (15%) percent or less of the total Common Interests appertaining to all Units;

(ii) at least five (5) years have elapsed since the First Closing; and

(iii) at the time of conveyance, Sponsor shall pay the Board a sum equal to the product of the then current aggregate monthly Common Charges for the Unsold Units being conveyed multiplied by 24.

E. Common Charges due on Resale. On a resale of any Unit, the Purchaser of such Unit shall be required to pay unpaid Common Charges assessed against such Unit prior to his acquisition, except that a mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale shall not be liable, and such mortgaged Unit shall not be subject to, a lien for the payment of any Common Charges assessed subsequent to the recording of such mortgage and prior to the acquisition of title to such Unit by the mortgagee or a purchaser at a mortgage foreclosure sale and such assessments shall be the liability of the owner of the Unit at the time of the assessments. In the event that the Board forecloses its statutory lien on any Unit for unpaid Common Charges and the net proceeds of the foreclosure sale shall not be sufficient to pay such unpaid Common Charges, or if such Unit is acquired by a mortgagee or purchaser at a mortgage foreclosure sale, then, in either event, the defaulting Unit Owner shall remain personally liable for the balance of such unpaid Common Charges. The Board shall have the right to assess such unpaid balance amongst all those who are Unit Owners at the time that the same is levied.

F. Assessments. In addition to the foregoing duty to determine the amount of and assess Common Charges, the Board shall have the right, subject, in all respects, to the strictures contained in Section 2.4 of the By-Laws, to levy Special Assessments to meet the Common Expenses. All Special Assessments may be payable either in one lump sum or in installments, as the Board shall determine, provided, however that the Board shall give each Unit Owner not less than thirty (30) days' notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges. Special Assessments shall be levied against all Unit Owners in proportion to their respective Common Interests as follows:

(i) assessment or increase in Common Charges to repair or maintain the Common Elements shall be levied against all Units proportionately in accordance with the percentage of Common Interest;

(ii) assessment or increase in Common Charges to repair or maintain the Common Elements which service only the residential Units shall be levied against all residential Units proportionately in accordance with the percentage of Common Interest vis a vis the residential Units;

(iii) assessment or increase in Common Charges to improve the Common Elements, which only benefit specific Units shall be levied against the Units so benefitting proportionately in accordance with the percentage of Common Interest.

G. Board's Lien for Unpaid Common Charges.

(i) Lien for Unpaid Common Charges. Under the provision of Section 339-z of the Real Property Law, and Article 6 of the By-Laws, the Board will have a lien, on behalf of all Unit Owners, on each Unit for unpaid Common Charges and expenses assessed against such Unit together with interest and costs thereon. All such liens, however, will be subordinate, to the extent required by applicable law, to any liens for real estate taxes and assessments on such Unit.

(ii) Effectiveness of Lien. Any lien for unpaid Common Charges and expenses against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office and until all sums secured thereby, with interest and costs accrued thereon, shall have been fully paid, or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever is sooner. Such liens may be foreclosed by a suit brought in the name of the Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board to recover unpaid Common Charges without foreclosing the lien.

(iii) Lien during Initial Control Period. In accordance with Section 339-aa of the Real Property Law, during the Initial Control Period, Sponsor will cause the Board to file a lien on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges.

H. Failure by Non-Occupying Owner to Make Payments on its Unit. Section 339-kk of the Real Property Law of the State of New York (the "Condominium Act") applies to all condominium plans in existence after July 22, 1998. It is intended to provide financial protection for a condominium association if a non-occupying owner fails to make monthly payments for its units. The terms of Section 339-kk are as follows:

(i) For purposes of this section, "non-occupying owner" means a Condominium Unit Owner who does not occupy the dwelling Unit.

(ii) If a non-occupying owner rents any dwelling Unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within 60 days of the expiration of any grace period after they are due, the Board shall provide written notice to the tenant and the non-occupying owner that rental payments from the tenant shall be paid directly to the Board.

(iii) Such notice shall provide that commencing immediately and until such time as all such payments are made current, all rental payments due subsequent to the issuance of

such notice are to be made to the Condominium Association at the address listed on the notice. However, where a majority of the Board has been elected by Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Board.

(iv) When such payments from the non-occupying owner are once again current, written notice of this fact shall be given within 3 business days to the rental tenant and non-occupying owner; thereafter, all rental payments shall be made payable to the non-occupying owner or a designated agent.

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

(vi) Nothing in Section 339-kk shall limit any rights of Unit Owners or of the Board existing under any other law or agreement.

(vii) Payment by a rental tenant to the Board made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

I. Reports to Unit Owners. All Unit Owners will receive copies of an annual report of the Condominium including a balance sheet and profit and loss statement certified by a certified public accountant (as long as Sponsor is in control of the Board), a statement regarding any taxable income attributable to the Unit Owners and a notice of the holding of the Annual Unit Owners' meeting. In addition, it is the obligation of the Board to give all Unit Owners annually a copy of the proposed annual budget of the condominium at least ten (10) days prior to the date set for the adoption of such budget.

4. Capital Reserves. The Board has the power to accumulate reserve funds for capital replacements or other purposes to meet the needs of the Condominium in accordance with the Declaration and By-Laws. There are no restrictions on these powers.

5. Repair and Maintenance Of Units and Common Elements

A. Maintenance.

(i) First Class Condition. Each Unit and all portions of the Common Elements shall be kept in first-class (same as new, excepting normal wear and tear) condition, order and repair (and free of snow, ice and accumulation of water with respect to any terrace, patio, roof or other part of the Property exposes to the elements) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof, and such Unit Owner or the Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work that is necessary in connection therewith. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Board may, at the expense of such Unit Owner, enter his or her Unit to perform such acts as are necessary to cure such default.

(ii) Responsibility for Maintenance and Repairs. Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary: (a) in or to any Unit or Limited Common Element or any part thereof (including, but not limited to, the interior walls, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and their frames, sills and sashes, all doors (entrance and terrace or patio, if any) and their frames and saddles, plumbing, gas and heating fixtures) shall be performed by the Owner of such Unit at his sole cost and expense; and (b) in or to the Common Elements which are not covered in subsection (a) shall be performed by the Board as a Common Expense. Notwithstanding the foregoing, however, all maintenance, repairs and replacements to the Common Elements, whether structural or non-structural, ordinary or non-extraordinary, necessitated by the negligence, misuse, or abuse of a Unit Owner, will be made by such Unit Owner at his or her sole cost and expense.

B. Repair or Restoration After Fire or Other Casualty. Except as set forth in the next paragraph, in the event that the Building or any Common Elements is damaged or destroyed by fire or other casualty, the Board will arrange for the prompt repair and restoration thereof.

(i) Insufficient Insurance Proceeds for Building or Common Element Repair. If the insurance proceeds are insufficient to cover the cost of repairs or restorations of the Building or any Common Elements thereof, the 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 unpaid liens on his Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

(ii) Insufficient Insurance Proceeds for Unit Repair. If a Unit is damaged by casualty and the proceeds of insurance obtained by the Board are not sufficient to cover the repair of the Unit, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Building will be an expense of the individual Unit Owner. In order to protect himself against the possibility of such an expense, the Unit Owner should obtain additional fire insurance coverage above and beyond that coverage maintained by the Board.

(iii) Substantial Damage. If seventy-five (75%) percent or more of the Building is destroyed or substantially damaged and if all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of the resulting sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in accordance with the factors set out in the Condominium Act Section 339-i(1)(iv), which is based on floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the unit, the availability of

Common Elements for exclusive or shared use, and overall dimensions of the particular Unit and the fair market value of such Unit. In the event of any dispute, the issue shall be presented for arbitration in accordance with Article 10 of the By-Laws. No payment shall be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens. If Sponsor or its designee is then a Unit Owner, it will have the right to vote at any meeting of Unit Owners called for the purpose of deciding whether or not to proceed with the restoration or repair of the Building.

6. Alterations and Improvements

A. Units.

(i) Unit Owner's Rights. Each Unit Owner shall have the right to:

(a) make alterations, additions, or improvements in the interior of his Unit, including subdivision thereof or combination of two adjacent Units;

(b) make alterations, additions, or improvements to any part of the Property allocated to his Unit; and/or

(c) change the layout of his Unit;

(ii) Limitation of Unit Owner's Rights. With respect to any such alteration, addition, improvement or change in, to, of or upon a Unit listed above:

(a) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(b) the Unit Owner shall agree to hold the Board and all other Unit Owners harmless from any liability arising therefrom;

(c) such alteration, addition, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property; and

(d) such alteration, addition, improvement or change shall not commence until the final certificate of occupancy for the Building is procured.

(iii) Procedure. In the event that any Unit Owner other than Sponsor wishes to make any modifications to its Unit or Limited Common Elements allocated to its Unit in accordance with the forgoing, such Unit Owner shall apply to the Board for approval. The Board must respond within fifteen (15) days from receiving notice from the Unit Owner. The Board's failure to timely respond shall be deemed a waiver of its right to reject the proposed modifications. Prior to, and as a condition of, the granting of any such approval, the Board may, at its sole option, require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such alteration,

addition, improvement, or repair may be made. The Board, on behalf of the Unit Owner, shall execute any applications to any departments or to any governmental agencies having jurisdiction thereof, for any and all permits required in connection the making of alterations, additions, improvements, or repairs in or to a Unit. Notwithstanding the foregoing, no Board approval shall be required for work that is cosmetic in nature and for which no permit is required (painting, changing floors, changing appliances, removing non-load bearing walls with no mechanical or plumbing fixtures contained therein, etc.).

(iv) Result of Subdivision or Merger. In the event that any Unit is subdivided, the resultant Units shall jointly exercise and share the vote allocated to the original Unit. The percentage of Common Interest allocated to the original Unit shall be divided proportionately between the resultant Units. In the event any Units are merged, the resultant Unit shall enjoy the number of votes originally allocated to the original Units. The percentage of Common Interest allocated to the original Units shall be aggregated and assigned to the resultant Unit.

(v) Sponsor's Rights. Sponsor or its designee as respective Unit Owners shall have the right, without the approval of the Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units to (a) make alterations, additions, improvements, or repairs in or to any Unsold Unit(s) or Limited Common Elements allocated thereto, whether structural or non-structural, interior or exterior, ordinary or extraordinary; and (b) to subdivide, combine and change the boundary walls of Unsold Units.

(a) Limitation on Sponsor's Rights. No change will be made in the size or number of Units and/or their respective percentages of Common Interest except by amendment to the Plan and, when applicable, the Declaration. In addition, substitutions of equipment or materials must be of Equal or Better quality and design. Material changes to a Unit's size, layout, or percentage of Common Interest must be consented to by affected Unit Owners and Purchasers who are not in default.

(b) Board's Obligation to Execute. At the request of Sponsor, its designee or the Unit Owner, the Board will execute any application or other documents required to be filed with any governmental authority having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair proposed to be made by Sponsor or Unit Owner, at which time Sponsor or Unit Owner shall execute an agreement to indemnify and hold harmless the Board and the Unit Owners from any expense or liability by virtue of the execution of the application or such other documents.

(vi) Community Facility Unit Owner Rights. The owner of the Community Facility Unit or its designee shall have the right, without the approval of the Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units to (a) make alterations, additions, improvements, or repairs in or to any Unsold Unit(s) or Limited Common Elements allocated thereto, whether

structural or non-structural, interior or exterior, ordinary or extraordinary; and (b) to subdivide, combine and change the boundary walls of its Unit.

In connection therewith, the Board will execute any application or other documents required to be filed with any governmental authority having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair proposed to be made by the Community Facility Unit Owner, at which time the Community Facility Unit Owner shall execute an agreement to indemnify and hold harmless the Board and the Unit Owners from any expense or liability by virtue of the execution of the application or such other documents.

B. Common Elements. Generally, all alterations, additions, or improvements in or to the Common Elements will be made by the Board and the cost and expense thereof will be charged to Unit Owners as a Common Expense. Except as otherwise provided in the Bylaws, no Unit Owner may make any alteration, addition, improvement, or repair in or to the Common Elements. No material change will be made by Sponsor in the size or quality of Common Elements, except by amendment to the Plan and, when applicable, the Declaration. Unless all Unit Owners and Purchasers consent, Sponsor may not make any material change in the size nor any material adverse change in the quality of Common Elements.

7. Insurance Coverage

A. Coverage Provided.

(i) Property/Fire Insurance. The Board shall maintain fire insurance policies insuring the Building (including all Units, kitchen and bathroom fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, or other personal property supplied or installed by the Unit Owners or tenants of Unit Owners), and covering the interests of the Condominium, the Board, the Unit Owners and the holders of all Permitted Mortgages, as their replacement value of the Building (exclusive of excavation and foundations), without deduction for depreciation.

(i) Public Liability. Until the first meeting of the Board elected by Unit Owners, the public liability insurance will be $1,000,000.00 per occurrence or $2,000,000.00 aggregate covering all claims for personal injury or property damage in respect of any one occurrence, and the fire insurance will be at least in the amount set forth in Schedule B. The Board shall review such limits annually. Such public liability insurance will also cover cross-liability claims of one insurer against another, and liability claims for personal and advertising injury and products/completed operations. However, such insurance will not cover individual liability of a Unit Owner arising from any occurrence within the Unit. It will also cover claims against directors and officers of the Board acting in their capacity as such.

(ii) Form of Insurance. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the loss proceeds,

if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear; subject, however, to the loss payment provisions in favor of the Board and the Insurance Trustee as set forth below. The cost of all such insurance shall be paid by the Board and shall be borne by the Unit Owners as part of the Common Charges. All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on co-insurance or on invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' written notice to all of the insured, including Unit Owners, the Board of Managers and Permitted Mortgagees. Each Unit Owner shall be named as an additional insured on all such policies. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Permitted Mortgagees ten (10) days prior to expiration of the then current policies, and Unit Owner shall receive a certificate of such insurance.

B. Proceeds. The proceeds of all such policies of physical damage insurance shall be payable to the Board or Insurance Trustee, if one is so appointed. Such proceeds shall be applied for the purpose of repairing, restoring or rebuilding the Building, unless otherwise determined by Unit Owners. In no event shall such proceeds be paid to the holder of any mortgage placed by a Unit Owner on his or her Unit unless, in accordance with the By-Laws, there shall be a determination not to rebuild the Building.

C. Additional Condominium Insurance Available. The following coverages are not included in the premium and may be available at extra cost: rent insurance in an amount equal to the Common Charges for one (1) year; workers' compensation and New York State disability benefits insurance, in the event the Board hires any employees; elevator liability and collision insurance (if an elevator is present); hazard insurance; boiler and machinery; excess liability; auto liability. There is no provision for insurance covering indemnification of board members. It is at the discretion of the board to obtain such coverage, the cost of which will be borne by the unit owners as a common expense. In order to safeguard the investment of its Unit Owners in the event of a substantial or total destruction of the Building, the Board should periodically review the amount of casualty insurance for the Building to ensure that the amount of coverage equals the Building's then replacement cost. Any insurance maintained by the Board may provide for such deductible amounts as the Board may determine. The cost of all such insurance shall be paid by the Board and shall be borne by all Unit Owners as part of the Common Charges.

D. Additional Unit Owner Insurance. This coverage does not include claims for damage to interior of Units. In addition, if a Unit is damaged by casualty and the insurance proceeds provided under the Condominium’s master insurance policy are insufficient to cover the repair of the Unit, the amount necessary to restore the Unit exceeding the insurance proceeds will be the individual Unit Owner’s expense. As such, Unit Owners must obtain and maintain an HO6 insurance policy, effective as of the date of Closing, to cover fire or casualty losses to the interior of his or her Unit. In addition, the coverage under the master insurance policy does not include claims for personal injury or property damage occurring within a Unit. Unit Owners should therefore also consider the desirability of obtaining at his or her own cost: (a) additional fire insurance coverage above and beyond the coverage maintained by the Board or the HO6 policy; and (b) additional insurance cost under the HO6 policy covering post-closing improvements, replacements or upgrades within the Unit, personal property, and

liability for personal injury as a result of occurrences in the Unit. In the event of a loss, the claim is made payable to the named insured (the Board). Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided such policies contain waivers of subrogation and provided, further, that the liability of the carriers issuing insurance procured by the Board shall not be affected or diminished by reason of any Unit Owner's other insurance.

8. Restrictions on the Use of Units. As more fully set forth in the Declaration and By-Laws, each Unit may be used in accordance with local law and zoning regulations and the Certificate of Occupancy.

The Board reserves the right to levy an annual fee on any Unit Owner harboring a permitted pet. In no event shall any bird, reptile, or animal be permitted in any public area of the Building or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, patios, terraces, or other public portions of the Building, or on the sidewalk or street adjacent to the Building There are no aesthetic controls in the Building. The Units and Common Elements are limited to residential use and no business or professional use may be carried on in the Units. Such limitations are more restrictive than those applicable to the Sponsor. So long as Sponsor owns at least one Unsold Unit, Sponsor may, without obtaining the consent of the Board or other Unit Owners, use any one or more of such Unsold Units as model units and sales and/or promotion offices in connection with the sale of the Unsold Units or for any other purpose, subject only to compliance with current laws, statutes or regulations.

A Unit owned or leased by an individual, corporation, partnership, fiduciary, or 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 officers, directors, stockholders, or employees or corporate fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such entity, respectively, or by Family Members guests of any of the foregoing. However, the foregoing restriction shall not apply to Unsold Units.

Pets are allowed in this Building however the Board reserves the right to levy an annual fee on any Unit Owner harboring a permitted pet.

Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any law. No waste shall be committed in the Common Elements.

No nuisance, or immoral, improper, offensive, or unlawful use, as determined by the Board in its sole discretion, shall be allowed in the Building or any portion thereof. Any question as to whether a use is a nuisance, immoral, improper, offensive, or unlawful shall be determined by the Board in its sole discretion. 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 Board, whomever shall have the obligation to maintain or repair such portion of the Property. The Rules and Regulations of the Condominium, which govern the use of all of the Units, may be amended from time to time by the Board, provided that copies of such amendments are furnished to each Unit Owner at least thirty (30) days prior to the time that they become

effective. For further discussion, see the "Addendum to the By-Laws - Rules and Regulations" attached as part of Document No. 7 in Part II of the Plan.

Smoking and/or use of electronic cigarettes is prohibited in all areas on the Property. This policy shall apply to all Unit Owners and tenants and their respective invitees as well as other persons on the premises.

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. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed except in accordance with the By-Laws.

Unit Owners must notify the Managing Agent or Board 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 obtain and install, at the Unit Owner's expense, the required window guards in all windows of the Unit and shall not remove them until permitted by the law in any event, without the full knowledge of the Managing Agent.

9. Rights of Access. As more fully set forth in the Bylaws, the Board, and the Managing Agent, superintendent and other persons authorized by the Board, will have a right of access to any Unit for the purposes, among others, of making inspection of, or removing violations of governmental laws or regulations against any part of the Property, curing defaults committed by the owner of such Unit under the Condominium Documents, or correcting conditions originating in any Unit and threatening another Unit or any Common Element. In addition, 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 purposes of performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan. The right of access is subject to the rights of existing tenants and other occupants of Unsold Units, on not less than two (2) days' prior notice to the Owner of the Unit to which access is required, except in cases of Emergency, when such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

10. Self-Help. In the event that any Unit Owner fails to maintain or repair parts of the Building required to be maintained or repaired by such Unit Owner, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-Laws, the Board shall have certain rights, subject to all applicable laws and regulations, to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

11. Mechanic's Liens. Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners. Liens may arise or be created against only the several Units and their respective Common Interests. A lien for labor performed in or materials supplied to a Unit may be filed against the Unit of an owner who has expressly requested or consented to the performance of such work or the supplying of such materials, but may not be filed against the Unit of any other owner who has not expressly requested or consented to the same, except in the case of Emergency. No labor performed in, or materials furnished to, the Common Elements shall be the basis for a lien thereon, but all Common

Charges received by the Board shall constitute Trust Funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Board or Managing Agent.

12. Compliance with the Terms of the Declaration, By-laws and the Rules and Regulations. Each Unit Owner must strictly comply with the provisions of the Condominium Documents, including, but not limited to the Declaration, By-Laws, or any other rules, regulations or requirements promulgated by the Board, and as the same may be amended, modified, deleted, or added to from time to time pursuant to the terms thereof. Failure to strictly comply is grounds for an action for damages, including but not limited to attorney's fees (in the event the Board is the prevailing party), late charges and interest at the highest legal rate allowable, or injunctive relief, or both.

13. Arbitration. In order to resolve any dispute, controversy, claim or question arising with respect to the Condominium (including disputes arising under the Limited Warranty) or the Purchase Agreement, or to break any deadlock in voting, the dispute or question shall be submitted to arbitration through the American Arbitration Association ("AAA"), which will give any party the rights he is entitled to under New York law. The arbitration proceeding will follow the rules of the AAA. The arbitrator will be neutral and independent of Sponsor and its principal and will be designated by the AAA. The hearing will take place in the county where the Building is located. The parties to the Purchase Agreement are giving up the right to bring suit in court, including the right to a trial by jury, concerning disputes over the disposition of escrowed funds, except as provided by the rules of the arbitration forum in which a claim is filed. The decision of the arbitrators so chosen shall be given within thirty (30) days after their selection or appointment and said decision shall be final and binding. A party's ability to have a court reverse or modify an arbitration award is very limited. The ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings. The arbitrators may not have to explain the reason for their award. Unlike litigation, New York law does not authorize the filing of a notice of pendency based on ongoing arbitration proceedings. The fees, costs and expenses of the arbitrators shall be shared equally by the disputants. Each disputant shall also bear the fees and expenses of his or her own counsel and expert witnesses.

14. Termination of Condominium; Partition of Common Elements: The Condominium shall continue (unless terminated by casualty loss, condemnation, or eminent domain as provided by 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 by at least eighty percent (80%) of the vote, taken in accordance with the By-Laws. In addition, written consent of Mortgage Representatives, if any, shall be required before such vote is effective. 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 resulting therefrom shall be divided among all Unit Owners in accordance with the value of each of the Units. If there is a dispute, the issue shall be presented for arbitration in accordance with the By-Laws. Before paying any of the proceeds to a Unit Owner, the shares of such proceeds payable to such Unit Owner shall first be applied to the payment of any liens on his or her Unit, in the order of priority of such liens.

V. REAL ESTATE TAXES

1. Separate Assessments. After tax lots are apportioned and the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment or non-payment of taxes on any other Units, nor will his or her Unit be subjected to any lien arising from same.

2. No Separate Assessment before the First Closing. In the event that the Units are not separately assessed at the time of the Closing, the following procedure will be applicable:

A. Sponsor shall place in escrow in the name of the Board an amount equal to the real estate taxes which will be levied against the Property for the six (6) month period following the First Closing. Sponsor will collect at each Unit Closing the estimated amount of taxes attributable to such Unit for that period and authorize reimbursement from the Escrow Agent for said amount. The amount in the Escrow Account will be disclosed in the post-closing amendment. The Board will pay the taxes from the Escrow Account when taxes are due and payable and the funder of the Escrow Account will be entitled to reimbursement from Unit Owners to the extent of the actual assessment.

B. To the extent that the taxes have been paid by the Condominium for the initial period, there will be an adjustment made at the time of the Closing in the amount of prepaid taxes with respect to this Unit, which will be based on the percentage Common Interest allocated to the Unit.

C. The Unit Owner will be required to pay the entire amount of tax allocated to his Unit at any time that the Board is required to make its real estate tax payment to the City of New York. The allocation for taxes will be based on the Unit's percentage of Common Interest.

3. Real Estate Tax Estimates. The real estate tax estimates set forth in Schedule A are based on a letter from Sponsor's expert, Metropolitan Realty Exemptions, 381 South 5th Street, Brooklyn, NY 11211 dated March 25, 2021. Sponsor's expert has been involved in the review of property tax assessments in the metropolitan New York City area for over ten (10) years and has filed applications and petitions for reductions in such tax assessments in New York City. Construction on the Building was substantially completed in December 2020 and reassessed in January 2021 for the 2021/2022 tax year beginning July 1, 2021. The projected tax rate as assessed by the NYC Department of Finance based on the first full year after completion of construction is anticipated to be $12.267 per One Hundred Dollars ($100.00) of assessed valuation for the residential Units and $10.694 per One Hundred Dollars ($100.00) of assessed valuation for the Community Facility Unit. The assessed valuation for the first full year of Condominium operations after completion of construction of the Building which includes the Community Facility Unit is projected to be approximately $818,028.00 resulting in taxes of approximately $98,157.00 in the aggregate for all Units. It is likely the projected assessed valuation and applicable taxes will be lower during the first year of condominium operations beginning May 1, 2021 as the valuation will be based on an uncompleted structure for part of that tax year. See Schedule A for the estimated real estate taxes for the units for the first year of condominium operation.

The Sponsor has applied for an ICAP Abatement which is described in detail in the section "Real Estate Taxes." Briefly stated, the program is administered by the NYC Department of Finance and reduces a portion of the increase in the real property taxes due to the new construction, modernization or

rehabilitation of commercial or industrial buildings for up to 25 years. As such, the abatement, if granted, will reduce the tax burden of the community facility unit by $23,329.00. Below is a chart showing the projected assessed valuations and taxes due:

	Projected Assessed Valuation (Not affected by ICAP)	Projected Taxes without ICAP Abatement	Projected Taxes with ICAP Abatement
Commercial Unit	$221,888	$27,219	$3,890
Residential Units	$578,284	$70,938	$70,938
Total	**$800,172**	**$98,157**	**$74,828**

The Sponsor has made and will pursue this application with his best efforts and at his sole cost and expense and will make all filings necessary to obtain such benefits, including a timely filing of all applications, and timely compliance with all procedures required to properly process and maintain the benefits. Sponsor makes no guaranty regarding the procurement of these benefits and no right of rescission will be granted if the benefits are not granted. Upon closing, the Sponsor will make all documents available to the Board of Managers for inspection and copying for the duration of the benefits.

Since actual figures are not currently available, the figures set forth in Schedule A are based on estimated data. THERE IS NO ASSURANCE THAT THE TAXING AUTHORITY WILL ASSESS THE MINIMUM TAX PAYABLE WITH RESPECT TO THE UNITS, IF ANY, IN PROPORTION TO EACH UNIT'S COMMON INTEREST (AND IF NOT SO ASSESSED, UNITS HAVING THE SAME COMMON INTEREST MAY PAY DIFFERENT REAL ESTATE TAXES).

4. Determination of Real Estate Taxes. Estimated real estate tax assessments are determined using various factors including sales price, square footage, location of the Unit, availability of Limited Common Elements and/or access to Common Elements. No assurances can be given that the taxing authorities will assess the Building and allocate the assessments in the same manner and the actual assessments may not be in the same proportion as the Common Interests set forth in Schedule A. As of the date of submission, no tax certiorari proceedings are pending on the Property.

5. Review of Real Estate Assessments. In accordance with Section 5.11 of the Bylaws, the Board will be responsible for reviewing, appealing and filing any documents necessary for obtaining a reduction in the tax assessment and will file such documents on behalf of all of the Unit Owners. Such Unit Owners shall execute any documents required for such filing. After the Units have been separately assessed, tax review for each Unit will be the responsibility of the Unit Owner.

6. Tax Benefits. Sponsor has applied for a tax abatement pursuant to the Industrial and Commercial Abatement Program (ICAP) which benefits the Community Facility Unit and is administered by the NYC Department of Finance. The benefits provided under this section are stated in more particularity in the opinion letter included in this Plan hereafter. Briefly stated, the program reduces a portion of the increase in the real property taxes due to the new construction, modernization or rehabilitation of commercial or industrial buildings for up to 25 years. As such, the abatement would reduce the taxes attributable to the community facility unit by $23,329.00 for 25 years following completion of construction.

The Sponsor has made and will pursue this application with his best efforts and at his sole cost and expense and will make all filings necessary to obtain such benefits, including a timely filing of all applications, and timely compliance with all procedures required to properly process and maintain the benefits. Purchasers will not be required to reimburse Sponsor for costs associated with the tax benefit application. Purchasers will not be entitled to rescission if the benefits are not granted. Upon closing, the Sponsor will make all documents available to the Board of Managers for inspection and copying for the duration of the benefits.

The explanation and projection prepared by the Sponsor's tax abatement expert who prepared the ICAP application is expressly adopted by the Sponsor and included as part of this Plan. The projections of taxes due for the first year of operation are based on the figures and estimates in the accompanying experts opinion as to real estate tax benefits. However, it is not possible to accurately determine what the increase in actual assessed valuation will be. Moreover, it is equally impossible to predict any future increases in real estate taxes which may affect the amount of tax due on the property. Sponsor makes no representations or guarantees that the benefits applied for will be obtained. In the event the benefits are not obtained, Purchasers will not be entitled to an offer of a right of rescission.

PURCHASERS ARE ADVISED TO CONSULT WITH THEIR OWN PRIVATE COUNSEL OR EXPERT REGARDING THE TAX CONSEQUENSES OF PURCHASING A CONDOMINIUM UNIT.

METROPOLITAN
Realty Exemptions

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March 25, 2021

503 Evergreen Avenue LLC
101 Broadway
Brooklyn, NY 11249

RE: 499 Evergreen Avenue
Brooklyn, NY
Block & Lot: 3368 - 3

Letter of Opinion Regarding ICAP Real Estate Tax Exemption Benefits and Tax Liabilities

Dear Sir,

You have requested us to advise you with our opinion in respect to the applicability of the above property for partial real estate tax exemption the regulations adopted by the Department of Housing Preservation and Development, and the Industrial And Commercial Abatement Program (ICAP) and the regulations adopted by the Department of Finance, as amended. In addition, advising with an estimate of the real tax liabilities with and without the above-mentioned program and its benefits.

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 499 Evergreen Avenue, Brooklyn, NY, and is known as Block: 3368, Lot 3 with the New York City Department of Finance ("DOF").

2. The proposed is to construct a mixed-use building with eight (8) residential condo dwelling units and one (1) commercial unit;

3. The residential portion will consist of 8,860 gross SF and the commercial portion will consist of 4,102 gross SF;

4. The NYC Dept. of Finance will classify the residential units as Tax Class 2C and the commercial unit as a Tax Class 4;

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

6. The assessed value for the residential and commercial portions will be be levied at 45% of the market value.

The real estate tax benefits available to eligible properties under the ICAP are as follows:

An abatement is granted on that portion of a property's assessed valuation known as the abatement base. The abatement base for each year is limited to the increase in assessed valuation solely attributable to improvements made to the commercial portion of the property.

The ICAP program has replaced the Industrial and Commercial Incentive Program (ICIP) in New York City. The Industrial and Commercial Abatement Program (ICAP) reduces a portion of the increase in real property taxes due to new construction, modernization or rehabilitation of industrial/commercial buildings, by providing up to a maximum of 25-year property tax abatements for qualified projects.

Eligible ICAP applicants receive an abatement of their taxes equal to a percentage of the "Abatement Base". The "Abatement Base" is equal to the "Post-completion Tax" minus 115% of the "Initial Tax". The "Post-completion Tax" is the taxable assessed value (the lower of the actual or transitional assessed values) shown on the assessment roll with a taxable status date immediately following the earlier of either, upon the completion of construction (issuance of a Final Certificate of Occupancy), or four years from the date of issuance of the project's first building permit multiplied by the "Initial Tax Rate". The "Initial Tax Rate" is the tax rate applicable to the assessment roll with a taxable status date immediately preceding the issuance of the first building permit.

The "Initial Tax" is the taxable assessed value indicated on the assessment roll with a taxable status date immediately preceding issuance of the first building permit multiplied by "Initial Tax Rate". Neither the post-completion Tax nor the Initial Tax includes the assessed value of the subject property's land, and the ICAP abatement is not available to reduce the real estate tax attributable to its land.
According to the above calculation: if there is no considerable construction in the first 4 years after the Initial permit, there will be no benefit in the ICAP.

It is important to note that the ICAP benefits are implemented only following the initial tax year (July 1 of any year) after completion of construction. Completion of construction is determined upon the issuance of a Final Certificate of Occupancy.

Eligibility Requirements
The preliminary applications must be filed prior to the issuance of the first building permit (or, if no permit is required, prior to the start of construction). Projects will NOT receive benefits if a building permit is issued prior to filing a preliminary application.

The final application must be filed within one year from the date of the issuance of the building permit, or if no permit is required, within one year from the start date of construction. The final application may be filed no later than one year after the issuance of the initial permit or the commencement of construction.

Time Limit for Construction
There is a 5-year time limit in which to complete construction. Failure to do so will result in termination of inflation protection, if applicable.

Minimum Required Expenditure (MRE)
The MRE for all projects is 30% of the property's assessed value in the tax year with a taxable status date immediately preceding the date of issuance of the project's first building permit. Applicants have 4 years from the date of issuance of the first building permit in which to spend the full MRE.

Based upon the foregoing information furnished to us by you and your architect, and subject to your timely completion of work and filing of all documentation pursuant to ICAP of the Real Property Tax Law and applicable rules and regulations as is required to obtain the benefits thereof, and assuming presently applicable ICAP provisions apply, it is our opinion that:

- The premises, after construction is completed, will be eligible for partial real estate tax exemption under Section ICAP, for a 25-year period, as outlined above.

- All Section ICAP partial real estate tax benefits may be revoked or reduced if the application misstates or omits to state a material fact and/or for non-payment or underpayment of taxes and for certain other reasons.

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 Brooklyn (specifically, in Bushwick 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.

2021/22 Tentative Assessed Value and Tax Liability
As per the Tentative Assessment from the Taxable Status Date of January 5, 2021, the DOF has classified the property as Tax Class 2 and applied an increase in value for tax year 2021/22 as a result of the new construction, with the **Tentative Taxable Assessed Value set at $818,028.**

Assuming the 2020/21 tax class 2 tax rate of 12.267% and the tax class 4 tax rate of 10.694% (i.e., $12.267 per $100 of AV and $10.694 per $100 of AV), the Projected Tax Liabilities will be as follows:

Unit Number	PCI	Assessed Value	Tax Amount
CF1	27.73%	$ 221,888	$ 27,219
2F	8.84%	$ 70,735	$ 8,677
2R	9.31%	$ 74,496	$ 9,138
3F	9.07%	$ 72,576	$ 8,903
3R	8.70%	$ 69,615	$ 8,540
4F	9.17%	$ 73,376	$ 9,001
4R	8.79%	$ 70,335	$ 8,628

5F	9.08%	$ 72,656	$ 8,913
5R	7.11%	$ 56,892	$ 6,979
S1	0.16%	$ 1,280	$ 157
S2	0.16%	$ 1,280	$ 157
S3	0.12%	$ 960	$ 118
S4	0.12%	$ 960	$ 118
S5	0.12%	$ 960	$ 118
T1	0.77%	$ 6,161	$ 756
T2	0.75%	$ 6,001	$ 736
Totals:	**100%**	**$ 800,172**	**$ 98,157**

The actual tax liabilities that will be due for the commercial unit after the ICAP Exemption will be applied, is projected to be as follows:

Commercial Tax Liability without ICAP	
Assessed Value	$221,888
Commercial Tax Liability	**$27,219**
Commercial Tax Liability with ICAP	
Assessed Value	$221,888
Commercial Tax Liability	$27,219
ICAP Abatement Amount	-$23,329
Total Commercial Tax Liability	**$3,890**

The aforementioned values are based on an increase in Market Value which was applied by the NYC Department of Finance ("DOF") regarding tax years 2021/2022 due to the renovation of the building, and the application of the 8-30% limitation which was applied to the new Assessed Value.
In addition, we added an additional anticipated Market Value/Assessed Value increase following issuance of the Certificate of Occupancy due to improvement. In case the DOF will add another substantial Market Value (which is not anticipated), the Assessed Value and real estate tax will be higher.

Disclaimer
Although 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.

Though 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.

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April 27, 2021

Re: Real Estate Tax Exemption Benefits

To Whom It May Concern:

Pursuant to your request, we have reviewed the Condominium Offering Plan (the "Plan") for The 499 Evergreen Avenue Condominium (the "Condominium"), including the opinion letter dated March 25, 2021 from Metropolitan Realty Exemptions, Inc.

You have requested our opinion, based on our review of the foregoing and assuming that the Plan is consummated in accordance with its terms, as to whether, under present laws and regulations, the Units in the Condominium will be eligible upon their completion for partial real estate tax abatement under the Industrial and Commercial Abatement Program ("ICAP").

Based solely on our review of the Plan, the RPTL and the Rules and Regulations, as well as the validity and correctness of the opinion letter from Metropolitan Realty Exemptions, Inc., it is our opinion that, subject to changes in the RPTL or the Rules and Regulations, or rulings issued thereunder, or any judicial interpretations thereof, the completed Community Facility Units will be eligible for real estate tax exemption under the ICAP program.

This opinion is given based on the current facts, circumstances and laws and regulations. Should any of the aforementioned facts, circumstances, law or regulations change, this opinion may not be relied upon and should be updated to reflect the then current situation and consequences. However, no warranties are made.

Very truly yours
Jeffrey Zwick & Associates, P.C.

By:_____
Jacob Lebovics, Esq.

W. COUNSEL'S INCOME TAX OPINION

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April 27, 2021

Re: Offering Plan ("Plan") for the Condominium Ownership of the Premises known as 499 Evergreen Avenue, Brooklyn, NY (the "Property")

To Whom It May Concern:

You have requested our opinion with regard to certain Federal, New York State and New York City income tax matters relating to a person ("Unit Owner") who purchases a Condominium Unit under the Plan.

In connection with this opinion, we have reviewed the Plan including the exhibits thereto and such other documents as we considered necessary for the purposes of this opinion.

The opinion expressed herein is based upon the assumptions that the Plan becomes effective and is consummated in accordance with its terms and condominium ownership of the Property is validly established. All terms not otherwise defined herein shall have the same meanings ascribed to them in the Plan.

The method selected for calculating the percentage of Common Interests in the Condominium pursuant to Real Property Law Section 339-i(1) is subparagraph (iv), which provides:

> "(iv) the Common Interests of each of the Units have been allocated 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."

The percentages of Interest in the Common Elements in this Condominium have been allocated to the Units in accordance with the above factors in compliance with Real Property Law Section 339-i(1)(iv). They were allocated in this manner as each Unit is

unique based on its location in the Building. This opinion is based on other factual determinations including consultation with a real estate broker.

I. Tax Deductions for Unit Owners Under the Plan:

(1) a Unit Owner will receive legal title in fee simple to the Unit coupled with ownership of an individual interest in the Land and appurtenances and all other parts of the Building held in common with other Units Owners in its Building (the "Common Elements");

(2) each Unit will be a separate tax lot for the purposes of The New York City real estate tax, and the Unit Owner will be directly liable to The City for the real estate tax assessment with respect to his Unit, but not with respect to any other Unit;

(3) subject to certain restrictions as to form, a Unit Owner may mortgage his Unit as he wishes, and will be individually liable for payment of principal and interest (and/or finance charges) on such mortgage but the Unit will not be subject to the lien of any mortgage placed on other Units; and

(4) a Unit Owner may separately transfer his Unit subject, with certain exceptions, to certain rights of the Board of his Building.

Accordingly, it is our opinion that a Unit Owner who itemizes deductions will be entitled to deduct, for Federal income tax purposes, real estate taxes assessed against his Unit as well as interest on any mortgage indebtedness secured by his Unit.[1] See Sections 163 (interest) and 164 (taxes) of the Internal Revenue Code of 1986, as amended (the "Code"); Revenue Ruling 64-31, 1964-1 (Part I) Cum. Bull. 300.[2] These expenses will be deductible when paid or accrued in accordance with the Unit Owner's method of accounting. Under

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1 However, the Internal Revenue Code of 1986, as amended, provides that if the Unit Owner has more than two (2) residences, he/she will not be able to deduct his/her interest of his/her condominium unit loan. See section "Taxes: Deductions to Unit Owners and Tax Status of the Condominium."

2 The New York State and City tax laws incorporate by reference Federal itemized deductions in regard to resident individuals (see N.Y. Tax Law Section 615; N.Y.C. Admin. Code Section T42-115.0) and for corporations (see N.Y. Tax Law Section 208.9; N.Y.C. Admin. Code R42-2.0.8). Hence, all Federal authorities hereinafter referred to should, for the most part, apply under the New York State and/or City income tax statutes and to the extent that deductions are permitted for Federal tax purposes, they will be permitted for New York State and New York City tax purposes. It should be noted, however, that (i) for New York State and New York City income tax purposes, the interest and real estate tax deductions discussed herein may be reduced for a taxpayer who has certain specified items of tax preference (see N.Y. Tax Law Section 622; N.Y.C. Admin. Code Section T42-122.0); and (ii) for Federal income tax purposes, a Unit Owner may be liable for an alternative minimum tax based upon certain deductions taken (including interest on mortgages) (see Section 55 of the Internal Revenue Code). New York State also imposes a minimum tax based on certain Federal tax preference items including adjusted itemized deductions. See N.Y. Tax Law Sections 601-A and 622.

the Tax Cuts and Jobs Act of 2017, the amount of the all state and local taxes able to be deducted, including property tax, is limited to $10,000.00 and the mortgage interest deduction is limited to the interest on a mortgage up to $750,000.00 in principal. In addition to the interest and real estate tax deductions discussed above, a Unit Owner who uses all or part of his Unit in the conduct of his trade or business or for the production of income may deduct a portion of Common Charges allocable to such use. Each such Unit Owner will be entitled to deduct cost recovery on his Unit (similar to depreciation), computed separately and based upon the cost of his Unit (see Code Section 1012). Such deduction may be determined under Code Section 168 by using the straight-line method or under ACRS tables which approximate the use of 175% declining balance method, switching to straight-line recovery in later years. The excess of accelerated cost recover deductions over deductions computed using the straight-line method is an item of tax preference and may result in Unit Owners incurring alternative minimum tax. The amount of permitted deductions has been modified by the Internal Revenue Code 1986. The deduction of Common Charges is limited to that portion which does not exceed the Unit Owners' share of expenses paid or incurred through the Condominium and which would constitute trade or business expenses under Code Section 162 or would constitute expenses for the production of income under Code Section 212, if they were paid directly by the Unit Owner. Common Charges may exceed the deductible amount to the extent that Common Charges are used by the Board to finance capital expenditures or reserves. The amount used to fund capital expenditures or reserves are not deductible and must be capitalized by Unit Owners, increasing the basis in the Unit and thus the cost recovery deduction available for that Unit.

II. Tax Treatment of Condominium and Board of Managers

Under the Plan, each Condominium, via the Board, will determine, assess to, and collect from, its Unit Owners, in proportion to their respective Common Interests, the Common Charges to pay the costs and expenses of operating, repairing and maintaining the Common Elements of that Building.

The tax status of the Board is uncertain and turns upon whether the Condominium Board is treated as a mere conduit for Unit Owners or as an association taxable as a corporation.

If the Board is deemed to be the conduit for the Unit Owners, all income of the Condominium, such as investment income earned on interim investments or rent on any Unit it acquires, less the applicable expenses of earning such income, will be deemed income to the Unit Owners and taxable to them. However, Common Charges will not be considered income to the Condominium Board.

The Service, however, may take the position that the Unit Owners, acting through the Condominium Board, constitute an association taxable as a corporation (an "Association")[3] because of, e.g.:

> (1) the Board's centralized management powers over the Building;
>
> (2) the attempt to limit contractual liability of Unit Owners, for the contracts entered into by the Condominium, to the Unit Owners' proportionate share of such liability in accordance with their common interest in the entire Condominium; and
>
> (3) the possibility of perpetual life. (See Treas. Reg. 301.7701-2, and discussion in Shapiro, Commercial Condominiums: Tax Considerations for Unit Purchasers and the Association, 41 J. TAXATION 204, 206-08 (Oct. 1984) and Wolitzer, Condominium -- Organization, Taxes and Accounting, XL N.Y.C.P.A. 893, 899-900 (Nov. 1970).)

If the Condominium were treated as an association taxable as a corporation it would be subject to Federal income tax on the excess of the portion of its receipts including Common Charges and laundry concession income which is deemed to constitute gross income over any deductible expenses.

To the extent that any portion of the Common Charge receipts is segregated and used to finance specified capital expenditures or reserves, said portion may be excluded from gross income of the Association. (See Rev. Rul. 74-563, 1974-2 Cum. Bull. 38; L.R.B. 1974-47.6; and Lake Petersburg Ass'n v. Commissioner, 33 CCH Tax Ct. Mem. 259 (1974)). In such event, the Unit Owners might be required to pay further Common Charges to fund the Federal income tax liability of the Association. Any such Common Charges would probably be deemed to constitute additional gross income to the Association -- upon which further Federal tax would be owed. See Old Colony Trust Co. v. Commissioner, 279 U.S. 716 (1929), and cf. Rev. Rul. 74-75, 1974-1 Cum. Bull. 19.

In an effort to resolve the above uncertainty, Section 528 was added to the Code, pursuant to which the Board may, if qualified, elect to exclude from income the Common Charges payable by Unit Owners. (New York State and New York City have not adopted a similar statute.) This exemption is available to the Board only if:

> (i) 60% or more of the gross income for the taxable year is received as fees or assessments from owners of Units ("Exempt Function Income");

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[3] If such an association were found to exist, it is our view that it would not constitute a tax exempt organization under Section 501(c) as an organization operated exclusively for the promotion of social welfare (cf. Rev. Rul. 74-99, 1974-1 Cum. Bull. 131).

(ii) 90% or more of the expenditures for the taxable year are for management, acquisition, maintenance and care of Common Elements;

(iii) 85% or more of the total square footage of all Units within the Condominium must be used by individuals for residential purposes;

(iv) No part of the net earnings may inure to the benefit of any private individual except through the rebate of excess assessments or indirectly through the acquisition, management and maintenance of association property.

A Condominium meeting the requirements of Section 528 of the Code and electing to be exempt from federal income tax on exempt function income would be taxable at corporate rates, with some minor modifications, on the amount by which its non-exempt function income exceeds the amount of allowable deductions which are directly connected with the production of such income.

It is our opinion that the Condominium will not meet the requirements for election of Section 528 during its first year of operation. Thus, the Condominium may not make such election during the first year if it is advantageous. However, since the requirements for election under Section 528 are applied annually it cannot now be determined whether the Condominium may elect Section 528 treatment in any subsequent tax year.

We express no views as to any Federal, New York State and/or New York City tax consequences or as to any aspects of the Plan other than those explicitly discussed in this opinion. Nor do we express any view as to the tax status and tax consequences of the Plan under the laws of any other U.S. or foreign jurisdictions. This opinion does not deal with tax consequences which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units are acquired and/or leased by the Board or with respect to whether a Unit Owner may be deemed a resident of New York City due to ownership of a Unit. We therefore strongly advise each person contemplating the purchase of a Unit to consult his own tax advisor as to all such tax matters (including the tax matters discussed in this opinion).

We make no warranty that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of The City of New York will accept any or all of the views stated above. Moreover, the Federal, State and City tax laws and regulations (and the rulings and decisions thereunder) may change and thereby affect, in whole or in part, the views stated above.

IN OUR OPINION, EACH UNIT OWNER WILL NOT BE ENTITLED TO INCOME TAX DEDUCTIONS AS DESCRIBED ABOVE. HOWEVER, THIS OPINION IS NOT A GUARANTEE; IT IS BASED UPON EXISTING RULES OF LAW APPLIED TO THE FACTS AND DOCUMENTS REFERRED TO ABOVE. NO ASSURANCES CAN BE GIVEN THAT THE TAX LAWS UPON WHICH COUNSEL BASE THIS OPINION WILL NOT CHANGE. IN NO EVENT WILL THE SPONSOR, THE SPONSOR'S

COUNSEL, THE CONDOMINIUM BOARD, COUNSEL TO THE CONDOMINIUM BOARD, THE SELLING AGENT OR ANY OTHER PERSON BE LIABLE IF THERE ARE CHANGES IN THE FACTS ON WHICH COUNSEL RELIED IN ISSUING THIS OPINION, OR IF THERE ARE CHANGES IN THE APPLICABLE STATUTES, REGULATIONS, DECISIONAL LAW OR INTERNAL REVENUE SERVICE RULINGS ON WHICH COUNSEL RELIED WHICH CAUSE THE CONDOMINIUM TO CEASE TO MEET THE REQUIREMENTS OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR THE NEW YORK STATE TAX LAW, AS AMENDED. IN SUCH CASE, THIS LETTER MAY NOT BE RELIED UPON AND SHOULD BE UPDATED TO REFLECT THE THEN-CURRENT LAW AND FACTS.

PURCHASERS ARE ADVISED TO CONSULT WITH THEIR OWN PRIVATE COUNSEL OR EXPERT REGARDING THE TAX CONSEQUENSES OF PURCHASING A CONDOMINIUM UNIT.

We consent to the incorporation of this opinion in the Plan.

Very truly yours
Jeffrey Zwick & Associates, P.C.

By:_____
Jacob Lebovics

X. RESERVE FUND

The budget section 2.4(A)(xxv) of the Bylaws provides for a reserve fund to provide for major capital expenses, which is the maintenance, improvement or replacement of any aspect of the Property that will either enhance the overall value of the Property, adapt it to new uses, or increase its useful life. Examples of a major repair or major capital expense are replacement of the roof or the windows. The basis of the figure projected for this item must be at least ten percent (10%) of the Common Charges. It is intended that the Board, at all times, maintain the reserve fund in an amount equal to 10% of Common Charges.

The Reserve Fund will be funded by monthly Common Charge payments made by Unit Owners including Sponsor so long as Sponsor still owns Units. Of each Common Charge payment, 10% of said payment shall be deposited into the Reserve Fund bank account. As such, the Reserve Fund will not be fully funded until after the first year of operation.

In addition to the monthly contributions, the reserve fund shall also be supplemented by 10% of the Initial Capital Payment to the working capital fund which is collected from all initial Purchasers at Closing. Because of this supplement, the actual amount of the Reserve Fund at the end of the first full year of Condominium operations will be greater than the amount projected in Schedule B.

At this time, Sponsor has no knowledge of any capital improvements that may have to be made during the first five years of Condominium operation. If the amount in the reserve fund is inadequate to cover major capital improvements needed, there may be an increase in Common Charges or the Board may impose a Special Assessment. The reserve fund may not be used to reduce projected Common Charges in the Plan.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND OR THE PHYSICAL CONDITION OF THE BUILDING.

Y. WORKING CAPITAL FUND

Sponsor, as agent of the Board, will collect from each original Purchaser at the time of the Closing an Initial Capital Payment equal to two (2) months' estimated Common Charges for the Unit. The Sponsor will not contribute an Initial Capital Payment. The Sponsor will deliver the funds so collected to the Board to provide the necessary working capital for the Condominium. 10% of this Initial Capital Payment shall be allocated into the Reserve Fund bank account. The remaining funds may be used for certain prepaid items, organizational costs, and for such other purposes as the Board of Managers may determine and may be replenished as the Board sees fit.

While the Sponsor is in control of the Board, the working capital fund shall not be used to reduce estimated Common Charges. There will be no adjustments at Closing between the Board and the Sponsor.

NO REPRESENTATION IS MADE THAT THE INITIAL WORKING CAPITAL FUND WILL BE ADEQUATE TO COVER CURRENT OR FUTURE EXPENSES, INCLUDING REPAIRS OR REPLACEMENTS, AND IF ADDITIONAL FUNDS ARE REQUIRED OVER AND ABOVE THE INITIAL CAPITAL FUND, IT MAY BE NECESSARY FOR THE BOARD OF MANAGERS TO INCREASE THE COMMON CHARGES OR IMPOSE AN ASSESSMENT ON UNIT OWNERS. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE INITIAL WORKING CAPITAL FUND OR THE PHYSICAL CONDITION OF THE BUILDING.

Z. CONTRACTS

Management Agreement

On or about the First Closing, the Board shall enter into an agreement to manage the property with the Sponsor, 503 Evergreen Avenue LLC, 467 Keap Street, Suite 1A, Brooklyn, New York, until the expiration of the Initial Control Period for no fee. The managing agent's main duties, among others, will be: to bill and collect common charges and other charges; bookkeeping; to maintain the building as advised by the Board, to contract for necessary services, supplies, etc.; and to supervise, hire and discharge employees. The Board shall be obligated to reimburse the agent for expenses incurred and to indemnify the agent against liability for acts properly performed by it pursuant to the agreement. The agreement is assignable to a competent managing agent at the discretion of Sponsor.

If the managing agent is not fulfilling its obligations, the board may cancel the agreement and choose to manage the building themselves, or hire an outside management company. The Sponsor may not cancel its management agreement while in control of the Board. No funds have been budgeted to reimburse and indemnify the managing agent. Should the board decide to hire a management company for a full year of condominium operations, the fee charged would be approximately $7,020.00 as per AYC Management, LLC, Sponsor's budget expert. If there are non-sponsor controlled board members and there is a vote on whether to cancel the management agreement with the Sponsor, Sponsor's board representatives cannot vote on that issue. Sponsor agrees that it will enforce such decision pursuant to a resolution passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting called for such purpose

There are no other agreements in place that will be binding on the condominium at this time. If Sponsor enters into agreements that will affect unit owners, the Offering Plan will be amended to disclose all pertinent information.

Other

There are no other agreements in place that will be binding on the Condominium at this time. If Sponsor enters into agreements that will affect Unit Owners, the Offering Plan will be amended to disclose all pertinent information.

AA. IDENTITY OF PARTIES

1. Sponsor and Selling Agent. Sponsor and Selling Agent is 503 Evergreen Avenue LLC, a New York limited liability company with an address at 467 Keap Street, Suite 1A, Brooklyn, New York 11211. The sole principal of the Sponsor is Nadav Hamo, who is actively involved in real estate development and management as CEO of Urban View Development Corporation, which purchases, develops, and manages various types of multi-occupancy housing throughout New York City. Neither Sponsor nor its principal has any felony convictions. Neither Sponsor nor its principal has any injunctions, bankruptcies, indictments or judgments which are material to the Offering Plan or an offering of securities generally during the past fifteen (15) years. There is no other individual who owns or controls a 10% or more equity interest in Sponsor with any felony convictions. There is no other individual who owns or controls a 10% or more equity interest in Sponsor with any convictions, injunctions, bankruptcies, indictments or judgments which are material to the offering Plan or an offering of securities generally during the past fifteen (15) years.

   A. Prior Offerings and experience as selling agent.

      (i) Sponsor and Selling Agent. Neither Sponsor, Selling Agent nor its affiliates have had any prior offerings, nor any prior experience as a selling agent.

      (i) Principal. The principal of the Sponsor, Nadav Hamo has been principal of the sponsor and selling agent in more than twenty (20) prior offerings during the past five (5) years. The five (5) most recent offerings that were first offered within the last five (5) years are as follows:

File Number	Acceptance Date	Address
CD200146	Pending	1206 Putnam Avenue, Brooklyn, NY
CD180118	9/7/2018	282 Eldert Street, Brooklyn, NY
CD180093	8/20/2018	196 Lefferts Place, Brooklyn, NY
CD170335	9/27/2018	984 Madison Street, Brooklyn, NY
CD170275	2/8/2018	1229 Putnam Avenue, Brooklyn, NY

      (ii) Current Holdings. Sponsor does not own an interest of greater than 10% in any other condominiums or cooperatives. Principal of the Sponsor owns 10% or more of the interests in the below condominiums:

File Number	Acceptance Date	Address
CD200146	Pending	1206 Putnam Avenue, Brooklyn, NY
CD180118	9/7/2018	282 Eldert Street, Brooklyn, NY
CD170197	11/20/2017	982 Willoughby Avenue, Brooklyn, NY
CD170335	9/27/2018	984 Madison Street, Brooklyn, NY
CD170275	2/8/2018	1229 Putnam Avenue, Brooklyn, NY

CD170160	2/15/2018	1257 Jefferson Avenue, Brooklyn, NY
CD170185	2/5/2018	27 Kossuth Place, Brooklyn, NY
CD170204	2/7/2018	245 Schaefer Street, Brooklyn, NY
CD170184	11/22/2017	45 Troutman Street, Brooklyn, NY
CD170225	9/27/2018	301 Covert Street, Brooklyn, NY
CD170065	5/30/2017	1273 Dekalb Avenue, Brooklyn, NY
CD170088	8/4/2017	399-401 Gates Avenue, Brooklyn, NY
CD130312	10/10/2014	135 Lefferts Place, Brooklyn, NY

Offering plans for these projects are on file with the NYS Department of Law. The Principal is current on all obligations under these plans.

2. Attorneys. Sponsor is represented by Jeffrey Zwick and Associates, P.C., 266 Broadway, Suite 403, Brooklyn, NY 11211, in connection with this offering Plan, the recording of the Declaration, the Closings, and as Escrow Agent. The offering Plan was prepared by Danielle Pistola Sidiropoulos, Esq. The attorney has not passed on any opinion letter or certification in the Plan which was prepared by third parties. The attorney has no financial interest in the Property, the Sponsor, the Condominium or any other party interested in this transaction, except for its fee for services rendered in connection with such Plan. The Condominium does not have independent legal counsel. IT IS SUGGESTED AND EXPECTED THAT EACH PURCHASER WILL CONSULT WITH AND BE REPRESENTED BY HIS/HER OWN COUNSEL IN CONNECTION WITH THIS OFFERING.

3. Engineer/Architect. Wu Chen, P.E., of Infocus Consulting Inc., 86-16 Queens Boulevard Suite 205 Elmhurst, New York 11373 has prepared the Architect's Report and the Floor Plan of the Property as set forth in Part II. The architect has been involved in the planning and development of condominiums and the drafting of architectural drawings and reports for such condominiums in New York City and particularly in the Borough of Brooklyn, for more than five (5) years. Some properties he has worked on include 1666 Dean Street, 1390 Putnam Avenue, and 505 Clinton Avenue, all in Brooklyn, New York. The architect has no financial interest in the Property, the Sponsor, the Condominium or any other party interested in this transaction, except for its fee for services rendered in connection with such report.

4. Managing Agent. Sponsor, 503 Evergreen Avenue LLC, 467 Keap Street, 1A, Brooklyn, NY shall manage the property until the expiration of the Initial Control Period. Neither the Managing Agent nor its principals have had any prior felony convictions or prior convictions, injunctions or judgments that may be material to the offering plan or an offering of securities generally that occurred within fifteen (15) years prior to the submission of this offering plan. The management agreement may not be canceled while the Sponsor is in control of the board. No funds have been budgeted to reimburse and indemnify the managing agent. Sponsor does not have any prior management experience as a managing agent. Principal of Sponsor has extensive management experience as CEO of Urban View Development Corp., 467 Keap Street, 1A Brooklyn, New York a property development and management company, and as principal in prior condominium offering plans. A representative list of properties managed by Nadav Hamo are as follows:

CD140233 24 Kosciusko Street, Brooklyn, NY
CD140280 516 Classon Avenue, Brooklyn, NY
CD140314 173 Knickerbocker Avenue, Brooklyn, NY

AB. REPORTS TO UNIT OWNERS

It is the obligation of the Board of Managers provide to the Unit Owners on an annual basis the following documentation: (a) A financial statement of the Condominium prepared by a certified public accountant or public accountant within four (4) months of the end of the fiscal year as per Article 5 of the By-Laws; such statement shall be certified during the Initial Control Period; (b) At least five (5) days' prior notice of the annual Unit Owners' meeting; and (c) A copy of the proposed annual budget of the Condominium by ten (10) days prior to the date set for adoption thereof by the Board of Managers, which budget shall be certified during the Initial Control Period.

AC. RESERVATION OF AIR AND DEVELOPMENT RIGHTS

Excluded from the Property are that portion of the unused floor area development rights that are now owned, subsequently acquired or that may become available under the New York City Zoning Resolution, which shall be retained by the Sponsor and which may be sold, transferred or hypothecated to any other entity for the sole purpose of being merged into a zoning lot pursuant to a zoning lot development agreement ("ZLDA") or similar agreement. Said rights, if any, may not be used to add space or floors to the subject Property however, when sold, may be used to add space or floors to adjacent buildings. There are currently no unused development rights available.

AD. DOCUMENTS ON FILE

Offering Plan and Exhibits. Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits and documents referred to herein shall be available for inspection without charge by prospective Purchasers and by any person who shall have purchased a Unit offered under the Plan or shall have participated in the offering of such Unit, at the office of Sponsor's attorney during convenient weekday hours and shall remain available for such inspection for a period of six (6) years from the First Closing. There will be a charge of forty cents ($0.40) per page for copying any documents. The Plan and all other exhibits and documents referred to herein shall also be available for inspection (without charge) and copying by appointment (at a current charge of $0.25 per page) at the Department of Law, 28 Liberty Street, New York, NY 10005.

Recorded Documents. The Declaration and the By-Laws will be recorded in the Register's Office prior to or concurrently with the First Closing and a copy of same will be provided to the Board of Managers. In addition, a set of the Floor Plans showing the layout, locations, 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 lot number for each such Unit, will be filed with the Register's Office when the Declaration is recorded, and an additional set will be furnished to the Board. All deeds conveying, and all mortgages covering, individual Units will also be recorded in such office.

AE. GENERAL

1. No Claims. There are no lawsuits, administrative proceedings, or other proceedings, the outcome of which may materially affect this offering, the Purchasers of Units, the Property, Sponsor's capacity to perform all of their obligations under the Plan, the Condominium, or the operation thereof, except as may be further herein expressly set forth.

2. No Prior Public Offerings. This Property has not been the subject of any prior public offerings. No Purchase Agreement have been entered into and no deposits or advances of funds accepted as of the date the Plan is accepted for filing. There was no application to test the market pursuant to cooperative policy statement No. 1 on this Property.

3. No Occupants. None of the Units in the Building which is the subject of this offering Plan are occupied by residential or commercial tenants as of the date of submission of the Plan to the Department of Law.

4. No Discrimination. In accordance with the provisions of the laws of the State and City of New York, neither Sponsor nor any Selling Agent engaged by Sponsor will discriminate against any Person because of sex, sexual orientation, race, creed, color, national origin, ancestry, or other ground prescribed by law in the sale of the Units offered by the Sponsor pursuant to the Plan or in the leasing of any such Units or any other portion of the Building.

5. Sponsor's Right to Revise the Offer. Sponsor reserves the right to revise, from time to time, the terms and conditions upon which the Units are to be sold and to otherwise revise the Plan, including revisions affecting the rights, obligations, and liabilities of Sponsor, Purchasers, or prospective Purchasers, without obtaining the consent of Purchasers or others. However, Sponsor may neither unilaterally cancel an outstanding Purchase Agreement, except as therein provided (such as in the case of an uncured default), nor unilaterally change the purchase price, the payment terms or change the material terms contained in such a Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. Notwithstanding the foregoing, 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 Sponsor for that Unit and the Purchaser is not in default. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements.

6. Purchasers Right of Rescission. Purchasers have a right to rescind Purchase Agreements following material adverse amendments to the offering Plan. Material adverse amendment is any amendment which discloses a material revision adversely affecting the rights, obligations or liabilities of then existing Purchasers or reducing the undertakings or obligations of Sponsor. The purchaser shall have a right to rescind by sending written notice to the Sponsor not less than fifteen (15) days after being presented with a copy of the amendment. Sponsor will return any Down Payment with interest earned thereon, if any, to Purchasers who rescind within ten (10) days of the receipt of written notice of rescission. No Down Payment shall be returned to Interim Lessees prior to their vacating of the apartment. See Section "Interim Leases." Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and Selling Agent will be released and discharged of

all further liability and obligations hereunder and under the Plan. The parties may be required to sign a general release to that effect.

7. No Omissions or Misstatements. This Plan contains all material terms of the offer and does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. This Plan does not contain a full summary of all the provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

8. General. The Plan is offered only to persons eighteen (18) years of age or over and entities. Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine, or neuter, includes the other two. No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. This Plan may not be changed or modified orally.

AF. SPONSOR'S STATEMENT OF BUILDING'S CONDITION

Sponsor adopts the "Description of Property and Building Condition" 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 as set forth in the Description of Property and Building Condition. The number and usage of the Units shall be identical to the number and usage of the Units as approved by the Building Department.

PART II

DOCUMENT NUMBER 1

DESCRIPTION OF PROPERTY

ENGINEER'S REPORT

THE 499 EVERGREEN AVENUE CONDOMINIUM

Prepared By:

INFOCUS
Wu Chen, P.E.
86-16 Queens Blvd, Suite #205
Elmhurst, NY 11373
Phone No: (718) 233-2968

January 5th 2021

SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) LOCATION AND USE OF PROPERTY

(1) Address:

The building will be located at 499 Evergreen Avenue in the Bushwick Section of the Borough of Brooklyn, County of Kings, City and State of New York in zip code 11221.

(2) Block and lot number:

The site will be located on Tax Lot number 03 in Tax Block number 3368.

(3) Zoning:

The site is located in R6 Zone as designated on Map number 17A of the 1961 Zoning Resolution. The building is a Quality Housing project located in New York City. The Quality Housing Program consists of four components: neighborhood impact, building interior, recreation space and planting, and safety and security. The building is in compliance of Quality Housing requirements as per plans submitted and approved by the NYC Department of Buildings.

This building will comply with the Quality Housing program ZR 23-011(a) in accordance with submitted plans. Quality housing requirements listed below:

28-10 Building Interior

28-12: Refusal Storage

- N/A Less Than 10 Dwelling Unit

28-13: Laundry Facilities

- Not Applicable- Less Than 20 Units

28-14: Daylight In Corridors

- Provided (See Plans)

28-20: Recreational Space

- N/A -Less Than 9 Dwelling Unit

28-22: Standards For Recreational Space

- N/A

28-23: Planting Areas

- All Area In Front Shall Be Planted Except at the Entrance

28-30 Safety And Security

28-31 Density Per Corridor

- Less Than 11 Dwelling, Therefore Corridor F.A.R. Can Be Reduced 50%

28-40 Parking For Quality Housing

- N/A

28-41 Screening

- N/A

28-42 Special Regulations For Off-Site Accessory Parking

- N/A

This property and proposed use will comply with all zoning and use requirements at closing.

(4) Permissible Use: The Zone permits Residential use as of right.
Property and proposed use will comply with all zoning requirements at closing.
There are no restrictive declarations in association with this development.

(b) STATUS OF CONSTRUCTION

(1) Year built:

The building is a proposed new building and is currently under construction. Construction commenced around January of 2019. Building is substantially complete as of December 2020 and is pending DOB inspections.

(2) Class of construction:

The Class of Construction will be I B as described by Table 601 of the 2014 New York City Building Code. The structural support members will consist of non- combustible materials with a minimum fire protection rating of two hour. Structural floor / ceiling and roof / ceiling assemblies shall also be of non- combustible materials with a minimum rating of two hour.

The exterior wall will have a 3 hour fire rating. A 2 hour fire rating will be provided at the corridors, mechanical and washer/dryer room. Interior partition will have a 1 hour fire rating.

(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 Temporay Certificate of Occupancy prior to the closing of the first unit or at a point in time as specified in the Offering Plan. A permanent (Final) Certificate of Occupancy shall be obtained once any open DOB conditions or objections are met.

(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 NYC Department of Buildings (DOB). The plans were filed on 2/15/2018 and were approved on 9/12/2018. The building plans have been assigned application number 320911055 by the DOB. The application is described under the DOB filing as an "8 UNIT 5 STORY AND CELLAR COMMUNITY FACILITIES AND RESIDENTIAL MIXED USE BUILDING". The DOB schedule A which represents the occupancy description as it will appear on the Certificate of Occupancy (once issued) shall always appear and reflect on Document 01 of said DOB filing. The application was permitted on 1/18/2019. For a full list of permits see section U – Permits and Certification.

(c) <u>SITE</u>

(1) Size:

The site is located on the northeasterly side of Evergreen Avenue distance 30'-0" northwesterly from the corner formed by Evergreen Avenue and Putnam Avenue. The site has a frontage of 30'-0" along Evergreen Avenue and extends to a depth of 100'-0" perpendicular to the Evergreen Avenue property line. The site has an area of approximately 3,000.0 square feet.

(2) Number of buildings and use:

There will be one building constructed with eight (8) residential units and one (1) unit of community facility space.

(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. Evergreen Avenue is an existing Seventy foot (70'-0") 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(s) 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 corner of Evergreen Avenue and Madison Street. 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 steel, stanchions surmounted with mercury arc lamps in metal enclosures. The existing street lights are located, at the sidewalk close to the curb, on both sides of the roadway along Evergreen Avenue. The existing street lighting is in good condition.

(v) Conformity with municipal codes;

The sidewalk paving, curb, catch basins and street lighting will be 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

(4) Drives, sidewalks and ramps:

(i) Paving (material and condition);

There is no paved driveway on the property.

(ii) Curbing (material and condition);

There will be no curbs on the property.

(iii) Catch Basins drainage (location and condition);

There will be no catch basins on the property. There will be cast iron area drains at the cellar floor level which will be connected to the building's 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, water consumption shall be metered collectively and billing shall be part of the common charges.
- Natural **Gas,** there shall be no natural gas provided.
- **Electricity,** will be provided by the Consolidated Edison Company, and each unit will be separately metered and billed directly. Electrical cost associated with common area lighting shall be paid by the condo association.
- **Telephone** service, will be provided by the local phone company, phone line connection to apartment is the responsibility of the unit owner. There will be two (2) phone lines provided for the monitored fire alarm system and associated cost shall be paid by the condo association.
- The **Sanitary** waste will be carried from the building into the existing New York City Sewer System. Sewage consumption shall be metered collectively and billing shall be part of the common charges
- The **Storm** water runoff will be transported to the building's storm drainage system and to the existing N.Y. City Storm Drainage and Sewer System.

(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 ALL PHASE TESTING, Inc., PO Box 282, Holbrook, N.Y. 117411. The soil has an allowable bearing capacity of approximately three tons per square foot as per the N.Y. City Building Code. Ground water was not encountered at

the termination of the boring at 31’-0”.

(2) There are no land subsidence, expansive soils, hazardous materials, and/or environmental restrictions present on the property.

(3) There is no danger from flooding due to water table in area or overflow from other bodies of water. There is no potential for mudslides or erosion.

(4) There is no apparent evidence of uneven foundation movement, settling, cracking, mortar joint decay, etc.

(5) There is no apparent evidence of moisture, seepage or ground water infiltration.

(6) There is no apparent danger from flooding due to a water table overflow from other 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 mastic at the exterior below grade surfaces. There will also be a 2” x 2’-0” continuous perimeter insulation. There will be gravel and compacted earth fill adjacent to the foundation walls.

(7) Building foundation is accurately sized to support the calculated load.

(f) LANDSCAPING AND ENCLOSURES

(1) There will be no front or rear yard.

(2) There will be one (1) tree paid into the parks department tree fund as required by the parks department guidelines.

(3) There will be no gates at the exterior of the property.

(g) BUILDING SIZE

(1) The building will be a total height of approximately 44’-8” measured from the Baseplane elevation to the top of the roof above the fifth floor level.

(2) The building will have a Bulkhead which extends approximately 10’-4” above the roof elevation, 55’-0” from the Baseplane elevation.

(3) There will be no crawl spaces within the building.

(4) There will be one cellar level below the first floor level of the building.

(5) The building will consist of a cellar, five (5) stories and a bulkhead.

(6) The approximate gross square footages of each floor (including common areas) are as follows:

Cellar Floor	approximately	= 2,982.00 sq. ft.
First Floor	approximately	= 2,982.00 sq. ft.
Second Floor	approximately	= 1,799.30 sq. ft.

Third Floor	approximately	= 1,799.30 sq. ft.
Fourth Floor	approximately	= 1,799.30 sq. ft.
Fifth Floor	approximately	= 1,237.82 sq. ft.
Bulkhead	approximately	= 240.81 sq. ft.

(7) There will be an electric meter room, sprinkler/water meter room, refuse storage, and unit storage in the cellar.

(8) There will be a masonry parapet, with a minimum height of three feet and six inches above the at the first floor terrace, bulkhead roof and side facades. There will be a metal railing, with a minimum height of three feet and six inches at the front and rear elevations of the finished roof level and at all balconies.

(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 joists.

The foundations will consist of poured, reinforced concrete footings for support of the foundation walls at the cellar floor level. The foundation walls shall also be constructed of poured, reinforced concrete.

The foundation walls shall be protected with mastic at the exterior below grade surfaces. There will be gravel and compacted earth fill adjacent to the foundation walls.

The interior floor at the cellar floor level shall be a poured, reinforced concrete slab on grade. The cellar slab consists of a 4” thick poured concrete slab with 6”x6” 10.10 gauge welded wire mesh over a 6 millimeter vapor barrier and 3” compacted gravel.

A French drain system will be provided to collect excess water adjacent to the foundation wall. A flexible waterproofing membrane will be installed at the foundation wall. French drains will be piped directly to a catch basin.

The interior floor assembly at the upper floors shall be wood finished 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.

The sound insulation between the floors shall be of resilient furring channels, running perpendicular to the floor joists, with a layer of gypsum wall board over. Floor impact noise is in compliance with BC 1207.3 All Residential Units are designed not to have an impact insulation class (IIC) rating less than 50, however the LLC shall not be tested once construction is complete.

The construction class of the building shall be noncombustible Construction Type I B as per Table 601 of the 2014 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. Weep holes shall be provided in the outside wythe of masonry walls at a maximum spacing of 24 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 copper fabric flashing.

The construction of the exterior walls shall be as follows:

Exterior Front Wall

16" thick wall consisting of a 3 5/8" brick, 1" airspace, 2" thermax rigid continuous insulation (R-10), ¾" sheathing, 3" metal stud with R-12.3 cavity insulation at 16" O.C. and 5/8" Type X gypsum board. This assembly will have a fire rating of 3 hours.

Exterior Side Walls

14" thick wall consisting of ¾" stucco, 1" airspace, 2" thermax rigid continuous insulation (R-10), 8" CMU block with 3,000 PSI concrete, 3" polyurethane spray foam insulation (4.1 per inch R-10.25). 14 Ga steel studs at 16" O.C and 5/8" Type X gypsum board. This assembly will have a fire rating of 3 hours.

Exterior Rear Wall

14" thick wall consisting ¾" stucco, 2" thermax rigid continuous insulation (R-10), 5/8" sheathing, 3" metal studs, 18 Ga at 16" O.C. and 5/8" Type X gypsum board. This assembly will have a fire rating of 2 hours.

Bulkhead Wall

6" thick wall consisting of ¾" stucco, 1" airspace, 2" thermax rigid continuous insulation (R-10), 3" polyurethane spray foam insulation (4.1 per inch R-12.3) with 3" metal studs, 14 Ga at 24" O.C. and 5/8" Type X gypsum board. This assembly will have a fire rating of 3 hours.

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 with fiberglass, batt insulation with a minimum R value of 11. 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 building will be six stories or less 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 double hung type, as manufactured by Kleidco Aluminum Solutions, product line ICON 70. Glazing shall be set in aluminum cladded wood frames. The perimeter of window openings shall be fitted with a latex- based, caulking compound at interior and exterior surfaces. 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. This will be achieved by following the window manufacturer installation details.

A thermal break will be provided at window wall- openings to prevent "Thermal Bridging" as required by the 2016 NYCECC code. Windows come equipped with and will utilize a thermal break system (insulated thermal strips) which will further reduce temperature transfer.

The manufacturer provides guarantee of one year parts and hardware, and five years glazing.

Window sills shall be constructed of masonry. 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.

There will be no lot line windows.

The Sponsor reserves the right to provide windows by different manufacturers, which are equal to or better 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:

Parapets shall be constructed of load bearing masonry walls with horizontal, steel wire, truss reinforcement with a brick veneer finish at the exterior surfaces. Brick veneer shall be anchored to the load bearing masonry walls with approved type, galvanized steel ties. The parapet walls shall be capped with Aluminum coping which shall be anchored to the load bearing walls with non corrosive steel dowels.

(3) Chimney and caps:

There will be vertical, stainless steel, double walled flues, provided, for the direct ventilation of the mechanical room equipment, located within each residential unit. The flues shall terminate at the roof above the fifth floor level at a height of no less than three feet from finished roof level. The flues are classified as “medium” temperature and come equipped with aluminum spring loaded back draft dampers. Clean-outs and caps with galvanized mesh bird, weather, and debris protection will also be provided. The flues shall be as manufactured by Amerivent and shall have a B.S.A. approval number (294-56 SM).

The Sponsor reserves the right to provide flues by different manufacturers which are equal to or better than noted above.

(4) Balconies and terraces:

There will be cantilevered balconies located at the third floor through fifth floor of the building and a terrace located at the second and fifth floor level. Balconies will be constructed of concrete, reinforced with wire mesh and supported with steel beams and channels.

“Balconies must remain open as-built. If owner wants to install an enclosure and the condominium by-laws would allow it, the enclosure must be built via the proper approvals and in strict compliance with the requirements of the DOB or Local Authority Having Jurisdiction.”

(i) Deck finish:

Balcony decks will be finished with a non skid concrete finish. The deck finish of terraces shall be appropriate for daily foot traffic and use as a terrace as per section (h),7,(c) of this report.

All exterior metals, including fasteners, shall be corrosion resistant.

(ii) Drainage:

Balconies will be provided with perimeter edge drip grooves, floor drains will not be provided. Terraces will be proved with floor drains located at low point. Water runoff will be conveyed to the existing combined sewer fronting the property.

(iii) Balustrade:

There will be no balustrades.

(iv) Railings:

Balconies shall be protected at the perimeter with wrought iron guard rails with a minimum height of three feet, six inches (3’-6”) above the finished balcony level. The maximum spacing between vertical mullions of the railings shall be approximately four inches (4”) as required by the N.Y. City Building Code.

The railings will be fabricated with both vertical and not horizontal supports in a manner that does not cause a ladder effect.

Balcony guardrail will be vertical flat 3/8" thick x 1 1/2" wide metal with horizontal 1/2" round wrought iron bars every 4". Top hand railing will be 3/8" thick by 2" wide flat metal.

The wrought iron rails will be surface prepared, a rust inhibiting primer applied and then coated with a corrosion resistant finish. All exterior metals, including fasteners, shall be corrosion resistant.

(v) Copings:

The coping at the parapet walls of the terrace shall be aluminum, anchored to the load bearing masonry with non corrosive steel dowels.

(vi) Soffits:

The soffits of the balconies shall be finished with stucco.

(vii) Doors to balconies and terraces (type, material):

The doors to balconies and terraces shall be sliding glass doors as manufactured by Kleidco Aluminum Solutions. The doors shall be equipped with double paned, glass set in wood framing which shall be finished with a rigid, vinyl cladding.

Balcony and terrace doors come equipped with and will utilize a thermal break system (insulated thermal strips) which will further reduce temperature transfer. The thermal bridge will meet the requirement for sliding and swinging doors of 0.3 cfm per square foot of door area. 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.

(5) Exterior Entrances:

(i) Exterior doors and frames:

There will be One (1) common exterior entrance door located at the first floor level of the building along the Evergreen Avenue façade servicing the first floor. The front entrance shall provide access to the unit located at that level as well as provide access to the stairs and elevator leading to the units located at the upper floors and cellar via a common entry area. There will be One (1) exterior limited common element exterior entrance door along Evergreen Avenue providing direct access to the Unit CF1 Community space.

The exterior entrance door shall be a self closing, double glazed, glass doors set in extruded aluminum framing. A thermal break will be provided at doors to

prevent “Thermal Bridging”. Doors come equipped with and will utilize a thermal break system (insulated thermal strips) which will further reduce temperature transfer. The maximum rate for fenestration permitted to be 0.3 cfm per square foot of door area. This will be achieved by following the manufacturer installation details.

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 vestibule doors.

(iii) Exterior stairs:

There will be no exterior stairs.

(iv) Railings:

There will be no exterior railings.

(v) Mail boxes:

Mailboxes shall be a wall mounted, cluster box unit of aluminum construction located in the entranceway. The mailbox module will by AF Florence manufacturing company model 4C06D-05, Versatile 4C Mount Mailbox. The material of construction is extruded aluminum. This module meets 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 of the building. The lighting fixture at the main entrances to the units shall be capable of providing an aggregated illumination of 20 Watts LED or CFL energy efficient illumination (equivalent to one hundred and fifty (150) watts incandescent illumination). The fixtures at front facade shall be capable of providing an aggregate illumination of 9 Watts LED or CFL energy efficient illumination (equivalent to sixty (60) 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 a flat roof areas located above the first floor, fifth floor and bulkhead levels of the building. The roof terraces comply with NYC Department of Buildings (DOB) Buildings Bulletin 2018-002. The rooftop area will be allocated as a common space for the building.

(a) Material:

The flat roof areas shall be finished with a rubberoid type, built-up roofing membrane, as manufactured by Firestone, on rigid insulation and exterior grade gypsum wallboards supported by steel joist rafters. The assembly will have a minimum R value of 30.

(b) Insulation:

The spaces between the steel joist rafters shall be fitted with fiberglass, batt insulation with a minimum R value of 21.

(c) Surface finish:

The roof surfaces shall be finished with a rubberoid, built-up, roofing membrane as manufactured by Firestone, no pavers will be installed.
At terraces with anticipated daily foot traffic, synthetic turf or rubber pavers will be installed to protect the roofing membrane. The turf/rubber paver will be installed in accordance with manufacturer's recommendation and will be suitable to maintain the warranty of the roofing membrane.

Mechanical equipment located on the 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 equal to or better than noted above.

(d) Bond or guarantee:

No bond or guarantee other than a limited manufactures warranty on all construction materials and workmanship will be furnished. Said warranty shall be supplied by roof contractor and shall apply for 5 years from date of installation.

(e) Flashing materials including counter flashing:

The perimeter of the roof area at the masonry parapet wall or railing curb shall be fitted with aluminum 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.

(ii) Drains:

(a) There will be controlled flow, cast iron, roof drains connected to vertical, cast iron leaders located at the roof above the fifth floor. The roof drains and leaders will be connected to the building's storm drainage system.

Flow will be controlled within the drain assembly using a weir designed to provide flow rates directly proportional to the head using inverted parabolic notches. Drains will have metal screens to block debris that could cause clogging. See the approved drawings for exact locations of drains

(b) Vertical, aluminum leaders will drain the storm water runoff from the roof areas above the stair and elevator bulkhead. The runoff from the bulkhead roof area will then be transported to the roof drains at the roof above the fifth floor level.

(iii) Skylights:

There shall be no skylights at the property. The top of the stair bulkhead has a fixed window and louver to supply the required natural light and ventilation.

(iv) Bulkheads:

(a) Stair material;

The exterior walls of the stair bulkhead shall be of load bearing steel studs with exterior grade gypsum wallboards and wire lath and stucco exterior finish. The spaces between the steel studs and the furring channels at the masonry walls shall be fitted with fiberglass batt insulation. The interior surfaces shall be finished with gypsum wallboards.

The roof area shall be finished as described above.

(b) Elevator material;

The elevator bulkhead shall be of similar construction as the stair bulkhead described above.

(c) Other;

The roof access complies with FC Chapter 10.

(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 two vertical aluminum ladders providing access to the bulkhead roofs.

(c) Railings;

Railings as described in an earlier section will be provided at the front and rear elevations of the finished roof level.

(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:

There will be no rooftop facilities. There shall be 2 private roof terraces which shall be sold as separate tax lots, T1 208 SF & T2 208 SF. The total permissible occupancy at the roof shall be 5 people as shall be designated in the certificate of occupancy. To not exceed the max occupancy, all roof usage shall be coordinate through the condo board. Sponsor does not intend to provide furniture at the roof or any type of separation (fencing) between the common and private roof areas. Rooftop access is designed in compliance with 2014 NYC Fire Code, Section FC 504.4 (Rooftop Access).

(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 will be no yards or courts, the following section are not applicable.

(i) Paving:

(ii) Drainage:

(iii) Railing:

(iv) Stairs:

(v) Fencing:

(vi) Walls:

(10) Interior stairs:

(i) Number and type:

There will be one common interior switchback type exit stair, which will provide egress from the second through fifth floor levels as well as the cellar and roof areas, above the fifth floor.

There will also be one accessory use interior stair access between the cellar and first floor for Unit CF1 Community space.

The interior stairs comply with all applicable codes.

(ii) Enclosure:

The walls of the common, interior, stair enclosure shall be of masonry construction and steel studs with two layers of one hour rated gypsum wallboards on each side. Ceiling areas, below landings shall also be finished with gypsum wallboards which will be primed and painted.

(iii) Stair construction:

The common interior stair shall be of steel pan construction with concrete treads and steel pipe handrails.

The accessory stair construction including treads, risers, handrails and enclosures will be of wood fabrication.

(iv) Stringers:

The stringers at the common interior stairs shall be steel channel stringers.

Treads:

The treads at the common interior stairs shall be of poured concrete.

Risers:

The risers at the common interior stairs shall be of steel plate construction.

(v) 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.

(vi) 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 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 medium density fiberboard (MDF), 38mm 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 must be properly labeled.

(ii) Corridor doors and frames:

Corridor doors and frames will be hollow metal, steel covered, fireproof, self closing doors 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 with a satin nickel finish

(iv) Roof Doors, Utility Room Doors and frames:

The roof door to the common stair and doors at the cellar 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 Hollister-Whitney with a 3,500 pound capacity (23 passenger maximum) and maximum speed of 200 FPM. The elevator and associated components will be installed by Consolidated Elevator of Long Island City.

(iii) Type of Operation;

The elevator will be an overhead gearless traction type.

(iv) Automatic (Type of controls);

A micro-processor based controller in conjunction with a floor encoder will be installed. The controller will be engineered and manufactured for selective collective operation.

(v) Floors served

The cellar through fifth floor and roof will be served by the elevator.

Key card access will provided for elevator car call button security. There will be limited access to each floor.

(vi) Type (hydraulic, gearless)

The elevator will be an overhead gearless traction type.

(vii) , swinging, manual, automatic);

A single leaf automatic sliding door will be utilized.

(viii) Location of machine rooms;

A machine room will provided at the roof level at the top of the shaft.

(ix) DC motor (manufacturer);

Energy-efficient, gearless traction type motor will be provided.

(x) AC motor generator set (manufacturer);

Not applicable.

(xi) Other;

None

(13) Elevator cabs:

(i) Kind (manufacturer);

The elevator cab and finished will be installed by Consolidated Elevator of Long Island City.

(ii) Floor (Material);

Plastic laminate.

(iii) Walls (Material);

#4 Stainless Steel

(iv) Ceiling (Material);

#4 Stainless Steel with Polygal translucent panel.

(v) Lighting;

LED with emergency lighting provided.

(vi) Alarm, Safety system;

Cab interior complies with the latest edition of ASME A17.1/CSA B44 including smoke and flame rating class B. Alarm shall be Miconic NX Control or equal.

(i) **AUXILIARY FACILITIES**

(1) Laundry rooms:

(i) Location and number of rooms;

There will be a common laundry room in the cellar with hookups for 2 sets of stackable washers & dryers. The actual laundry equipment will be the responsibility of the condo association once formed. Laundry equipment to be installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A. approved if necessary.

(ii) Clothes washers;

There will be no clothes washer provided by the Sponsor. The laundry area can accommodate 2 washing machines up to 27".

(iii) Clothes dryers;

There will be no dryers provided by the Sponsor. The laundry area can accommodate 2 vented electrical dryers up to 27".

(iv) Room ventilation;

There will be no mechanical exhaust ventilation provided for the laundry closets.

(v) Dryer ventilation;

There will be a vertical, steel exhaust vent duct provided for hookup for the dryers in the common laundry room. Each exhaust vent will terminate at the roof above the fifth floor.

(2) Refuse disposal:

(i) Incinerators;

There will be no incinerators in the building.

(ii) Compactors;

There will be no trash compactor.

(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;

In accordance with New York Building Code Section BC 1213 refuse and recyclable storage. Multiple dwellings shall comply with Section 81 of the New York State Multiple Dwelling Law and Section 27 - 202 1 of the New York City Housing Maintenance Code which requires that space shall be provided for the storage of refuse and recyclables as a common accessory space.

As per code, a minimum of 13.5 square foot space (1.5sf x 9 dwellings) configured to permit separate, unobstructed access by building personnel/tenants to stored refuse and recyclables will be provided in the cellar. Refuse disposal will be the responsibility of each individual unit's occupant.

Garbage placed at curbside on the day or night prior to collection. The New York City Sanitation Department will then collect the garbage on days designated for garbage removal.

(v) Pick-up Schedule;

The schedule for garbage removal at the location is available on the N.Y. City Department of Sanitation website.

(3) Storage:

(i) Location and number of rooms;

There will be 5 Unit Storage rooms provided in the cellar as designated in the floor plans. Said storages shall be sold as separate tax lots and are part of the offering plan. The framing shall be consistent with the building's metal studs and the walls shall be finished with unpainted gypsum boards. Lockable doors shall be provided.

(4) Other storage:

There shall be no package room, mail room or bicycle room. Said facilities are not required for a building of this size.

(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 2" ductile iron water main conveying the water into the building as per DEP standards. The main shut off valve shall be located in the sprinkler room at the cellar 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 rely on normal New York City water pressure for raising the water to the fifth floor level.

(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"x3" siamese connection and water motor gong located adjacent to the entrance at the first floor level.

A separate sprinkler application shall be filed with and approved by the New York City Department of Buildings by a New York State licensed Engineer. 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 Victaulic model# V3806, with a ½" thread & orifice, 5.6 K-Factor, 135 Degree F., 1" adjustable, with UL Certification # EX5170.

(ii) Siamese connection (type, location);

There will be a 3"x3"x3" NYC Fire Department approved Siamese 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 relies on normal New York City water pressure for raising water to the bulkhead level so that no tanks or pumps are required. The water pressure at the site is approximately 50 psi.

(5) Sanitary sewage system:

(i) Sewage piping (material);

Sewage piping material shall be of extra heavy cast iron.

(ii) Sewage pump:

There will be a sewage pump located on the first floor. The pump will be Little Giant Model 9S-SMPX. This pump is capable of 4/10 Horsepower, 80 GPM at 5-Feet head, 115 V, 60 Hz. The manufacturer offers a Limited Warranty for a period of 12 months from the date of original purchase.

(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 fronting Evergreen Avenue 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 15” combined sewer located in the roadway beneath Evergreen Avenue.

(6) Permit(s) required:

A plumbing permit number 320911055-01-PL was issued on 02/26/2018, 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 6" extra heavy cast iron, horizontal drain located towards the front of the building. The horizontal drain will lead to the existing 15" combined sewer, located in the roadway beneath Evergreen Avenue. The horizontal drainpipes, throughout the site shall be of extra heavy cast iron.

The storm drainage system has been approved by the N.Y. City Department of Environmental Protection, prior to approval of the building plans by the N.Y. City Department of Buildings.

(i) Catch basins;

Catch basins are located in the public roadway along Evergreen Avenue 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 fifth floor and at building terraces. There will be no yard drains.

(iii) Piping;

Vertical drain piping at exterior roof areas shall be of aluminum. Interior vertical drain pipes shall be of cast iron.

(iv) Ejector or sump pumps;

There will be no ejector or sump pumps in the building.

(k) **HEATING AND HOT WATER**

HOT WATER

(1) Distribution of Domestic Hot water Capability: Domestic hot water will be provided for each unit by an electric water heater p located in a shared mechanical closet located in the hallway on each floor. 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:

None

(3) Manufacturer (model, capacity):

The wall mounted hot water heaters for each unit shall be ECLB-40 manufactured by AO Smith. Each unit has an input rating of approximately 4000 watts per hour and an efficiency rating of 0.93 UEF, which will be adequate to provide hot water for each unit.

The units come with a six year manufactures 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.:

None.

(7) Fuel (supply system):

The hot water heaters will be electric powered.

(8) Location of oil tank:

None.

(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 wall mounted split H.V.A.C. system. 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 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).

(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 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.

(l) GAS SUPPLY

(1) Type:
There shall be no gas supply.

(2) Meters:
There shall be no gas meters.

(3) Piping:
There shall be no gas piping.

(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 ductless mini-split H.V.A.C. systems with wall mounted ductless handlers.

(2) Central System (manufacturer, model, capacity):
There will be no central system

(3) Cooling towers or Condensers (number, location, description):
There will be one condenser for each residential unit for a total of nine condenser units.

Each residential unit will be provided with a Mitsubishi MXZ-2820NA-1 series outdoor condenser for use in multi-zone mini split applications for heating and cooling. The condenser supports two (2) indoor units, allowing for a customized zoned heating and cooling. Each unit has an 18,000 BTU cooling capacity and a 22,400 BTU heating capacity.

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. All rooftop piping shall be insulated using a minimum 1” 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):
Cooling of each unit shall be achieved by the wall mounted ductless mini-split air handler units. There will be one wall mounted air handler unit provided on an interior wall of each bedroom and living room area throughout the units.

A Mitsubishi MSZ-GE06NA-8 6,000 BTU, Ductless Mini Split Wall Mount Indoor Unit

will be provided in smaller rooms (18 total). This system has a 16.5 SEER rating. For larger rooms, a Mitsubishi MSZ-GE12NA-8 12,000 BTU Ductless Mini Split Wall Mount Indoor Unit will be provided in larger rooms (9 total). This system has a 20.5 SEER rating.

Both inverter-driven wall-mounted ductless indoor units are ideal for conditioning residential rooms/spaces such including bedrooms, living/dining rooms, kitchens, etc. The system is Energy Star rated when matched with the provided Mitsubishi Outdoor Condensers.

The system is environmentally friendly using R410A refrigerant with zero Ozone Depletion Potential (ODP), 83% recyclable components, and washable filters made from natural materials. The wall units have a wide discharge vane and swing mode feature providing up to 150° horizontal air flow coverage with auto fan speed feature plus five speed settings available (Quiet, Low, Medium, High, Super High)

(5) Controls:

The units will be controlled by the remote control provided with the split system by the manufacturer. Basic controls are also provided directly on the unit. The owner's manual will detail how to use all provided controls. Owner manual will be provided by sponsor and can be found on line at manufactures web site.

(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%.

(n) **VENTILATION**

The spaces that require mechanical ventilation within the units are the interior bathrooms, 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. There will be vertical, stainless steel, double walled flues, provided, for the direct ventilation of the mechanical room equipment. The flues shall terminate at the roof at a height of no less than three feet from finished roof level.

The minimum rate of exhaust ventilation shall be 50 cfm for bathrooms and 150 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 is adequate to meet all code requirements.

There is no cooking; living or sleeping permitted in the cellar area thus ventilation requirements do not apply as per New York City Building Code.

Ventilation for mechanical rooms, utility rooms and equipment rooms will be provided as required.

(o) **ELECTRICAL SYSTEM**

(1) Service from main service switchgear:

The electrical service to the building will be brought in from the terminal point of the Con Edison Company. The service supplied to the building, shall be a 300 Amp, 120 / 208 Volt, single phase, three wire, service.

The electrical service will be transported throughout the building via, new, insulated, three wire cables

There will be no backup generator for cases of electrical outages.

(2) Service to individual units:

There will be separate meters for each residential unit. Each unit will be supplied with 100 Amps of electrical service. Electrical wire sizes listed below:

Risers: 4/3

Interior Apt.: 12/2 + 12/3

AC systems: 10/3 + 8/3

(3) Compartment switchgear:

The sectional meter boards and transformers supplying power to the meter boards will be located in an electrical meter room at the cellar floor level.

(4) Unit service:

Each residential unit will be equipped with 100 Amp fuses and circuit breakers.

The electrical system will be adequate to handle modern usage and appliances such as air conditioners, dishwashers and electric dryers. AFCI & GFCI shall be provided.

(5) Adequacy:

(i) Service;

There will be approximately six circuits with circuit breakers provided for each unit. The circuits will have the capacity to handle modern appliances such as air conditioners, dishwashers and electric dryers. Water resistant receptacles for exterior use are provided.

(ii) Lighting and fixtures;

There shall be at least one centrally located, overhead, incandescent, lighting fixture, provided in each bedroom, living room, kitchenette and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing an aggregated illumination of 9 Watts LED or CFL energy efficient illumination (equivalent to one hundred and 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. All rooms will be provided with a minimum of 2 to 3 outlets as indicated on the approved drawings. 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) INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV

Each unit will be equipped with an intercom at the entrance, which will permit voice contact between the inside of the unit and the exterior. The intercom shall be Aiphone GT1C system with a 1 year manufacturer's warranty.

There will be no CCTV security system.

(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 2 Watts LED or CFL energy efficient illumination (equivalent to one hundred and fifty (10) 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 9 Watts LED or CFL energy efficient illumination (equivalent to one hundred and fifty (60) watts incandescent illumination). In addition, lighting fixtures shall be provided at the front entrances, providing an aggregate illumination of an aggregated illumination of 20 Watts LED or CFL energy efficient illumination (equivalent to one hundred and fifty (150) watts incandescent illumination). There shall also be provided at the front façade at least one light with an aggregated illumination of 9 Watts LED or CFL energy efficient illumination (equivalent to one

hundred and fifty (60) watts incandescent illumination).

Public area lighting will be Minka-Lavery model 348-37B Signature 1 Light Sconce in Dark Restoration Bronze

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 no garages or parking areas in or at the exterior of the building. The following sections will not be applicable to this Report:

(1) Location of garages
(2) Location of parking areas;
(3) Surfaces;
(4) Parking (attended or unattended);
(5) Garage ventilation (method and equipment);
(6) Garage fire protection (method and equipment);
(7) Drainage;

(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 or at the exterior of the building. The following sections will not be applicable to this Report:

(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;

(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 have been obtained by the Sponsor:

Number	Issued	Description	Status
320911055-01-NB	01/18/2019	Construction of New Building	Active
320911055-01-FO-EA	01/18/2019	Foundation/Earthwork	Complete
320911055-01-PL	08/26/2019	Plumbing	Active
B00091008-I1-FN	8/12/2019	Fence	Active
321848168-01-EW FA	10/18/2018	Fire Alarm	Active
340634647-01-AL	07/11/2018	Builders Pavement Plan	Active

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:

INSPECTION	CREDENTIALS	FREQUENCY
RPZ Inspection	Licensed Plumber	Annual
Sprinkler Inspection	S12 Certification	Monthly
Fire Alarm	Certified Contractor	Annual
Elevator Cat-1 Safety	Certified Inspector	Annual
Elevator Cat-5 Load Test	Certified Contractor	Every 5 Years

(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.

There is one open DOB-ECB violation issued towards the general contractor – violation 35418632Y. Said violation was issued for notifying the DOB through the online notification system regarding minor injury on site. The DOB CSU (construction safety unit) was notified immediately of the incident, inspected the site immediately after and did not issue at the time any safety violations. Correction of the violation will be made by submitting the online notification and is expected to be completed in the month of November.

Any violations issued towards sponsor shall be cured prior to closing. If not, sponsor may provide indemnification to any purchaser towards the violation.

(w) UNIT INFORMATION

The building will have a total of eight (8) residential units and one (1) Unit designated as community space. The community space unit will be located at the cellar and first floor, the residential units will be located on the second through fifth floors. Part of the cellar will be used in conjunction with the first floor level.

Unit CF1 will consist of:

Community space, accessory space and two (2) half bathrooms;

Units 2F, 2R, 3F, 3R, 4F, 4R, 5F & 5R will each consist of:

One (1) bedroom, one (1) bathroom, living / dining room, and kitchenette.

UNIT SIZES:

The dimensions indicated are approximate and are located horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to the non-unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Floor to ceiling height in residential units will be 9'0".

Dimensions shall be to the centerline when a partition divides two units.

The approximate square footages for each unit are as follows:

Unit CF1	Cellar First Floor	= 1,682.0 sq.ft. = 2,420.0 sq.ft. 4,102.0 sq.ft.
Unit 2F	Second Floor	= 735.0 sq.ft.
Unit 2R	Second Floor	= 703.0 sq.ft.
Unit 3F	Third Floor	= 744.0 sq.ft.

Unit 3R	Third Floor	=	703.0 sq.ft.
Unit 4F	Fourth Floor	=	744.0 sq.ft.
Unit 4R	Fourth Floor	=	703.0 sq.ft.
Unit 5F	Fifth Floor	=	556.0 sq.ft.
Unit 5R	Fifth Floor	=	475.0 sq.ft.

(1) Unit Finishes;

The units will be finished as described herein.

The finished floor of the living/ dining and bedroom areas of the residential units shall be a hardwood finished floor of ¾“ thick x 2 ¼” wide select grade, hardwood, oak strips on ¾“ plywood subflooring. The Sponsor reserves the right to provide hardwood flooring of a different species or grade which is equal to or better 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. 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	G.W.B. Painted	G.W.B. Painted
2.	Bedroom	Wood	Wood	G.W.B. Painted	G.W.B. Painted
3.	Kitchen	Wood	Wood	G.W.B. Painted	G.W.B. Painted
4.	Bathroom	Ceramic Tile	Concrete	Tile/G.W.B. Painted	G.W.B. Painted

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 Glacier Bay, model N2428RT or equal.

(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 K2916 as manufactured by Kohler, with Grohe Concetto series faucet and trim or equal.

(iii) Bathtubs:

Shall be of enameled exterior, with flow outlet, and shower head and trim.

Bathtubs shall be American Standard model number 2390.202.020 or equal.

(3) Kitchen Equipment Schedule

The kitchen areas will generally be provided with the following fixtures, appliances and equipment:

(i) Countertops:

a. Formica or wood laminate, wall and base cabinets and granite countertops.
b. One, model number 400 sink as manufactured by Crane, with faucets by delta or equal.

(ii) Appliances:

a. One, 30" four burner electric range, model number FFGF 3011LW as manufactured by Frigidaire or equal.
b. One 30" refrigerator, model number FFHT 1513LW as manufactured by Frigidaire or equal.
c. One 24" dishwasher, model number FDB 1100RHS as manufactured by Frigidaire or equal.

Note:

Additional kitchen appliances and fixtures including additional electric 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 Room	Concrete	Concrete	Mas./ G.W.B.	G.W.B. Painted
2.	Storage Room	Concrete	Concrete	Mas./G.W.B.	G.W.B. Painted
3.	Refuse Room	Concrete	Concrete	Mas./G.W.B.	G.W.B. Painted
4.	Mechanical Room	Concrete	Concrete	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. Two dedicated phone lines will be installed to provide connectivity to the fire station in accordance with N.Y City Building Code.

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 following documents shall be transmitted to the condo management upon transfer of control, as applicable:

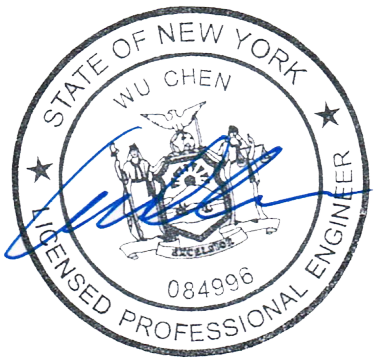
- Final as-built drawings

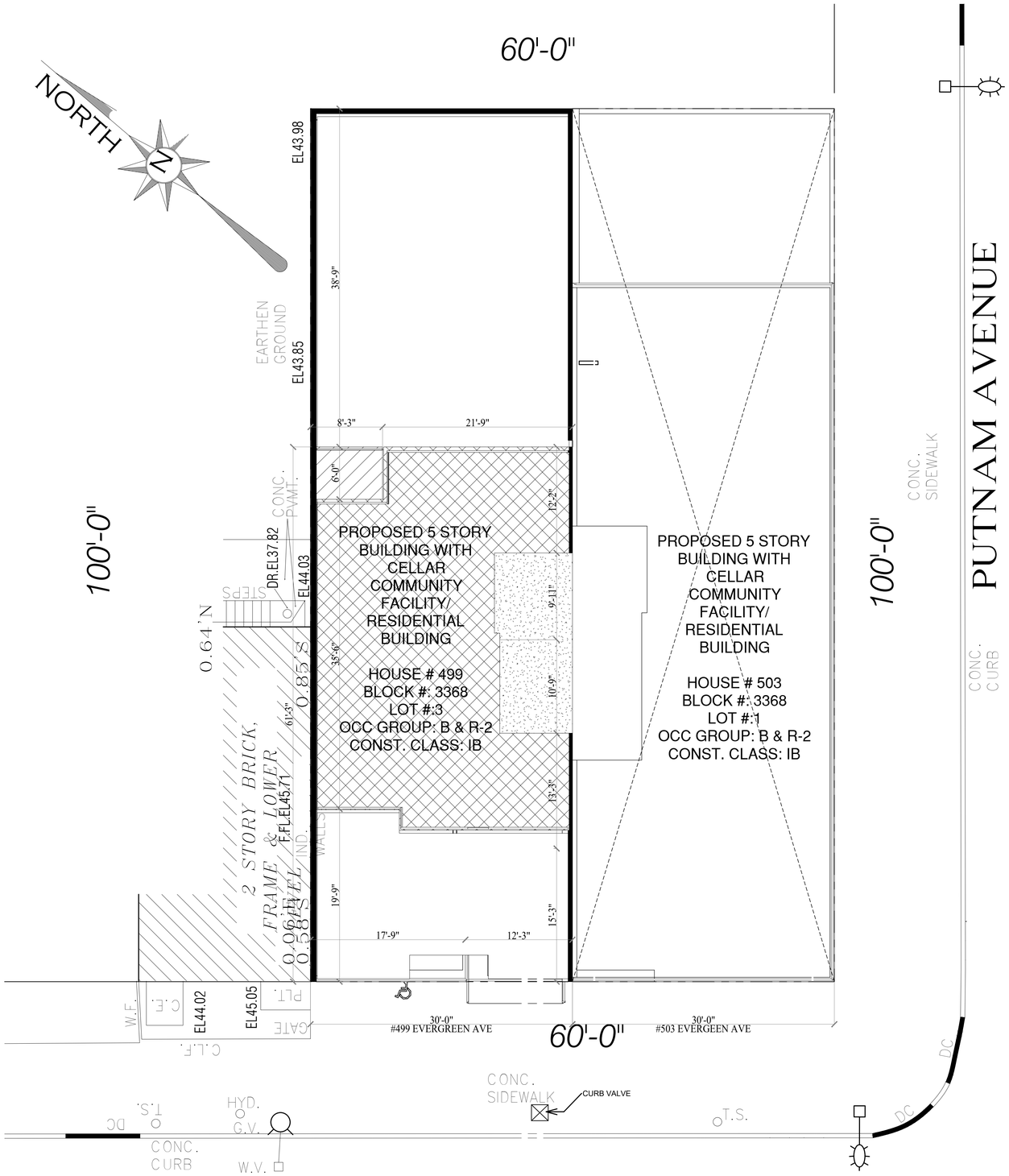
(aa) FURTHER DEVELOPMENT

The Sponsor does not intend to add additional units to 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.

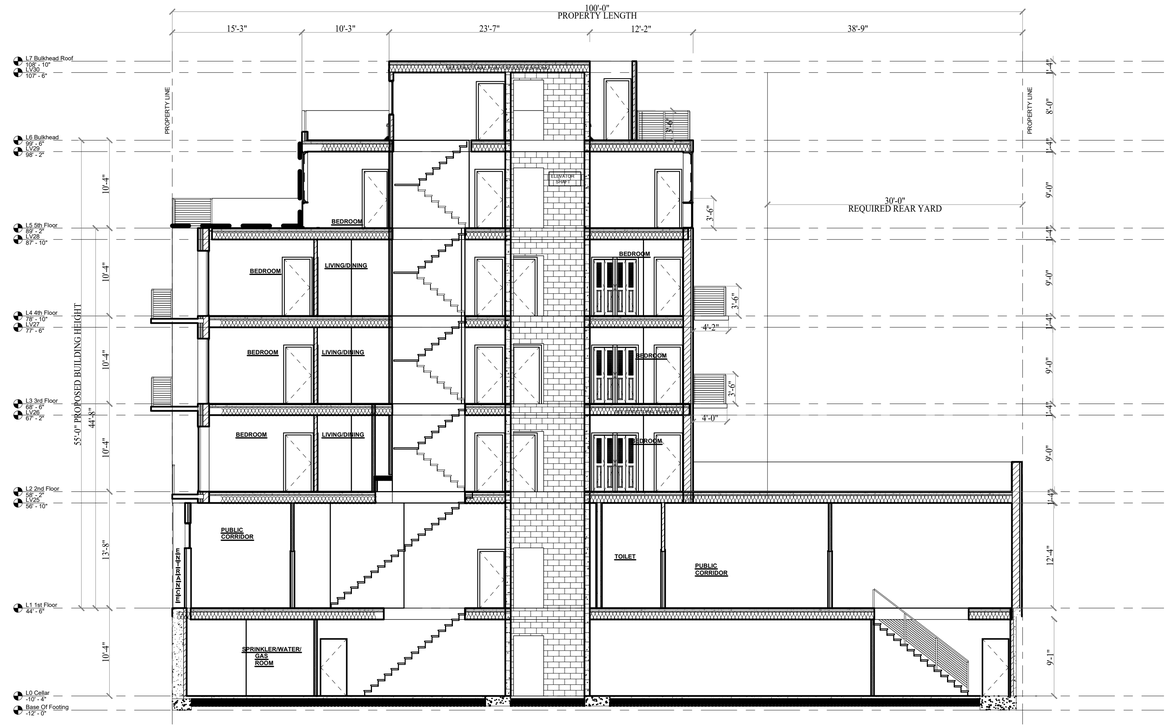




EVERGREEN AVENUE

PLOT PLAN

SCALE: 0 5 10 20



SECTION PLAN

SCALE: 0 5 10 20

CONDOMINIUM PLAN CERTIFICATION

THE TAX MAP UNIT CITY OF NEW YORK CERTIFIES THAT

(A) THE ANNEXED FLOOR PLANS CONSISTING OF 10 PAGES COVERING CELLAR, 5 FLOORS, AND BULKHEAD KNOWN AS;

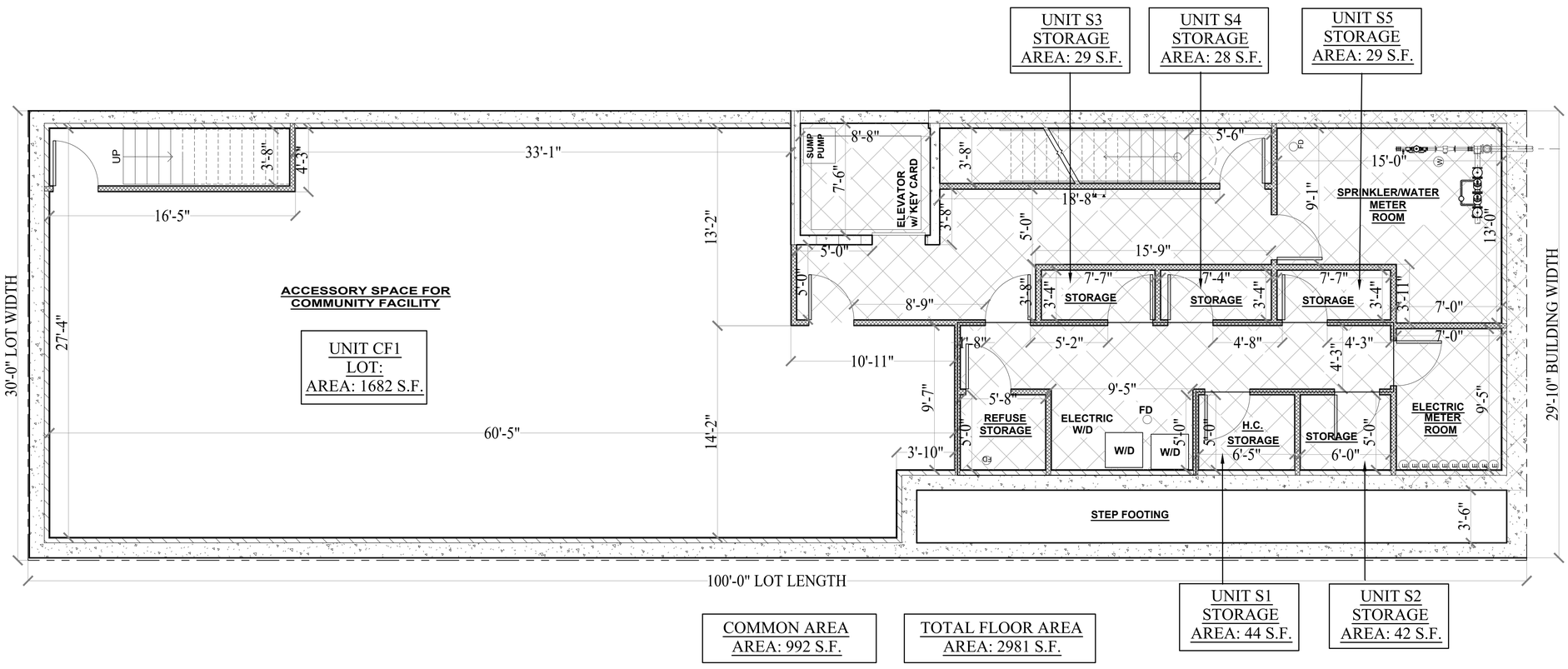
499 EVERGREEN AVENUE CONDOMINIUM

499 EVERGREEN AVENUE, BROOKLYN, NY 11221

(B) THE UNIT DESIGNATIONS AND THE TAX LOT FOR THE SEPARATE UNITS SHOWN THEREON CONFORM TO THE OFFICIAL TAX LOT NUMBERS SHOWN ON THE TAX MAP OF THE CITY OF NEW YORK, BOROUGH OF BROOKLYN

DATE_____ _____

CARTOGRAPHER
TAX MAP UNIT



CELLAR FLOOR PLAN

SCALE:

0 5 10 20

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS

INFOCUS

● ARCHITECTURAL & ENGINEERING SERVICE COMPANY

86-16 QUEENS BLVD SUITE # 205
ELMHURST, NY 11373

TEL: (718) 233-2968 WWW.INFOCUSPC.COM
FAX: (718) 429-8805 INFO@INFOCUSPC.COM

STATEMENT OF DIMENSIONS

THE APPROXIMATE PHYSICAL DIMENSIONS OF EACH RESIDENTIAL UNIT CONSISTS OF THE AREA ENCLOSED HORIZONTALLY FROM THE OUT SIDE 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 AS HEREAFTER DEFINED, OR THE UNIT SIDE OF THE OPPOSITE EXTERIOR WALLS' VERTICALLY, EACH UNIT CONSISTS OF THE SPACE BETWEEN THE UPPER FACE OF THE SUBFLOOR AND THE UPPER FACE OF THE DRY WALL CEILING.

DECLARANT:
NAME: 499 EVERGREEN AVENUE LLC
ADDRESS:499 EVERGREEN AVENUE
BROOKLYN, NY 11221

ENGINEERS CERTIFICATION

STATE OF NEW YORK COUNTY OF KINGS

THIS IS TO CERTIFY THAT THIS IS AN ACCURATE COPY OF PORTIONS OF THE PLAN OF THE BUILDING AS FILED WITH AND APPROVED BY THE DEPARTMENT OF BUILDINGS CITY OF NEW YORK, AND FULLY AND FAIRLY DEPICTS THE LAYOUT, LOCATION, UNIT, DESIGNATION AND APPROXIMATE DIMENSIONS OF THE UNIT AS BUILT

PROJECT LOCATION:
499 EVERGREEN AVENUE
BROOKLYN, NY 11221

BLOCK: 3368 LOT: 3

PROJECT NAME/DESCRIPTION:
PROPOSED 5-STORY BUILDING,
8 FAMILY RESIDENCE WITH CELLAR.

TAX LOT CERTIFICATION:
THE UNIT DESIGNATIONS AND THE TAX LOT NUMBERS SHOWN HEREON CONFORM TO THE OFFICIAL TAX LOT NUMBERS SHOWN ON THE TAX MAP OF THE CITY OF NEW YORK, BOROUGH OF BROOKLYN

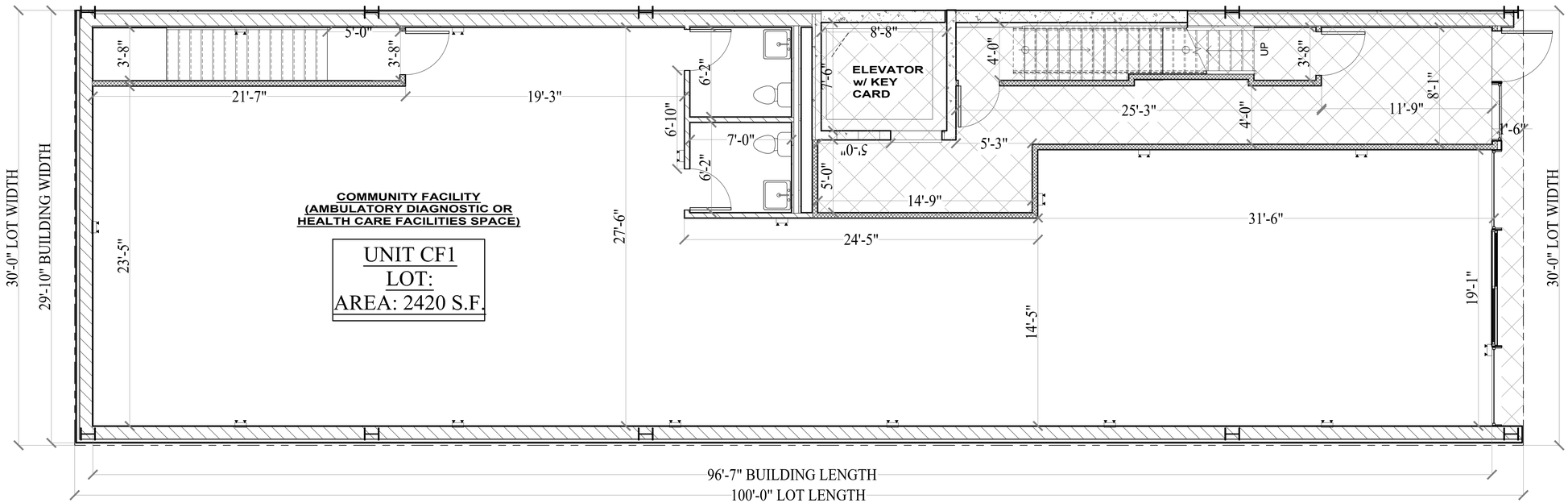
DATED_____

CARTOGRAPHER_____

_____
WU CHEN, P.E.

SEAL AND SIGNATURE:

SWORN BEFORE ME THIS
_____DAY OF _____20_____



COMMON AREA
AREA: 560 S.F.

TOTAL FLOOR AREA
AREA: 2931 S.F.

FIRST FLOOR PLAN

SCALE:

0 5 10 20

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS

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DECLARANT:
NAME: 499 EVERGREEN AVENUE LLC
ADDRESS:499 EVERGREEN AVENUE
BROOKLYN, NY 11221

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PROJECT LOCATION:
499 EVERGREEN AVENUE
BROOKLYN, NY 11221

BLOCK: 3368 LOT: 3

PROJECT NAME/DESCRIPTION:
PROPOSED 5-STORY BUILDING,
8 FAMILY RESIDENCE WITH CELLAR.

TAX LOT CERTIFICATION:
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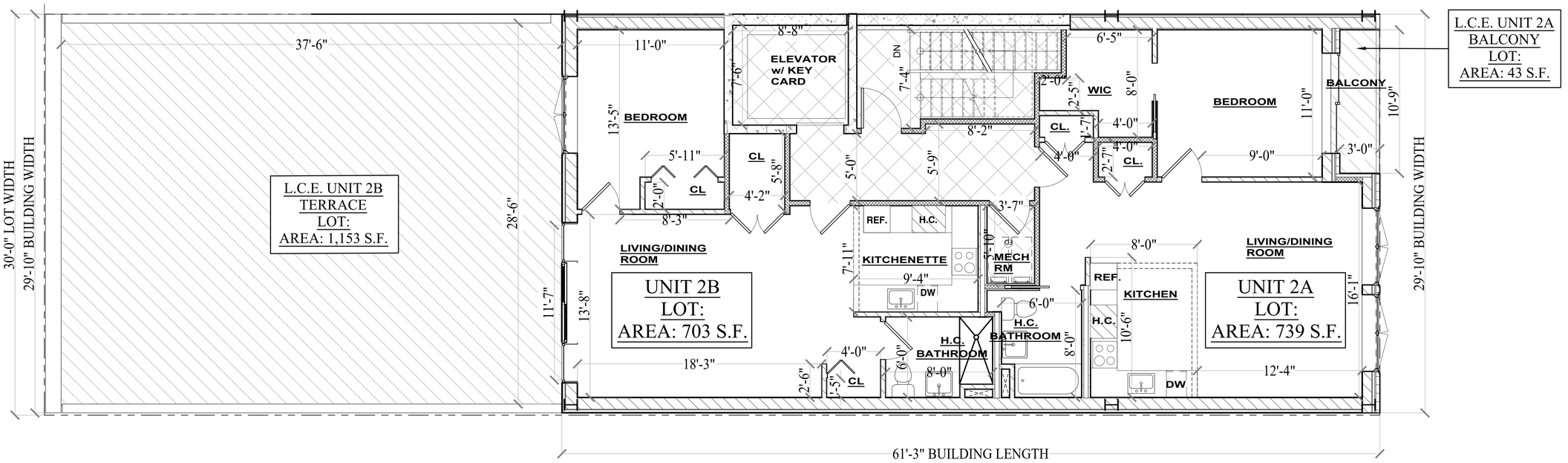
DATED_____

CARTOGRAPHER_____

_____
WU CHEN, P.E.

SEAL AND SIGNATURE:

SWORN BEFORE ME THIS
_____DAY OF _____20_____



COMMON AREA
AREA: 338 S.F.

TOTAL FLOOR AREA
AREA: 1827 S.F.

SECOND FLOOR PLAN

SCALE:

0 5 10 20

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS

INFOCUS
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DECLARANT:
NAME: 499 EVERGREEN AVENUE LLC
ADDRESS:499 EVERGREEN AVENUE
BROOKLYN, NY 11221

ENGINEERS CERTIFICATION

STATE OF NEW YORK COUNTY OF KINGS

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PROJECT LOCATION:
499 EVERGREEN AVENUE
BROOKLYN, NY 11221

BLOCK: 3368 LOT: 3

PROJECT NAME/DESCRIPTION:
PROPOSED 5-STORY BUILDING,
8 FAMILY RESIDENCE WITH CELLAR.

TAX LOT CERTIFICATION:
THE UNIT DESIGNATIONS AND THE TAX LOT NUMBERS SHOWN HEREON CONFORM TO THE OFFICIAL TAX LOT NUMBERS SHOWN ON THE TAX MAP OF THE CITY OF NEW YORK, BOROUGH OF BROOKLYN

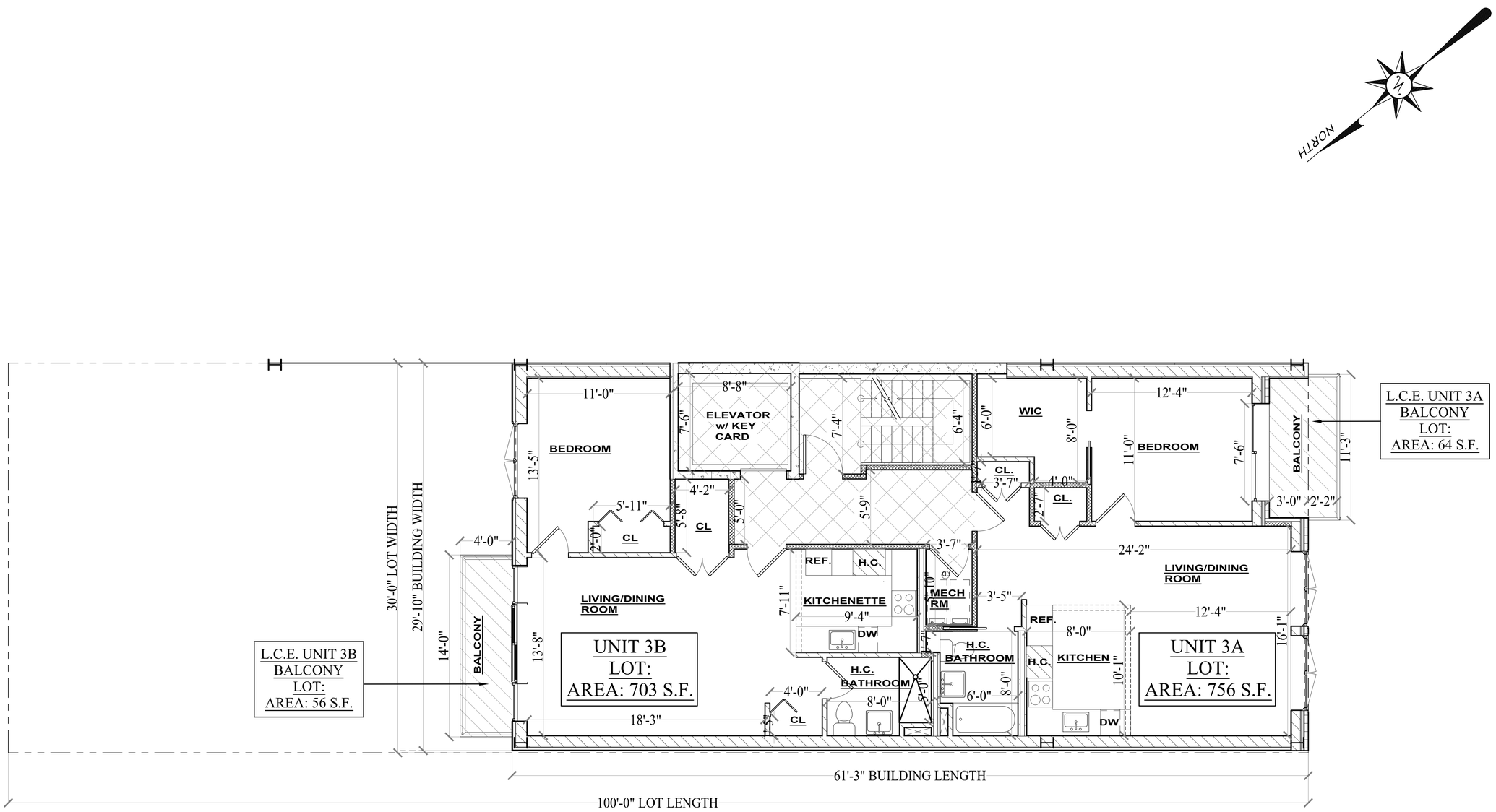
DATED_____

CARTOGRAPHER_____

_____
WU CHEN, P.E.

SEAL AND SIGNATURE:

SWORN BEFORE ME THIS
_____DAY OF _____20_____



COMMON AREA AREA: 328 S.F.	TOTAL FLOOR AREA AREA: 1827 S.F.

THIRD FLOOR PLAN

SCALE:

0 5 10 20

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS

INFOCUS
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PROJECT LOCATION:
499 EVERGREEN AVENUE
BROOKLYN, NY 11221

BLOCK: 3368 LOT: 3

PROJECT NAME/DESCRIPTION:
PROPOSED 5-STORY BUILDING,
8 FAMILY RESIDENCE WITH CELLAR.

TAX LOT CERTIFICATION:
THE UNIT DESIGNATIONS AND THE TAX LOT NUMBERS SHOWN HEREON CONFORM TO THE OFFICIAL TAX LOT NUMBERS SHOWN ON THE TAX MAP OF THE CITY OF NEW YORK, BOROUGH OF BROOKLYN

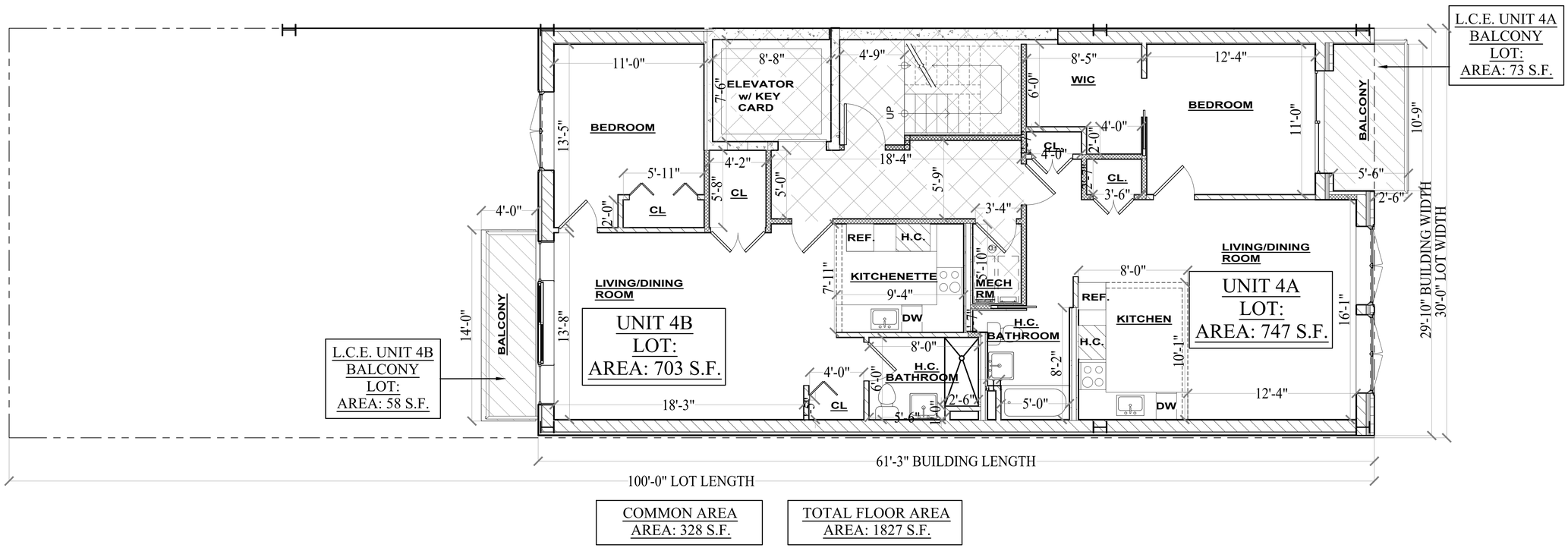
DATED_____

CARTOGRAPHER_____

_____
WU CHEN, P.E.

SEAL AND SIGNATURE:

SWORN BEFORE ME THIS
_____DAY OF _____20_____



FOURTH FLOOR PLAN

SCALE:

0 5 10 20

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS

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DECLARANT:
NAME: 499 EVERGREEN AVENUE LLC
ADDRESS:499 EVERGREEN AVENUE
BROOKLYN, NY 11221

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PROJECT LOCATION:
499 EVERGREEN AVENUE
BROOKLYN, NY 11221

BLOCK: 3368 LOT: 3

PROJECT NAME/DESCRIPTION:
PROPOSED 5-STORY BUILDING,
8 FAMILY RESIDENCE WITH CELLAR.

TAX LOT CERTIFICATION:
THE UNIT DESIGNATIONS AND THE TAX LOT NUMBERS SHOWN HEREON CONFORM TO THE OFFICIAL TAX LOT NUMBERS SHOWN ON THE TAX MAP OF THE CITY OF NEW YORK, BOROUGH OF BROOKLYN

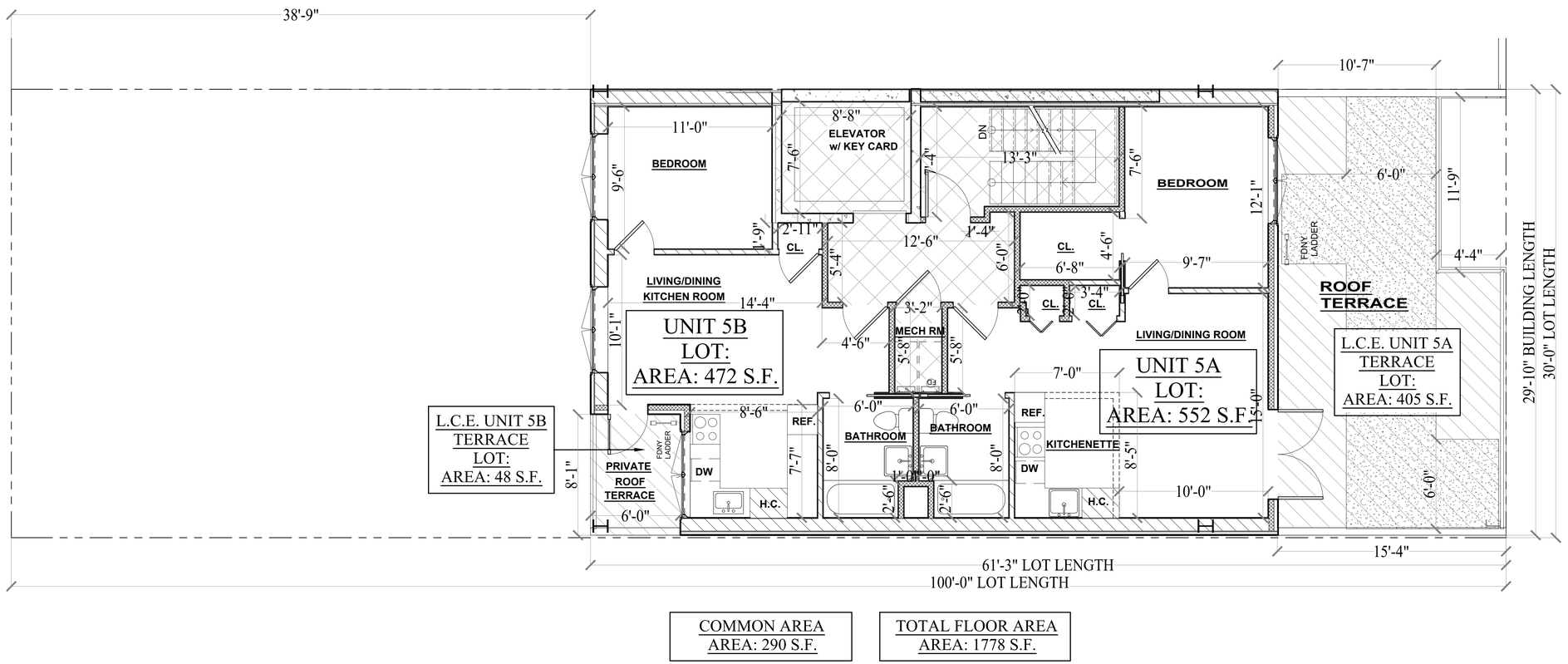
DATED_____

CARTOGRAPHER_____

_____
WU CHEN, P.E.

SEAL AND SIGNATURE:

SWORN BEFORE ME THIS
_____DAY OF _____20_____



COMMON AREA
AREA: 290 S.F.

TOTAL FLOOR AREA
AREA: 1778 S.F.

FIFTH FLOOR PLAN

SCALE:

0 5 10 20

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS

INFOCUS
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86-16 QUEENS BLVD SUITE # 205
ELMHURST, NY 11373
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DECLARANT:
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PROJECT LOCATION:
499 EVERGREEN AVENUE
BROOKLYN, NY 11221

BLOCK: 3368 LOT: 3

PROJECT NAME/DESCRIPTION:
PROPOSED 5-STORY BUILDING,
8 FAMILY RESIDENCE WITH CELLAR.

TAX LOT CERTIFICATION:
THE UNIT DESIGNATIONS AND THE TAX LOT NUMBERS SHOWN HEREON CONFORM TO THE OFFICIAL TAX LOT NUMBERS SHOWN ON THE TAX MAP OF THE CITY OF NEW YORK, BOROUGH OF BROOKLYN

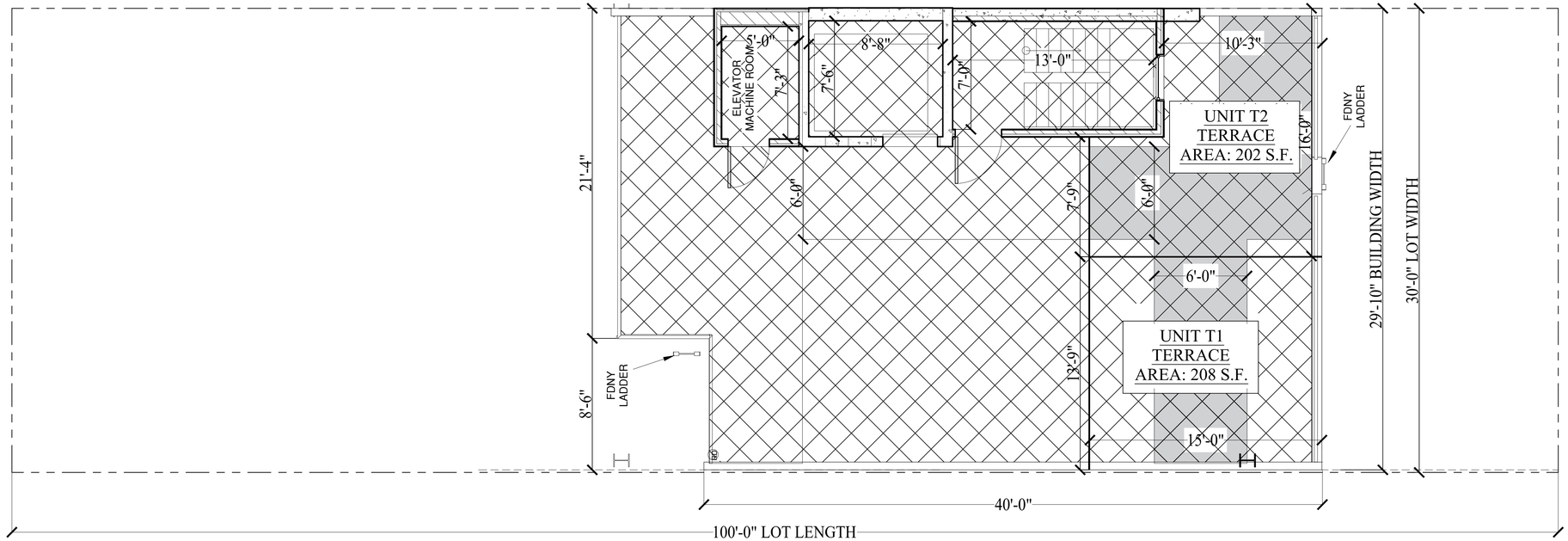
DATED_____

CARTOGRAPHER_____

_____
WU CHEN, P.E.

SEAL AND SIGNATURE:

SWORN BEFORE ME THIS
_____DAY OF _____20_____



COMMON AREA AREA:1310 S.F.	TOTAL FLOOR AREA AREA: 1310 S.F.

BULKHEAD PLAN

SCALE:

0 5 10 20

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS

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PROJECT LOCATION:
499 EVERGREEN AVENUE
BROOKLYN, NY 11221

BLOCK: 3368 LOT: 3

PROJECT NAME/DESCRIPTION:
PROPOSED 5-STORY BUILDING,
8 FAMILY RESIDENCE WITH CELLAR.

TAX LOT CERTIFICATION:
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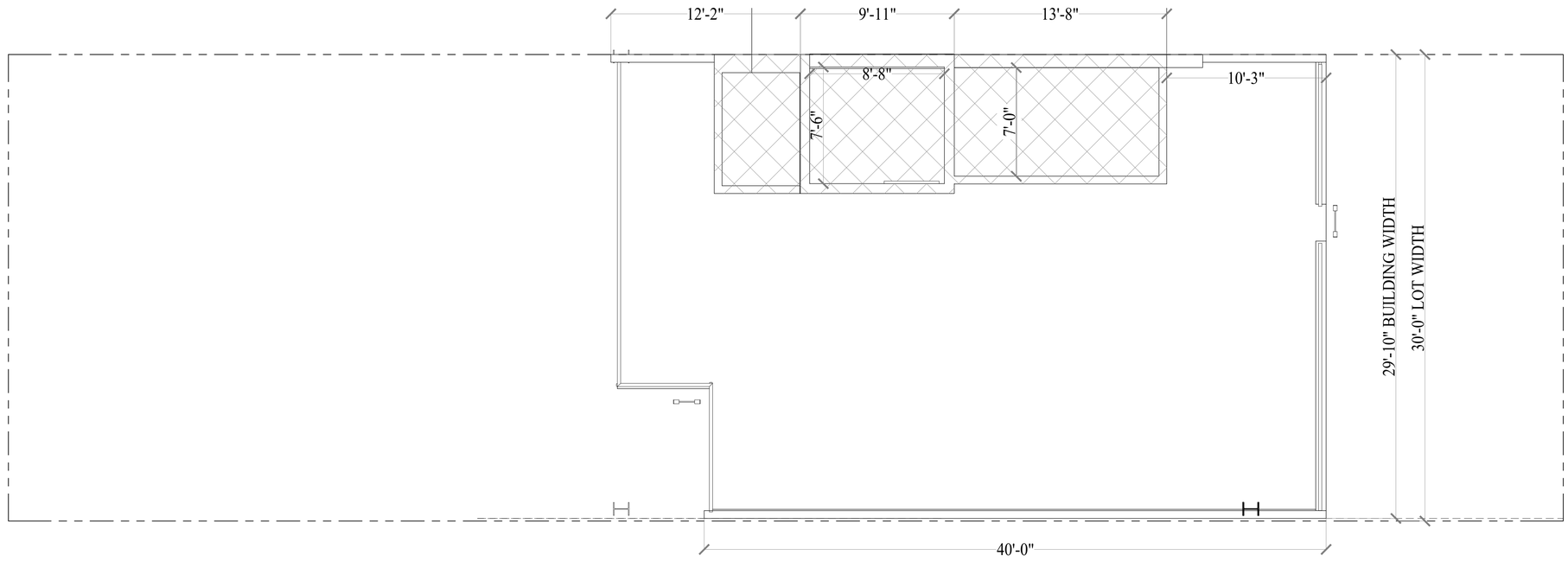
DATED_____

CARTOGRAPHER_____

_____
WU CHEN, P.E.

SEAL AND SIGNATURE:

SWORN BEFORE ME THIS
_____DAY OF _____20_____



COMMON AREA	TOTAL FLOOR AREA
AREA: 252 S.F.	AREA: 252 S.F.

ROOF PLAN

SCALE:

0 5 10 20

LEGEND

- UNIT LOCATION
- COMMON ELEMENTS
- LIMITED COMMON ELEMENTS

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PROJECT LOCATION:
499 EVERGREEN AVENUE
BROOKLYN, NY 11221

BLOCK: 3368 LOT: 3

PROJECT NAME/DESCRIPTION:
PROPOSED 5-STORY BUILDING,
8 FAMILY RESIDENCE WITH CELLAR.

TAX LOT CERTIFICATION:
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DATED_____

CARTOGRAPHER_____

_____
WU CHEN, P.E.

SEAL AND SIGNATURE:

SWORN BEFORE ME THIS
_____DAY OF _____20_____



REAR ELEVATION

SCALE:

0 5 10 20

FRONT ELEVATION

INFOCUS

● ARCHITECTURAL & ENGINEERING SERVICE COMPANY

86-16 QUEENS BLVD SUITE # 205
ELMHURST, NY 11373

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DECLARANT:
NAME: 499 EVERGREEN AVENUE LLC
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BROOKLYN, NY 11221

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PROJECT LOCATION:
499 EVERGREEN AVENUE
BROOKLYN, NY 11221

BLOCK: 3368 LOT: 3

PROJECT NAME/DESCRIPTION:
PROPOSED 5-STORY BUILDING,
8 FAMILY RESIDENCE WITH CELLAR.

TAX LOT CERTIFICATION:
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DATED_____

CARTOGRAPHER_____

_____
WU CHEN, P.E.

SEAL AND SIGNATURE:

SWORN BEFORE ME THIS
_____DAY OF _____20_____

DOCUMENT NUMBER 2

PURCHASE AGREEMENT

JEFFREY ZWICK & ASSOCIATES, PC
266 Broadway, Suite 403
Brooklyn, New York 11211

PURCHASE AGREEMENT

between

503 Evergreen Avenue LLC
467 Keap Street, Suite 1A
Brooklyn, NY 11233

and

For Unit Number ____ in
The 499 Evergreen Avenue Condominium
499 Evergreen Avenue
Brooklyn, New York 11221

TABLE OF CONTENTS

1. Definitions. 1
2. Plan 2
3. Agreement to Purchase and Sell 2
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PURCHASE AGREEMENT

For Unit Number in
The 499 Evergreen Avenue Condominium
499 Evergreen Avenue, Brooklyn, New York 11233

(Please execute in triplicate)

THIS AGREEMENT is made as of , 20___ between 503 Evergreen Avenue LLC (hereinafter referred to as the "Sponsor"), having an address at 467 Keap Street, Suite 1A,, Brooklyn, NY 11233 and _____(hereinafter called the "Purchaser"), having an address at _____.

Pursuant to Article 36-B of the General Business Law, Sponsor has elected to limit the Housing Merchant Implied Warranty if same shall apply. The Sponsor's Limited Warranty is limited to actual purchasers and their successors whom acquire title to the subject Unit by will or by the governing intestacy laws.

W I T N E S S E T H:

1.Definitions. The following terms shall have the stated meanings ascribed to them:

(i) "Balance" is the purchase price less the Down Payment, due at Closing.

(ii) "Building" shall mean the structure known as 499 Evergreen Avenue, Brooklyn, New York 11221.

(iii) "Closing" means the settlement of the mutual obligations of the Sponsor and Purchaser under this Purchase Agreement, including the payment to Sponsor of the purchase price and the delivery to Purchaser of the deed transferring full ownership (fee simple title) to the Unit on the terms set forth in this Agreement.

(iv) "Condominium" shall mean The 499 Evergreen Avenue Condominium.

(v) "Declaration" shall mean the Declaration of The 499 Evergreen Avenue Condominium establishing ownership of the Property.

(vii) "Equal or Better Quality" Comparable or better quality recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

(viii) “Interim Lease” Lease entered into between Sponsor and a prospective purchaser to allow for occupancy of a unit for which the purchaser has signed a Contract, for the time between contract signing and title closing.

(vii) “Notice” to Purchaser shall include email transmission to Purchaser or Purchaser’s attorney. Seller’s attorney may send all notices to Purchaser’s attorney and/or Purchaser via email. An email confirmation printout by Seller’s attorney showing transmission was complete is sufficient evidence that the email has been transmitted and the notice has been served.

(viii) "Plan" shall mean the Offering Plan to convert the Property to condominium ownership and any Amendments thereto filed prior to the date upon which Purchaser signs this Agreement.

(ix) "Property" shall mean the Building and the land on which it is erected.

(x) “Selling Agent” shall mean Sponsor or a NY licensed real estate broker appointed by Sponsor to market and sell the condominium units.

All other terms included in this Purchase Agreement which are not defined elsewhere herein shall have the meanings ascribed to them in the Plan.

2. Offering Plan and Amendments.

A. Offering Plan. The Offering Plan contains the complete terms of the offer of this unit in the Building. Purchaser acknowledges having received and read the Plan at least three (3) full business days prior to Purchaser's signing this Purchase Agreement. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) and agrees to abide and be bound by the terms and conditions thereof. The Plan is hereby incorporated in this Agreement with the same force and effect as if set forth at length. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding. Purchaser acknowledges having had full opportunity to examine all documents, and investigate all statements, made herein and in the Plan.

B. Amendments. Purchaser acknowledges that the Offering Plan may be amended from time to time. Purchaser hereby agrees to abide and be bound by the terms and conditions of any amendments which have been duly filed with the Attorney General’s Office (including, without limitation, amendments involving any changes, modifications, or updating of the estimated Common Charges, the estimated real estate taxes to be paid by Purchaser, or the "Schedule B--Budget for First Year of Condominium Operation" of The 499 Evergreen Avenue Condominium) at the time this contract is entered into. No Purchaser shall have the right to approve or consent to any such duly filed amendments, including, without limitation, any changes, modifications, or updating of the estimated Common Charges or estimated real estate taxes or assessments to be

paid by Purchaser and no such duly filed amendment will excuse a Purchaser from performing his obligations under a Purchase Agreement or entitle such Purchaser to any credit or offset against the purchase price set forth therein.

However, if an amendment is submitted after the contract is signed, and said amendment materially adversely affects the rights, obligations, or liabilities of then-existing Purchasers, Purchasers will be given the right to rescind their Purchase Agreements by notifying Sponsor within not less than fifteen (15) days of the presentation of such amendment and will receive a refund of their Down Payment and unexpended sums for special work ordered, with interest, if any, within ten (10) business days after Sponsor's receipt of Purchaser's election to rescind. Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. The parties may be required to sign a general release to that effect. Notwithstanding the foregoing, Sponsor may not declare the plan effective where there are material changes to the Budget which have not been disclosed in a duly filed amendment to the offering plan.

3. Agreement to Purchase and Sell. Purchaser agrees to purchase from Sponsor, and Sponsor agrees to sell to Purchaser, the unit designated as Unit Number ___(hereinafter called the "Unit") in the Declaration, together with its undivided interest (hereinafter called the "Common Interest") in the Common Elements, on and subject to, the terms and conditions set forth herein.

4. Purchase Price

A. The purchase price for the Unit (exclusive of closing adjustments and costs referred to in Paragraphs 13 and 14 below) is $ _____(hereinafter called the "Purchase Price"), which Purchaser agrees to pay to the Sponsor, as follows:

(i) $ _____(hereinafter called the "Down Payment") is due on Purchaser's signing and submitting of this Agreement and is to be paid by Purchaser's personal check, receipt of which (subject to collection) is hereby acknowledged by Sponsor;

(ii) $ _____(hereinafter called the "Balance"), constituting the balance of the Purchase Price, is due on the delivery to Purchaser of the deed to the Unit and must be paid by Purchaser's personal certified check or official cashier's check, in either event drawn on a bank that is a member of the New York Clearing House Association.

B. The payment of the Balance and acceptance of deed to the Unit by Purchaser shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan or by applicable law or regulation to be performed subsequent to the closing.

C Purchaser is not required to pay the Balance or accept title to the Unit unless concurrently with or prior to closing, all the prerequisites set forth under "Terms of Sale" in Part I of the Plan are met.

D. Funds. All funds received from prospective Purchasers by Sponsor will be handled in accordance with the provisions of Sections 352-h and 352-e(2)(b) of the GBL and Section 71-a(3)(a) of the Lien Law and shall be used by Sponsor only in connection with the consummation of the Plan. Section 71-a(3) of the Lien Law requires, at Purchaser's option, that the Down Payment be placed in an escrow account in a bank trust company, savings bank, or state or federal savings and loan association located in New York State. Funds may be released (a) pursuant to the 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. All funds received by Sponsor for upgrades or extras must initially be placed in the Escrow Account. However, Purchasers should note that such funds may be released from the Escrow Account by the Escrow Agent as long as Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras unless Sponsor abandons the Plan, in which case Purchaser will receive a refund of the entire Down Payment.

THIS PURCHASE AGREEMENT IS NOT CONDITIONED UPON A PURCHASER SECURING SATISFACTORY FINANCING. ANY PROSPECTIVE PURCHASER WHO EXECUTES A PURCHASE AGREEMENT AND DOES NOT OBTAIN FINANCING MAY LOSE HIS DEPOSIT IF HE IS UNABLE TO OTHERWISE RAISE THE MONIES FOR THE BALANCE OF THE PURCHASE PRICE. PROSPECTIVE PURCHASERS WHO WILL NEED FINANCING ARE ADVISED TO CONSULT WITH A LENDING INSTITUTION BEFORE EXECUTION OF A PURCHASE AGREEMENT. NO REPRESENTATION IS MADE BY SPONSOR AS TO THE AVAILABILITY OR COST OF SUCH FINANCING. THE SPONSOR MAY, AT ITS OPTION, CONDITION THE CONTRACT UPON FINANCING, PROVIDED THAT PURCHASER AND SPONSOR BOTH PROPERLY COMPLETE AND INITIAL A SECURED LOAN CONDITION RIDER, THE FORM OF WHICH IS ANNEXED HERETO AS EXHIBIT “B”.

5. Purchase Monies Held in Trust

A. The law firm of Jeffrey Zwick & Associates, PC, with an address at 266 Broadway, Suite 403, Brooklyn, NY 11211, telephone number 718-513-2050, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Jeffrey Zwick and Daniel Cohen. 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.

B. 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.

C. Escrow Account: Escrow Agent has established an escrow account at Signature Bank at its branch located at 565 Fifth Avenue, New York, New York 10007 ("Bank") which is authorized to do business in the State of New York. The escrow account is entitled "Jeffrey Zwick & Associates, P.C. Attorney Escrow Disbursement Account" ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. If Purchaser has other accounts at the bank or branches, the assets in all of Purchaser's accounts will be aggregated together with the escrow deposit accounts for the purpose of determining whether the maximum FDIC insured amount is achieved.

D. All Deposits received by Purchaser shall be in the form of checks or wire transfers, and shall be made payable to or endorsed by the Purchaser to the order of "Jeffrey Zwick & Associates, P.C. Attorney Escrow Account", as Escrow Agent.

E. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts which is currently .25% but changes daily. 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.

F. Within five (5) business days after the fully executed 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 fully executed purchase agreement, Escrow Agent shall provide written notice to Purchaser and Sponsor, conforming the Deposit. The notice shall provide the account name, 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.

G. The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, NY 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

H. 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.

I 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.

J. The Escrow Agent shall release the Deposit if so directed:

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

(2) in a subsequent writing signed by both Sponsor and Purchaser; or
(3) 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 (1) through (3) 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 (1) through (3) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the unit is located and shall give written notice to both parties of such deposit.

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

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

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

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

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

any conflicting or inconsistent provisions in the Purchase Agreement, Plan, or any amendment thereto.

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

M. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352e(2-b) and 352(h).

N. 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.

O. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of Deposit by Purchaser.

P. 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.

Q. Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

R. Prior to release of the Deposit, Escrow Agent's and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

S. 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 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. Purchaser understands and agrees that the Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter, in

certain limited cases set forth in the Plan (see the section in the Plan entitled "Effectiveness" for full details). The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan, if any. Sponsor shall notify Purchaser, in writing or by a duly filed Amendment to the Plan, when the Plan becomes effective or is abandoned.

7. Closing Date and Place. Sponsor anticipates the First Closing to occur on the date projected in the Plan. Purchasers will be offered a right of rescission if: (i) the actual date of the First Closing; or (ii) the projected date of the First Closing occurs later than twelve months after the currently projected date for the First Closing. If the Plan is amended to provide for a later projected date for the First Closing, Purchasers will be entitled to an offer of rescission if the First Closing occurs more than 12 months beyond that amended, later date.

The closing of title shall occur on the date and at the time and place in The City and State 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 date and time for closing on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than ten (10) business days' prior written notice of the new scheduled date and time for closing. Purchaser may waive this thirty (30) day provision by initialing below.

I hereby waive the provision requiring thirty (30) days Notice of Closing _____

8. The Deed. At closing, Sponsor shall deliver to Purchaser a Bargain and Sale Deed with covenant against grantor's acts transferring to Purchaser full ownership (fee simple title) to the Unit. The deed shall be substantially in the form reproduced as Document Number 5 in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Such executed deed shall be delivered immediately to the representative of the title company insuring Purchaser's title (or, if no such representative is present, to Purchaser or Purchaser's attorney).

9. State of Title. Legal ownership to the Unit shall be transferred to Purchaser at closing subject only to the liens, encumbrances and title conditions (hereinafter called the "Permitted Encumbrances") enumerated in Exhibit A to this Agreement. Any other liens, encumbrances, or conditions shall not be an objection to title if: (i) the instrument required to remove it from the record is delivered to said representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for recording in the proper office, together with the requisite recording or filing fees; or (ii) Purchaser's title insurance company will insure Purchaser against its collection or enforcement out of the Unit.

10. Title Company Approval. Sponsor shall give marketable title in any form that any member of the New York Board of Title Underwriters will approve and insure. The Permitted Encumbrances in the title shall be the liens, encumbrances and conditions affecting title. Sponsor shall not be obligated to satisfy exceptions to title raised by any title insurance company except for the purchaser's title company insuring this deal.

The Financial Crimes Enforcement Network ("FinCEN") has issued a Geographic Targeting Order ("GTO"), last updated in May 2020, which requires US title insurance companies to report the personal identity of purchasers in certain residential real estate transactions in all NYC boroughs which meet the following criteria: (a) purchaser is a legal entity as defined in the GTO; (b) total purchase price is in excess of $300,000.00; (c) purchase is made without a bank loan or other similar form of external financing; and (d) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, virtual currency or a funds transfer. As long as the GTO remains in effect, its reporting requirements apply to all residential real property Closings meeting the above criteria.

11. Sponsor's Inability to Convey Title. After the Plan is declared effective, if Sponsor is unable to deliver title to Purchaser in accordance with the provisions of this Agreement, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of half of one percent (½%) of the total offering price to render title marketable or to remove, cure or comply with any violations of record issued prior to the First Closing, and in such case, Sponsor may abandon the Plan. In no event shall Sponsor be obligated to cure violations of record which are the obligations of tenants to cure or which result from the acts or omissions of tenants, or violations noted with respect to radio or television antennae. Prior to declaring the Plan effective, Sponsor may abandon the plan at any time and for any reason.

12. Purchaser's Remedies. In the event that the Sponsor shall for any reason (except for willful default) be unable to convey and deliver the apartments in accordance with the terms of the Purchase Agreement, (except for any failure to perform any obligation imposed by applicable statute or regulation, or a failure to perform Sponsor's obligations under the Offering Plan) the sole remedy of the purchaser shall be to rescind the Purchase Agreement and be refunded the entire down payment with interest. In such case, Purchaser may be required to execute a general release attesting to the cancellation of all rights and obligations under the plan and the purchase agreement. If the plan is abandoned, Purchaser shall also be refunded any funds given for upgrades or extras. Said deposit shall be returned to Purchaser within ten (10) business days of the notice of cancellation.

To the extent there are any inconsistencies between the terms of the Purchase Agreement and the Plan, the terms of the Plan shall govern.

Nothing contained in the Purchase Agreement or in the Plan shall be construed to waive a purchaser's rights or abrogate Sponsor's obligations under Article 23-A of the GBL.

13. Closing Adjustments.

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

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

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

(iii) rent and other charges, if any, pursuant to an Interim Lease or other written agreement for tenancy of the Unit.

(iv) insurance apportioned to unit for the first year of operations.

B. In the event the Unit has not been separately assessed for the then current fiscal tax year at the time of title closing, the apportionment of real estate taxes shall be based on the Unit's pro-rata share (in proportion to its Common Interest) of the then current 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. This provision shall survive the closing.

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

14. Purchaser's Closing Costs. At the time of title closing, each Purchaser of a Unit will pay certain closing costs in addition to the legal fees of such Purchaser's counsel and the amount of any net credit in favor of Sponsor resulting from the closing apportionments described above. Such closing costs will include the following, the amounts of which are based on rates in effect on the date of the Plan and are subject to change without prior notice or amendment:

A. Title Fees. If such Purchaser elects to obtain fee title insurance, he will pay a premium therefor to the title insurance company which will vary depending upon the amount of insurance requested. Purchaser is free to use a title company of his or her choosing without incurring a penalty. The premium for fee title insurance should be $774.00 for the first $100,000.00 of fee insurance plus $4.36 for each $1,000.00 or fraction thereof of additional fee insurance up to $500,000.00 and $3.98 for each $1,000.00 or fraction thereof of additional fee insurance over $500,000.00. The premium for mortgage title insurance should be $654.00 for the first $100,000.00 of insurance plus $3.64 for each $1,000.00 or fraction thereof of additional insurance up to $500,000.00 and $3.31 for each $1,000.00 or fraction thereof of additional insurance over $500,000.00. Reliable Abstract, Co LLC, 266 Broadway, Suite 304, Brooklyn,

NY has been retained by Sponsor to clear any title issues affecting the premises, and to record the condominium declaration and any other documents requiring recording with respect to this offering plan. A copy of the title report may be furnished to the purchaser.

B. Recording Fees. A fee for recording the deed and Unit Owner's Power of Attorney of $32.00 for each instrument plus $5.00 per page, together with a service charge to the title company for such recording for a total of approximately $185.00;

C. Mortgage Fees. If Purchaser obtains a mortgage loan, Purchaser will pay:

(i) a fee and service charge for recording the mortgage of approximately $200.00;

(ii) mortgage recording tax in the amount provided for by law (at the date of the Plan, the tax to the purchaser is 1.8% of the face amount of the mortgage for mortgages under $500,000.00 and 1.925% of the face amount of the mortgage for mortgages over $500,000.00). (Note: The Lending Bank pays an additional 0.25%);

(iii) (a) Purchasers will pay a premium through the title insurance company for the mortgage title insurance policy. In addition, such Purchaser shall pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser is entitled under Section 339-ee (2) of the Condominium Act. All such payments shall be made upon execution of the loan documents.

(b) Sponsor at its option may request any purchaser who is obtaining a mortgage to have his lender accept an assignment of a portion of Sponsor's existing mortgage. In such event, Purchaser shall pay to the Sponsor such amount that the Purchaser is saving with respect to the mortgage tax that the Purchaser would have paid if there was no assignment of mortgage. The severance and assignment of the portion of the mortgage on the Property as contemplated herein would not result in any additional cost or risk to the Purchaser and will be initiated only after Purchaser has procured financing. Should the Purchaser's lender refuse to accept the assignment, Sponsor may require Purchaser to continue with the transaction without the assignment or may refund the Purchaser's deposit and terminate the purchase agreement. Accordingly, Purchaser may apply for a mortgage with a lending institution that will accept an assignment of mortgage. Because this transaction would require additional coordination between the parties, it may potentially delay the closing. In the event Sponsor exercises such option, the above paragraph regarding the mortgage tax credit will be inapplicable and the Purchaser will not be required to make any payments to the Sponsor in respect to the mortgage tax credit.

(iv) all costs and expenses in connection with such loan in amounts determined by the lender, *i.e.*, application, points, credit report, survey, appraisal, bank's attorney's fees, Residential and Condominium Endorsements (title insurance forms required by banks) and any other fees required by lender. Sponsor makes no representation or warranty as to such closing costs or expenses or as to the availability of such financing.

D. Transfer Tax. Although typically a seller's expense, the terms of this offering transfer Seller's statutory obligation to pay transfer taxes to the purchaser. As such, purchaser shall pay the Real Property Transfer Tax due to The City of New York in the amount of 1.425% of the total purchase price of the Unit for units over $500,000.00. The Purchaser shall also pay for the New York State Real Estate Transfer Tax (currently $2.00 per $500.00, or fractional portion thereof of the purchase price) plus an additional .25% of the purchase price for residential Units of $3,000,000 or more imposed by statute on transferors of property. There is an additional 1% mansion tax imposed on the Purchaser for transfers of $1,000,000.00 -$2,000,000. There is also a supplemental tax due in the amount of 1.25% for transfers of $2,000,001-$3,000,000; and 1.75% for transfers of $3,000,001 to $5,000,000. For purposes of calculating the transfer taxes to be paid, consideration includes the transfer taxes paid by the purchaser.

E. Initial Capital Payment. Purchaser will be required to deposit with the Board of Managers two (2) months' estimated monthly common charges for his unit.

F. Sponsor's Attorney Fees. Purchaser shall be obligated to pay the following fees to sponsor's attorney: (i) $2,250.00 for services rendered in connection with the recording of the Declaration of the Condominium and the preparation of documents; (ii) $250.00 for any work in connection with obtaining a mortgage; (iii) $500.00 if the closing is held at any location other than sponsor's attorney's office at the request of purchaser or its representatives; (iv) $200.00 per hour if the duration of the closing exceeds two (2) hours due to the fault of purchaser or its representatives; (v) $200.00 payable to sponsor or sponsor's attorney if e-forms for New York City Real Property Transfer Tax are prepared on the purchaser's behalf.

G. Defrayment of Sponsor Costs. Purchaser shall pay an additional $2,000.00 at closing to defray Sponsor's costs, e.g, architectural costs, filing fees, legal fees and other costs incurred in

All fees are cumulative to the extent applicable to an individual Purchaser.

15. Rent Security Deposit. If Purchaser is or hereafter becomes a tenant of the Unit pursuant to an Interim Lease or other written agreement, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon, within thirty (30) days following the closing, provided Purchaser is not in default under Purchaser's lease or tenancy obligations. Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrearage owing to Sponsor and to bring an action against the tenant to the extent such rent security is insufficient.

The Purchaser may not occupy the Unit or perform any work in the Unit prior to closing without the prior consent of the Sponsor. In the event the Purchaser occupies the Unit or performs any work in the Unit prior to closing without the prior consent of the Sponsor, such event shall constitute a default under Section 18 of this Agreement.

16. Power of Attorney to Board of Managers and Sponsor. At closing, Purchaser shall execute, acknowledge and deliver to the representative of the title insurance company insuring Purchaser's title to the Unit (or if no representative is present, then to Sponsor's attorney) for recording in the New York City Register's office of the County of Kings, State of New York, a power of attorney in favor of the Board of Managers relative to purchasing or leasing of Units and in favor of Sponsor relative to amending the Condominium Documents to the extent permitted in the power of attorney. The power of attorney shall be substantially in the form set forth in Document Number 4 in Part II of the Plan. After being recorded, the power of attorney shall be sent to the Condominium Board. Failure to execute a Power of Attorney at closing shall constitute a default under this Purchase Agreement.

17. Transfer Tax Return. At closing, Sponsor and Purchaser shall each duly complete and sign before a Notary Public the transfer tax return required to be filed with The City of New York. The transfer tax return 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. The terms of this offering transfer the statutory obligation to pay said tax from Sponsor to Purchaser, who shall be responsible for said payment.

18. Events of Default

A. The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay the Balance on the Closing Date designated by Sponsor pursuant to paragraph 4 herein;

(ii) Purchaser's failure to duly sign, notarize and deliver at closing the power of attorney pursuant to paragraph 16 above or the New York City transfer tax return pursuant to Paragraph 17 above;

(iii) If Purchaser is or becomes a tenant of the Building, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations, which results in Purchaser's eviction from Purchaser's Unit (either by voluntary removal or by court order); or

(iv) If Purchaser occupies the unit or performs any work in the unit prior to closing without the prior consent of the Sponsor;

(v) The failure to pay, perform or observe any of the Purchaser's other obligations hereunder, which is not cured within fifteen (15) days after the mailing of written notice specifying the nature of such default.

B. Upon the occurrence of an Event of Default, the Sponsor's sole remedy shall be to cancel the Purchase Agreement by sending Purchaser thirty (30) days' prior written notice of its intention to do so. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the cancellation notice within which time Purchaser must cure the specified default. If the default is not timely cured, then Sponsor shall have the right to retain, as and for liquidated damages, the Down Payment (but in no event to exceed ten percent (10%) of the Purchase Price) plus the cost of any special work in the Unit ordered by Purchaser, and any sums in excess thereof (together with any interest earned thereon) shall be returned to Purchaser promptly thereafter. Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. The parties may be required to sign a general release to that effect.

Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale.

C. In the event a purchaser does not close on the Closing Date set forth in the Notice of Closing, and Sponsor elects not to cancel the Purchase Agreement, or if the Sponsor approves the Purchaser's request to adjourn the closing, interest shall accrue on the unpaid amount of the purchase price from the Closing Date until such amount is paid. The interest rate shall be 10% per annum. This rate shall be in effect for as long as there are any unpaid amounts owing towards the full purchase price.

D. Notwithstanding the occurrence of an Event of Default Sponsor may, in its sole discretion, keep this Agreement in effect and proceed to close title without prejudicing Sponsor's right to recover from Purchaser's damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, legal fees and costs of collection).

E. If Purchaser is or becomes a tenant of the Building pursuant to an Interim Lease or other written agreement and Purchaser fails to pay rent or otherwise comply with Purchaser's lease or tenancy obligations, or if Purchaser vacates or abandons the leased premises, then such failure, vacating or abandonment (as the case may be) shall constitute a default hereunder entitling Sponsor, at its sole option, to cancel this Agreement, even though Purchaser is not evicted from the leased premises as a result thereof. However, before the Sponsor may utilize the default under the Interim Lease to declare a default under the Purchase Agreement, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Interim Lessee unless the Interim Lessee has vacated the Unit. The Interim Lessee will have thirty (30) days to vacate the Unit after a default under the Purchase Agreement or in the event the Interim Lessee defaults on the Purchase Agreement. However, if such Purchaser is not evicted from the Building by reason of such default, by vacating or abandonment, Sponsor shall return to such Purchaser all monies deposited under the Purchase Agreement, together with the

interest earned thereon, if any. However, in no event shall Purchaser be released or excused from paying and performing Purchaser's lease or tenancy obligations.

19. Appliances and Equipment

A. The Unit is being sold unfurnished, without window blinds or shades and will contain only the appliances and equipment described above and in the Plan. Furniture, wall coverings, furnishings, decorations, and the like in or about any model Unit are for display purposes only and are not included in this sale. Any floor plans or sketches shown to Purchaser (including those contained in the Plan) are only approximations of the Unit's dimensions and arrangement, and Purchaser should not rely thereon. Sponsor shall not be liable for immaterial variations from any floor plans or sketches.

B. There will be no modifications or extras unless agreed to in writing by the parties. All modifications and alterations must be approved by Sponsor in writing and, if approved, shall be performed by Sponsor at Purchaser's expenses (payable in the manner to be set forth in an addendum to this Agreement or separate agreement).

20. Construction.

A. The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be in accordance with the Plan and the architectural "plans and specifications" (defined in the Plan), subject to the right reserved by Sponsor to modify and amend the Plan and the "plans and specifications" in order to substitute materials, equipment or fixtures of Equal or Better Quality and design, provided only that the approval of any governmental authorities having jurisdiction thereover and the construction lender are first obtained (if required). Nothing herein contained shall excuse Sponsor from its obligations to correct any defects in construction in accordance with the conditions set forth in the Plan in the section entitled "Rights and Obligations of the Sponsor" within a reasonable time.

B. The construction of the Building and the Unit and the correction of any defects in construction to the extent required under the Plan are the sole responsibility of the Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain immaterial variations from the Plan and "plans and specifications" as indicated in the Plan in subparagraph 2(g) of "Rights and Obligations of Sponsor--Construction Obligations" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in subparagraph 2 of "Rights and Obligations of Sponsor: Construction Obligations." Sponsor’s obligation, regardless of any limitations in the warranty or the Offering Plan, is to construct the premises in accordance with all applicable codes and filed Plans and Specifications. Any conflict between the disclaimers and Sponsor’s obligation to construct the premises in accordance with all applicable codes and filed Plans and Specifications shall be resolved in favor of the latter.

21. Inspection of Units.

At least ten (10) days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly

arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign a written list detailing unfinished items, and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to produce a punch list, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. The parties may agree on a reasonable time frame within which to complete the items. However, nothing herein shall relieve Sponsor of its obligations as set forth in the "Rights and Obligations of Sponsor -- Construction Obligations" as set forth in the offering plan.

22. Possession; Risk of Loss

A. Purchaser shall not be entitled to occupy the Unit until the deed is delivered to Purchaser at closing. Sponsor may, in its discretion, grant Purchaser possession of the Unit prior to the closing under an Interim Lease.

B. Smoking and/or use of electronic cigarettes is prohibited in all indoor and outdoor locations on property including inside the units and in Limited Common Element areas. This policy shall apply to all Unit Owners and tenants and their respective invitees as well as other persons on the Property.

C. A person in possession who is not an owner cannot insure the building since he or she has no ownership interest, and the unit cannot be doubly insured. As such, if Purchaser is given possession of the Unit prior to Closing under an Interim Lease or otherwise, the Purchaser shall be solely responsible for any damage to, or loss or other condition in the Unit not covered by insurance resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its installations. However, until closing Sponsor will remain responsible to make those repairs required of it as a landlord under any existing or interim lease and, after closing, the Condominium Board will be responsible to make those repairs required of it under the Condominium Documents.

D. If, during Purchaser's occupancy, the Unit is damaged by casualty or otherwise, the Purchaser shall assume the risk of loss and the obligation to repair the damage in excess of insurance proceeds available to the Sponsor prior to the First Closing and to the Board thereafter, unless the cause thereof originated outside the Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workmen. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance and accepting delivery of the deed.

E. Except as provided in the preceding subparagraph, all other risk of loss prior to closing in excess of insurance proceeds has been assumed by Sponsor, but without any obligation or liability of Sponsor to repair the damage or restore the Unit. If Sponsor or (in the event the Declaration is filed) the Unit Owners elect to repair or replace the loss or damage, this agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable

period of time to complete or to permit the Board to complete such repairs or replacements. Purchaser shall not be required to pay the Balance unless and until (i) the Unit has been repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor (subject to the rights, if any, of the Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing. Sponsor will remove subsequent to Closing all violations of record which it is obligated to correct within ninety (90) days of the violation posting. Additionally, if Sponsor elects to repair or replace the loss or damage and the Purchase Agreement is contingent on the Purchaser obtaining financing, if, after making a good faith effort to extend the term of the commitment to enable Sponsor to repair the damage, an extension is not obtained, the Purchaser will be afforded a right of rescission

F. In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited hereunder, without interest (unless interest is earned), whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain the Down Payment plus other advances made for upgrades or extras pursuant to Paragraph 18 above.

23. No Representation. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or others, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners or the estimated Common Charges and estimated real estate taxes for the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as may be specifically represented herein or in the Plan and Purchaser, having relied on Purchaser's own examination and investigation thereof. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate or correct, provided the layouts and dimensions conform substantially to such Floor Plans and (b) that Purchaser shall not be relieved of any obligations hereunder by reason of any immaterial inaccuracy or error. The provisions of this Paragraph shall survive the closing of title.

24. Notices. All notices, elections, consents, demands and communications (collectively called "notices" or individually called "notice") shall be delivered personally or given in writing

by registered or certified mail, return receipt requested, postage prepaid, and, if sent to Purchaser, addressed to Purchaser at Purchaser's address given in the preamble to this Agreement and, if sent to Sponsor, addressed to the Sponsor.

Notice to Purchaser shall also be satisfied by email transmission to Purchaser or Purchaser's attorney. Seller's attorney may send all notices to Purchaser's attorney and/or Purchaser via email at the following address(es): _____. An email confirmation printout by Seller's attorney showing transmission was complete is sufficient evidence that the email has been transmitted and the notice has been served.

25. Broker. Purchaser represents that he or she has disclosed all brokers or sales agents with whom Purchaser has dealt in connection with this transaction, which are :_____. Sponsor agrees to pay the commission due the listed brokers pursuant to separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any other broker or sales agent on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. The provisions of this Paragraph 25 shall survive the closing.

26. No Lien; Agreement Subject to Mortgage

A. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder. This Agreement shall not be recorded and any purported recordation hereof by Purchaser shall constitute an Event of Default.

B. In furtherance and not in limitation of the provisions of the preceding paragraph A, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgages heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date unless Purchaser assumes such mortgages. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration and the Unit is released from the lien of such mortgage at closing.

27. Entire Agreement. This Purchase Agreement, together with the Plan, as the Plan may be amended from time to time, constitutes the entire agreement between the parties as to the subject matter hereof and supersedes all prior understandings and agreements.

28. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

29. Liability of Sponsor. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of G-d, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials, or supplies in the open market, failure of transportation, strike, lock-out, action of labor unions or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused. However, Sponsor cannot limit any rights which Purchaser has pursuant to Art. 23A of the GBL or applicable New York State regulations as may be specified in this Plan except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency or by executive order. Purchaser's time to perform its obligations under this Agreement may be tolled pursuant to applicable laws as well. Purchaser may be excused from obligations if it becomes impossible for them to fulfil their obligations due to an act of God. Under these circumstances, Purchasers should consult with their attorney.

30. Further Assurances. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

31. Severability. If any provision of this Agreement or the Plan is invalid or unenforceable as against 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.

32. Strict Compliance. Any failure by Sponsor to insist upon strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Sponsor, notwithstanding any failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

33. Governing Law. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the Laws of the State of New York.

34. Arbitration. In order to resolve any dispute, controversy, claim or question arising with respect to the Condominium (with the exception of disputes arising under the Housing Merchant Implied Warranty which may be brought by suit in court) or the Purchase Agreement, or to break any deadlock in voting, the parties shall submit such dispute or question to arbitration through the American Arbitration Association ("AAA"), which will give any party the rights he is entitled to under New York law. The arbitration proceeding will follow the rules of the AAA, who will designate an arbitrator who will be neutral and independent of the Sponsor and its principal. The hearing will take place in the county where the building is located. The parties to the purchase agreement are giving up the right to bring suit in court, including the right to a trial by jury, concerning disputes over the disposition of escrowed funds, except as provided by the rules of the arbitration forum in which a claim is filed. The decision of the arbitrators so chosen shall be given within thirty (30) days after their selection or appointment, and said decision shall be final and binding. A party's ability to have a court reverse or modify an arbitration award is very limited. The ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings. The arbitrators may not have to explain the reason for their award. Unlike litigation, New York law does not authorize the filing of a notice of pendency based on ongoing arbitration proceedings. The fees, costs and expenses of the arbitrators shall be shared equally by the disputants. Each disputant shall also bear the fees and expenses of his or her own counsel and expert witnesses. The rules of the AAA can be found on their website: http://www.adr.org. Nothing contained in this paragraph shall be construed to preclude any purchaser's rights under Article 23-A of the GBL.

The Board shall follow the directions of the Arbitrators. The panel will have the authority to file their decision with the Court under the New York Arbitration Law and Article 75 of the CPLR. Any decision rendered shall be final and conclusive upon the parties and a judgment thereon may be entered in a court of competent jurisdiction. The decision shall be enforceable in a court of competent jurisdiction. If the arbitration proceeding concerns an escrow dispute under the purchase agreement, the deposit shall not be released from escrow until at least 90 days has elapsed from the issuance of a final arbitration award. If the purchaser brings a proceeding pursuant to CPLR §7511 to vacate the award, the funds must remain in escrow until that proceeding is finally adjudicated.

35. Gender. 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.

36. Certain References. The term "herein", "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Paragraphs, subparagraphs or other provisions are references to Paragraph, subparagraphs or other provisions of this Agreement.

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

38. Successors and Assigns. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

39. No Oral Changes. This Agreement cannot be changed nor any provision waived orally. ANY CHANGES OR ADDITIONAL PROVISIONS OR WAIVERS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES.

40. Acceptance of Purchase Agreement

A. On or prior to Purchaser's signing and delivering this Purchase Agreement, Purchaser agrees (if requested) to complete, sign and deliver to the Selling Agent an application form furnished by Sponsor. Such application shall be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor.

B. The submission of such application or this Purchase Agreement to Purchaser does not constitute a binding obligation on either Purchaser or Sponsor. No such binding obligation shall arise until duplicates of this Purchase Agreement are executed by, and delivered to, both Purchaser and Sponsor (or Sponsor's duly authorized agent). If, within five (5) days after the Selling Agent receives this Purchase Agreement signed by Purchaser, a duplicate of this Agreement signed by Sponsor or its authorized agent is not sent or delivered to Purchaser, then it shall be deemed rejected and of no force or effect, and all monies paid by Purchaser shall be refunded within ten (10) business days thereafter, with interest. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status or other ground proscribed by law.

41. Purchase Agreement Not Conditioned on Financing. Purchaser may partially finance the purchase of this unit by obtaining a mortgage loan for the purchase price. However, the obligations of Purchaser under this Purchase Agreement are not conditional on the purchaser's obtaining financing unless Sponsor agrees to allow a financing contingency and the financing contingency rider annexed hereto as Exhibit B is fully executed by all parties. Any prospective purchaser who executes a Purchase Agreement without the Rider in Exhibit B 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. It is possible that a Purchaser's financing commitment, or the terms of the commitment, may expire prior to the Closing and Purchaser will incur additional fees and costs as a result. Under New York law, when a mortgage commitment is not fulfilled through no fault of a Purchaser, performance is excused. Therefore, if the Purchaser acts in good faith and the lender

revokes the loan commitment after the contingency period expires, performance is excused and the Sponsor must grant to such Purchaser a right of rescission and a reasonable period of time to exercise such right. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by Sponsor as to the availability or cost of such financing.

42. Agreement Not Assignable; Binding Effect. The Purchase Agreement is not assignable without the consent of the Sponsor. Any request for assignment shall be submitted to Sponsor's attorney in writing at least fifteen (15) days prior to the scheduled closing. Sponsor may, in its sole and absolute discretion, permit the Contract to be assigned to allow Purchaser to add, delete or substitute the name of a Purchaser's Family Member or to take title in the name of an entity related to or controlled by Purchaser. If Sponsor consents to an assignment, Purchaser must provide an executed assignment and assumption agreement prepared by Sponsor's attorney pursuant to which Purchaser assigns the Contract and Deposit to the new party named as Purchaser, who shall assume all of Purchaser's obligations thereunder, along with a new IRS W-8 or W-9 form (as applicable) for the new Purchaser at least five (5) days prior to the scheduled closing. In no event will Purchaser be entitled to delay or postpone the closing of title to effectuate such name change or assignment. Sponsor, Managing Agent, Selling Agent and the principals of the foregoing entities will not discriminate on any ground prohibited by law. There is no additional fee for an assignment agreed to by Sponsor.

This Purchase Agreement shall bind and apply to Purchaser and Purchaser's executors, administrators, legal representatives, heirs, successors and permitted assigns.

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

Purchaser:

_____L.S.

_____L.S.

Purchaser's Address: _____

Accepted and Agreed to:
503 Evergreen Avenue LLC

By:_____
Date Accepted:_____

Escrow Terms Agreed To:
Jeffrey Zwick & Associates, PC

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 quasi-governmental authority having jurisdiction.

2. State of facts which an accurate survey or personal inspection of the Land would show, provided such facts would not prevent the use of the Unit for dwelling purposes nor render title unmarketable.

3. The terms, burdens, covenants, restrictions, conditions, easements, and rules and regulations, 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 Sponsor and the Floor Plans, all as may be amended from time to time.

4. Consents by Seller or any former owner of the Land for the erection of any structure or structures on, under or above any street or street on which the Land may abut.

5. Any easement or right of use in favor of handicapped persons or any easement or right of use in favor of any utility company for electricity, steam, gas, telephone, water, or other service, and the right to construct, use, maintain, repair, and replace all utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections 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 (which is to be paid by the Condominium Board).

7. Encroachments of shrubbery, stoops, areas, steps, doors, ledges, window sills, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and stand pipes, sewerage pipes, air-conditioning units, canopies, ramps, and similar projections, if any, on, over, or under the Property or the streets or sidewalks or property abutting the Property and the rights of governmental authorities and adjoining property owners 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 are 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 Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at closing).

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

12. Any lease covering the Unit.

13. Certificate of Occupancy covering the Building.

14. Any violations against the Property (other than the Unit) which are the obligation of the Condominium Board or another Unit Owner to correct, provided the same does not affect the health or safety of the unit owner.

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

16. Any matters of record which do not prohibit the use of the premises.

EXHIBIT B
TERMS OF SECURED LOAN CONDITION RIDER

THE TERMS SET FORTH IN THIS SECURED LOAN CONDITION RIDER SHALL APPLY, AT SELLER'S SOLE OPTION, ONLY IF AGREED TO BY THE SPONSOR IN THE SPACE PROVIDED BELOW. PURCHASER'S SIGNATURE ALONE DOES NOT EFFECTUATE THIS SECURED LOAN CONDITION RIDER.

THIS RIDER IS ANNEXED TO AND FORMS A PART OF THE PURCHASE AGREEMENT, DATED _____ , BETWEEN 503 EVERGREEN AVENUE LLC, SELLER, AND _____ , AS PURCHASER, RELATIVE TO THE SALE OF UNIT ____AT 499 EVERGREEN AVENUE, BROOKLYN, NEW YORK.

A. Contingency Period and Terms of Loan. The obligations of Purchaser hereunder are conditioned upon issuance on a date which is on or before forty-five (45) days from date the Purchaser receives an executed Purchase Agreement ("Mortgage Contingency Expiration Date"), of a written commitment from any Institutional Lender (which shall include a mortgage banker and broker) pursuant to which such Institutional Lender agrees to make a first mortgage loan to Purchaser, at Purchaser's sole cost and expense, of an amount equal to 80% of the purchase price or such lesser sum as Purchaser shall be willing to accept, or such other sum as to which the parties may agree, at prevailing interest rates for a term of at least thirty (30) years and on other customary commitment terms, whether or not conditional upon any factors other than an appraisal satisfactory to the Institutional Lender.

B. Application Procedure. Within two (2) weeks of receipt of the fully executed Purchase Agreement, Purchaser must make a mortgage application. Within seven (7) business days thereafter, Purchaser must provide Seller and/or Seller's attorney with the name and address of the bank or mortgage broker to which application has been made. Purchaser shall authorize the mortgage broker or lending institution to talk directly to Seller's attorney regarding the status of the mortgage application. Failure to send such notice, after receiving written notice from the Seller, will be considered to be a waiver of the mortgage contingency.

C. Purchaser's Responsibilities. Upon making an application pursuant to this section, Purchaser shall: (1) furnish accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (2) pay all fees, points and charges required in connection with such application and loan, which may include the appraisal, credit checks, and origination fees, (3) pursue such application with diligence, and (4) cooperate in good faith with such Institutional Lender to obtain such commitment. Purchaser shall comply with all requirements of such commitment (or of any other commitment accepted by Purchaser) and shall furnish Seller with a copy thereof promptly after receipt. It is possible that a Purchaser's financing commitment, or the terms of the commitment, may expire prior to the Closing and Purchaser will incur additional fees and costs.

D. Failure to Obtain Commitment. The Purchaser will have the right to terminate the Purchase Agreement and be refunded all monies deposited thereunder, without interest, and unexpended sums for special work ordered in the event:

(a) an institutional lender fails, through no fault of the purchaser, to issue its commitment on the terms described above by the Mortgage Contingency Expiration Date, provided the purchaser gives notice of termination not later than five (5) business days after

the expiration of the aforementioned period. In such event, if Seller has reasonably determined there is a high probability that Purchaser will be approved for a mortgage commitment with equal or better terms than those applied for under the original commitment, the Seller may, at its option within fifteen (15) days after receipt of the notice of rejection or expiration of the contingency period, whichever the case may be, cause Purchaser to submit an application together with the required fees to another Institutional Lender and Purchaser shall be required to accept the commitment under the same terms and conditions as stated above. The terms of such commitment will be Equal to or Better than the terms originally sought by the Purchaser; or

(b) the commitment issued by the lender lapses, expires or is not funded by the Closing through no fault of the Purchaser, provided the Purchaser acts in good faith and gives notice of termination no later than ten (10) days before the scheduled Closing unless Purchaser's loan commitment is not funded through no fault of Purchaser and Purchaser did not receive sufficient notice and is therefore unable to give notice to Sponsor within ten days of Closing. This is because under New York law, when a mortgage commitment is not fulfilled through no fault of a Purchaser, performance is excused. Therefore, if the Purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused and the Sponsor must grant to such Purchaser a right of rescission and a reasonable period of time to exercise such right.

E. Failure to Notify. If Purchaser fails to give timely notice of cancellation in accordance with paragraph D, then Purchaser shall be deemed to have waived the right to cancel the contract and to receive a refund of the Deposit and unexpended sums for special work ordered by reason of the contingency contained in this Rider. The contract will remain in full force and effect and the mortgage contingency will no longer apply. In addition, Seller may, at its option, cancel the contract and thereafter neither party shall have any further rights against or obligations or liabilities to, the other by reason of this contract, and upon cancellation the down payment and unexpended sums for special work ordered shall be promptly refunded to Purchaser.

SELLER:

By:_____ _____Purchaser

_____Purchaser

EXHIBIT C
SPONSOR'S LIMITED WARRANTY

THE 499 EVERGREEN AVENUE CONDOMINIUM

THIS LIMITED WARRANTY HAS BEEN FORMED IN ACCORDANCE WITH ARTICLE 36-B OF THE GENERAL BUSINESS LAW, OTHERWISE KNOWN AS THE HOUSING MERCHANT IMPLIED WARRANTY. THIS LIMITATION SHALL APPLY IN THE EVENT ARTICLE 36-B APPLIES.

EFFECTIVE DATE OF THIS LIMITED WARRANTY

The effective date of this limited warranty is the earlier of the (i) date that purchaser shall first take possession of the Unit or (ii) the date of delivery of the condominium unit deed to the purchaser.

SPONSOR'S LIMIT ON MAXIMUM LIABILITY

THIS LIMITED WARRANTY REPLACES ALL OTHER WARRANTIES ON THE CONSTRUCTION AND SALE OF THE UNIT AND ALL COMPONENTS THEREOF, BOTH EXPRESS AND IMPLIED (INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). THE PURPOSE OF THIS LIMITATION IS TO IDENTIFY THE SELLER'S RESPONSIBILITIES FOR LATENT CONSTRUCTION DEFECTS THAT COULD NOT HAVE DISCOVERED OR DISCLOSED BY AN INSPECTION OF THE UNIT.

THIS LIMITED WARRANTY EXCLUDES ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL AND INDIRECT DAMAGES.

1. THOSE COVERED UNDER THIS LIMITED WARRANTY

This Limited Warranty extends to the purchaser named on page 1 of this purchase agreement and its successors whom acquire title to the Unit by will or intestacy. This Limited Warranty does not extend to subsequent owners, possessors, lessees, mortgagees in possession of the Unit or any person(s) or entity(ies) who may succeed to the rights of the herein purchaser.

2.LIMITED WARRANTY IS GIVEN BY SPONSOR

This Limited Warranty is made solely by the Sponsor of this condominium, whose name appears on page 1 of this purchase agreement.

3. PURCHASER'S OBLIGATION TO INSPECT THE UNIT

Purchaser assumes and undertakes the responsibility to inspect the Unit prior to acquisition of title and prior to occupancy. Any defects discovered upon inspection or which may be

discovered by an inspection of the Unit shall be reported to the Sponsor prior to closing of title or will be deemed waived indefinitely.

4. COVERAGE

The Warranty period for all of the following coverages begins on the effective date of this Warranty set forth herein above.

(i) For one (1) year, the home must be free from defects caused by workmanship or materials that do not meet the standards of the applicable building code; for items not covered by code, the construction must be in accordance with locally accepted building practices.

(ii) For two (2) years, the plumbing, electrical, heating, cooling and ventilation systems must be free from defects caused by unskillful installation.

(iii) For six (6) years, the home must be free from physical defects in the structural elements (foundation, floors, walls, roof framing).

Not Covered by the Housing Merchant Implied Warranty:

(i) A defect not caused by defective workmanship, materials or design.

(ii) Defects in items sold with the home, such as stoves, refrigerators, air conditioners, etc. not directly relating to installation. There are implied warranties from the manufacturers of such goods which are described in other laws.

5.EXCLUSIONS FROM COVERAGE

(1)The Sponsor's Limited Warranty excludes all consequential, incidental, special damages and indirect damages.

(2) The Sponsor's Limited Warranty does not cover defects in appliances, fixtures, equipment and household items, except defects due to improper installation by the Sponsor.

(3)The Sponsor's Limited Warranty does not cover any defects for any labor or in any work or materials ordered directly by any purchaser from Sponsor's sub-contractors, suppliers, or any independent contractor not engaged in any non-delegable duty(ies).

(4) The Sponsor's Limited Warranty is limited to actual purchasers and their successors whom acquire title to the subject Unit by will or by the governing intestacy laws.

(5) In addition, the following items are not covered by the Sponsor's Limited Warranty:

(a) conspicuous defects and any defects which an inspection of the Unit would reveal;

(b) damage caused by the failure of the purchaser or any affiliate thereof, to comply with the requirements of the Sponsor's Limited Warranty or of any requirements imposed by a manufacturer, supplier of appliances, fixtures, equipment or household items;

(c) damage caused by the misuse, overuse, or interference by purchaser or anyone other than the Sponsor or its employees or delegatees;

(d) any additional damage caused by the failure of purchaser to give adequate notice to the Sponsor of any defects or damage in a timely fashion as provided in the Sponsor's Limited Warranty;

(e) any damage caused by changes, alterations or improvements made to the Unit by anyone other than the Sponsor or its employees or delegatees;

(f) any damage caused by purchaser's failure to adequately maintain and preserve any item or property covered under the Sponsor's Limited Warranty;

(g) any loss or damage caused by or stemming from an accident, catastrophe, unnatural forces due to violence or gross negligence, fire, explosion, smoke, motor vehicles, acts of God, lightening, windstorm, hail, flood, earthquake, soil movement, and changes in the underground waterbase;

(h) any loss or damage caused by seepage of water unless such loss or damage is directly related to a construction defect resulting from construction by the Sponsor;

(i) any damage resulting from purchaser's failure to take timely action to mitigate any pre-existing damages;

(j) any condition resulting from normal wear and tear or form normal settling of the building, including but not limited to, concrete cracks, outer building cracks which do not impair the structural stability of the building;

(k) insects, vermin, rodent damage and infestation, or damage caused by other animals or pests;

(l) death, bodily injury or damage to personal property;

(m) damage which arises from any misuse or unauthorized use of the Unit.

6.NOTICE

Purchasers must give notice of defects in their home in writing no later than thirty (30) days after the end of the warranty period.

7.SPONSOR'S OBLIGATIONS IN THE EVENT OF A DEFECT COVERED UNDER THIS WARRANTY

If a defect occurs in an item covered under this warranty, the Sponsor will make a good faith effort to repair, replace or pay the purchaser the reasonable cost of repairing or replacing the defective item(s) within ninety (90) days after Sponsor's inspection of the alleged defect which discloses an actual defect covered under this limited warranty. The Sponsor reserves the sole right and discretion to replace, repair or furnish payment for any defect.

Repair of any damage to the load bearing portions of the Unit or Building will be limited to that which is necessary to restore their load bearing functions.

COMPLETION AND DELIVERY OF NOTICE OF WARRANTY CLAIMS WITHIN THIRTY (30) DAYS AFTER THE EXPIRATION OF THE APPLICABLE WARRANTY PERIOD IS NECESSARY TO PROTECT THE RIGHTS OF THE PURCHASER UNDER THIS LIMITED WARRANTY. ALL TIME PERIODS FOR SAID COVERAGES ARE OF THE ESSENCE AND WILL NOT BE EXTENDED BY THE SPONSOR.

SELLER:

By:_____ _____

Purchaser

_____

Purchaser

DOCUMENT NUMBER 3

NEW YORK STATE AND
NEW YORK CITY TAX FORMS

New York State
Real Estate Transfer Tax Return
Credit Line Mortgage Certificate (TP-584)

and

New York Department of Finance
Real Property Transfer Tax Return (RPT)

NEW YORK CITY DEPARTMENT OF FINANCE

NYC - RPT

Finance

REAL PROPERTY TRANSFER TAX RETURN

(Pursuant to Title 11, Chapter 21, NYC Administrative Code)

Instructions: If you are filing this form as part of a Non-Recorded Transfer, mail your completed RPT form to: **NYC Dept. of Finance, Non-Recorded RPTT Return Processing, 66 John Street, 13th Floor, New York, NY 10038.** See Instructions on page 17 of this form for further details.

▲ DO NOT WRITE IN THIS SPACE ▲
FOR OFFICE USE ONLY

GRANTOR

● Name

● Grantor is a(n): (check one) ☐ individual ☐ partnership (see instructions) ☐ corporation ☐ single member LLC ☐ multiple member LLC (see instructions) ☐ other_____ | Telephone Number

● Permanent mailing address after transfer (number and street)

● City and State | Zip Code

● Single member's name if grantor is a single member LLC (see instructions)

SOCIAL SECURITY NUMBER

OR

EMPLOYER IDENTIFICATION NUMBER

SINGLE MEMBER EIN OR SSN

GRANTEE

● Name

● Grantee is a(n): (check one) ☐ individual ☐ partnership (see instructions) ☐ corporation ☐ single member LLC ☐ multiple member LLC (see instructions) ☐ other_____ | Telephone Number

● Permanent mailing address after transfer (number and street)

● City and State | Zip Code

● Single member's name if grantee is a single member LLC (see instructions)

SOCIAL SECURITY NUMBER

OR

EMPLOYER IDENTIFICATION NUMBER

SINGLE MEMBER EIN OR SSN

PROPERTY LOCATION

LIST EACH LOT SEPARATELY. ATTACH A RIDER IF ADDITIONAL SPACE IS REQUIRED

● Address (number and street)	Apt. No.	Borough	Block	Lot	# of Floors	Square Feet	● Assessed Value of Property

● DATE OF TRANSFER TO GRANTEE: _____ ● PERCENTAGE OF INTEREST TRANSFERRED: _____%

CONDITION OF TRANSFER. See Instructions

● Check (✓) all of the conditions that apply and fill out the appropriate schedules on pages 5-11 of this return. Additionally, Schedules1 and 2 **must** be completed for all transfers.

a. ☐.....Arms length transfer
b. ☐.....Transfer in exercise of option to purchase
c. ☐.....Transfer from cooperative sponsor to cooperative corporation
d. ☐.....Transfer by referee or receiver (complete Schedule A, page 5)
e. ☐.....Transfer pursuant to marital settlement agreement or divorce decree (complete Schedule I, page 9)
f. ☐.....Deed in lieu of foreclosure (complete Schedule C, page 6)
g. ☐.....Transfer pursuant to liquidation of an entity (complete Schedule D, page 6)
h. ☐.....Transfer from principal to agent, dummy, strawman or conduit or vice-versa (complete Schedule E, page 7)
i. ☐.....Transfer pursuant to trust agreement or will (attach a copy of trust agreement or will)
j. ☐.....Gift transfer not subject to indebtedness
k. ☐.....Gift transfer subject to indebtedness
l. ☐.....Transfer to a business entity in exchange for an interest in the business entity (complete Schedule F, page 7)
m. ☐.....Transfer to a governmental body
n. ☐.....Correction deed
o. ☐.....Transfer by or to a tax exempt organization (complete Schedule G, page 8).
p. ☐.....Transfer of property partly within and partly without NYC
q. ☐.....Transfer of successful bid pursuant to foreclosure
r. ☐.....Transfer by borrower solely as security for a debt or a transfer by lender solely to return such security
s. ☐.....Transfer wholly or partly exempt as a mere change of identity or form of ownership. Complete Schedule M, page 9)
t. ☐.....Transfer to a REIT or to a corporation or partnership controlled by a REIT. (Complete Schedule R, pages 10 and 11)
u. ☐.....Other transfer in connection with financing (describe): _____
v. ☐.....A grant or assignment of a leasehold interest in a tax-free NY area
w. ☐.....Other (describe): _____

● TYPE OF PROPERTY (✓)

a. ☐ ..... 1-3 family house
b. ☐ ..... Individual residential condominium unit
c. ☐ ..... Individual cooperative apartment
d. ☐ ..... Commercial condominium unit
e. ☐ ..... Commercial cooperative
f. ☐ ..... Apartment building
g. ☐ ..... Office building
h. ☐ ..... Industrial building
i. ☐ ..... Utility
j. ☐ ..... OTHER. (describe):

_____

● TYPE OF INTEREST (✓)

Check box at LEFT if you intend to record a document related to this transfer. Check box at RIGHT if you do not intend to record a document related to this transfer.

	REC.		NON REC.
a.	☐	Fee	☐
b.	☐	Leasehold Grant	☐
c.	☐	Leasehold Assignment or Surrender	☐
d.	☐	Easement	☐
e.	☐	Subterranean Rights	☐
f.	☐	Development Rights	☐
g.	☐	Stock	☐
h.	☐	Partnership Interest	☐
i.	☐	OTHER. (describe):	☐

_____

SCHEDULE 1 - DETAILS OF CONSIDERATION

COMPLETE THIS SCHEDULE FOR ALL TRANSFERS AFTER COMPLETING THE APPROPRIATE SCHEDULES ON PAGES 5 THROUGH 11. ENTER "ZERO" ON LINE 11 IF THE TRANSFER REPORTED WAS WITHOUT CONSIDERATION.

1. Cash	● 1.		
2. Purchase money mortgage	● 2.		
3. Unpaid principal of pre-existing mortgage(s)	● 3.		
4. Accrued interest on pre-existing mortgage(s)	● 4.		
5. Accrued real estate taxes	● 5.		
6. Amounts of other liens on property	● 6.		
7. Value of shares of stock or of partnership interest received	● 7.		
8. Value of real or personal property received in exchange	● 8.		
9. Amount of Real Property Transfer Tax and/or other taxes or expenses of the grantor which are paid by the grantee	● 9.		
10. Other (describe):_____	● 10.		
11. **TOTAL CONSIDERATION** (add lines 1 through 10 - must equal amount entered on line 1 of Schedule 2) (see instructions)	● 11.	$	

See instructions for special rules relating to transfers of cooperative units, liquidations, marital settlements and transfers of property to a business entity in return for an interest in the entity.

SCHEDULE 2 - COMPUTATION OF TAX

A. **Payment**	Pay amount shown on line 12 - *See Instructions*	Payment Enclosed	

1. Total Consideration (from line 11, above)	● 1.		
2. Excludable liens (see instructions)	● 2.		
3. Consideration (Line 1 less line 2)	● 3.		
4. Tax Rate (see instructions)	● 4.		%
5. Percentage change in beneficial ownership (see instructions)	● 5.		%
6. Taxable consideration (multiply line 3 by line 5)	● 6.		
7. Tax (multiply line 6 by line 4)	● 7.		
8. Credit (see instructions)	● 8.		
9. Tax due (line 7 less line 8) (if the result is negative, enter zero)	● 9.		
10. Interest (see instructions)	● 10.		
11. Penalty (see instructions)	● 11.		
12. **Total Tax Due** (add lines 9, 10 and 11)	● 12.	$	

SCHEDULE 3 - TRANSFERS INVOLVING MULTIPLE GRANTORS AND/OR GRANTEES

NOTE If additional space is needed, attach copies of this schedule or an addendum listing all of the information required below.

GRANTOR(S)

● Name

● Grantor is a(n): (check one) ☐ individual ☐ partnership (see instructions) ☐ corporation ☐ single member LLC ☐ multiple member LLC (see instructions) ☐ other_____ | Telephone Number

● Permanent mailing address after transfer (number and street)

● City and State | Zip Code

● Single member's name if grantor is a single member LLC (see instructions)

SOCIAL SECURITY NUMBER ___ - ___ - ____

OR

EMPLOYER IDENTIFICATION NUMBER ___ - ____

SINGLE MEMBER EIN OR SSN ____

● Name

● Grantor is a(n): (check one) ☐ individual ☐ partnership (see instructions) ☐ corporation ☐ single member LLC ☐ multiple member LLC (see instructions) ☐ other_____ | Telephone Number

● Permanent mailing address after transfer (number and street)

● City and State | Zip Code

● Single member's name if grantor is a single member LLC (see instructions)

SOCIAL SECURITY NUMBER ___ - ___ - ____

OR

EMPLOYER IDENTIFICATION NUMBER ___ - ____

SINGLE MEMBER EIN OR SSN ____

GRANTEE(S)

● Name

● Grantee is a(n): (check one) ☐ individual ☐ partnership (see instructions) ☐ corporation ☐ single member LLC ☐ multiple member LLC (see instructions) ☐ other_____ | Telephone Number

● Permanent mailing address after transfer (number and street)

● City and State | Zip Code

● Single member's name if grantee is a single member LLC (see instructions)

SOCIAL SECURITY NUMBER ___ - ___ - ____

OR

EMPLOYER IDENTIFICATION NUMBER ___ - ____

SINGLE MEMBER EIN OR SSN ____

● Name

● Grantee is a(n): (check one) ☐ individual ☐ partnership (see instructions) ☐ corporation ☐ single member LLC ☐ multiple member LLC (see instructions) ☐ other_____ | Telephone Number

● Permanent mailing address after transfer (number and street)

● City and State | Zip Code

● Single member's name if grantee is a single member LLC (see instructions)

SOCIAL SECURITY NUMBER ___ - ___ - ____

OR

EMPLOYER IDENTIFICATION NUMBER ___ - ____

SINGLE MEMBER EIN OR SSN ____

GRANTOR'S ATTORNEY

Name of Attorney	Telephone Number
	( )

Address (number and street)	City and State	Zip Code

EMPLOYER IDENTIFICATION NUMBER ___ - ___ **OR** SOCIAL SECURITY NUMBER ___ - ___ - ___

GRANTEE'S ATTORNEY

Name of Attorney	Telephone Number
	( )

Address (number and street)	City and State	Zip Code

EMPLOYER IDENTIFICATION NUMBER ___ - ___ **OR** SOCIAL SECURITY NUMBER ___ - ___ - ___

CERTIFICATION

I swear or affirm that this return, including any accompanying schedules, affidavits and attachments, has been examined by me and is, to the best of my knowledge, a true and complete return made in good faith, pursuant to Title 11, Chapter 21 of the Administrative Code and the regulations issued thereunder.

GRANTOR

Sworn to and subscribed to

before me on this _____ day

of _____, _____.

_____
Signature of Notary

Notary's stamp or seal

_____
EMPLOYER IDENTIFICATION NUMBER OR SOCIAL SECURITY NUMBER

_____
Name of Grantor

_____
Signature of Grantor

GRANTEE

Sworn to and subscribed to

before me on this _____ day

of _____, _____.

_____
Signature of Notary

Notary's stamp or seal

_____
EMPLOYER IDENTIFICATION NUMBER OR SOCIAL SECURITY NUMBER

_____
Name of Grantee

_____
Signature of Grantee

GRANTEE: To ensure that your property and water/sewer tax bills are sent to the proper address, please visit the Finance website at nyc.gov/finance. If you do not have internet access, call 311.

SCHEDULE A - TRANSFER BY REFEREE OR RECEIVER

NOTE The consideration for a transfer by a referee or receiver under foreclosure or execution is the amount bid for the property or economic interest therein and the costs paid by the purchaser, plus the amount of any pre-existing mortgages, liens or other encumbrances remaining on the property after the transfer, whether or not the underlying indebtedness is assumed.

1. Was this transfer the result of a court ordered sale pursuant to foreclosure or execution? (✓) ..... ☐ YES ☐ NO
If "YES," complete lines 2a through 2f below. If "NO," complete line 3 below.

2a. Status of grantee: (✓)
☐ Nominee of plaintiff ☐ Plaintiff in foreclosure action ☐ Assignee of plaintiff ☐ Transferee of successful bidder
☐ Other (describe): _____

2b. Priority of mortgage foreclosed upon: ☐ first ☐ second ☐ third or other

2c. Amount of foreclosure judgment .....2c. $ _____

2d. Price bid by grantee (enter here and on Schedule 1. See instructions) .....2d.	$	
2e. Costs paid by grantee (enter here and on line 10, Schedule 1).....2e.	$	
2f. Amount of remaining mortgages, liens or other encumbrances (enter here and on Schedule 1. See instructions) .....2f.	$	

3. If the answer to line 1 above is "NO", state the reason for this transfer:_____

_____

_____

SCHEDULE B - TRANSFER OF SHARES OF STOCK IN A COOPERATIVE HOUSING CORPORATION

A. Name and address of cooperative housing corporation: _____

_____ Zip Code: _____

B. 1) Is this an initial transfer of shares from either a cooperative housing corporation or a sponsor? (✓) ☐ YES ☐ NO

2) If "YES," enter the date the NYC Real Property Transfer Tax was paid on the transfer of land and/or building to the cooperative housing corporation ..... MONTH ____ DAY ____ YEAR ____

If this initial transfer is more than 2 years from the above date, enter the date the first of these initial transfers was made ..... MONTH ____ DAY ____ YEAR ____

C. Is this a transfer of an individual unit in a housing company organized and operating pursuant to the provisions of articles two, four, five, or eleven of the Private Housing Finance Law? (✓) ☐ YES ☐ NO

If "YES," you are not subject to the Real Property Transfer Tax. However, you must file a return.

NOTE If you answered "YES," to question B above, you may be entitled to a credit. Complete lines 1 through 4 below.
If you answered "NO," to question B above, you are not entitled to a credit.

CREDIT CALCULATION

1. Enter the amount of NYC Real Property Transfer Tax paid on conveyance of underlying real property to cooperative housing corporation .....1.	$	
2. Enter the number of shares transferred in this transaction .....2.		
3. Enter the total number of outstanding shares of the cooperative housing corporation including any shares held by the corporation .....3.		
4. Amount of credit (divide line 2 by line 3 and multiply the result by line 1. Enter here and on line 8, Schedule 2) .....4.	$	

SCHEDULE C - TRANSFER IN LIEU OF FORECLOSURE

NOTE A conveyance by a defaulting mortgagor to the mortgagee (or to a nominee or assignee of the mortgagee) in consideration of the cancellation of the mortgage debt is taxable. The consideration is the amount of the outstanding mortgage debt and unpaid accrued interest, plus the amount of any other mortgages, liens or encumbrances remaining on the property or economic interest or the underlying real property after the transfer, whether or not the underlying indebtedness is assumed and irrespective of whether the cancellation of the mortgage was recorded.

1. Status of grantee: (✓)

☐ Mortgagee ☐ Nominee of mortgagee ☐ Assignee of mortgagee

☐ Other (describe):_____

2. Priority of mortgage in default: ☐ first ☐ second ☐ third or other

3. Amount of debt owed by grantor to mortgagee at time of transfer:		
a. Outstanding principal (enter here and on line 3 of Schedule 1) .....3a.	$	
b. Accrued interest (enter here and on line 4 of Schedule 1) .....3b.	$	
4. Amount of mortgages, liens or other encumbrances remaining on the real property or economic interest therein after the transfer (enter here and on Schedule 1. See instructions).....4.	$	

SCHEDULE D - TRANSFER PURSUANT TO PARTIAL OR COMPLETE LIQUIDATION OF CORPORATION, PARTNERSHIP OR OTHER ENTITY

SEE INSTRUCTIONS AND SCHEDULE M.

NOTE A distribution of real property or an economic interest therein within 12 months of liquidation of the distributing entity is presumed to be a distribution in liquidation. *Attach a balance sheet reflecting the grantor's assets and liabilities at the time of the liquidation.*

COMPUTATION OF TAX BASE

1. Fair market value of real property or economic interest therein at the time of liquidation.....1.	$	
2. Amount of mortgages or other liens or encumbrances on real property or economic interest therein.....2.	$	
3. Tax base: Compare line 1 and line 2, enter the greater of the two here and on line 11, Schedule 1 .....3.	$	

IF, PURSUANT TO THE INSTRUCTIONS, YOU ARE FILING MORE THAN ONE SCHEDULE D, IDENTIFY THE PROPERTY THAT THIS SCHEDULE D REFERS TO.

BOROUGH	BLOCK	LOT	ADDRESS	FAIR MARKET VALUE

SCHEDULE E - TRANSFER BY OR TO AN AGENT, DUMMY, STRAWMAN OR CONDUIT

NOTE A transfer from an agent, dummy, strawman or conduit to a principal or from a principal to an agent, dummy, strawman or conduit is exempt from the Real Property Transfer Tax. Complete questions 1 through 8 below to establish the claim of exemption.

1. Name and address of party from whom the property or economic interest was acquired by grantor.

   Name: _____

   Address: _____
   NUMBER AND STREET CITY STATE ZIP CODE

2. Date of acquisition: | | | |

3. Is this conveyance either a transfer from an agent to a principal or from a principal to an agent? (✓) ..... ☐ YES ☐ NO
   If "YES," attach a copy of agency agreement or affidavit of explanation.

4. Amount of Real Property Transfer Tax paid upon acquisition by grantor..... | | |

5. Is this transfer part of a transfer to and from a corporation for the sole purpose of acquiring mortgage financing? (✓). ☐ YES ☐ NO

6. Is this transfer to a dummy, strawman, or conduit from a principal or vice versa? (✓) ..... ☐ YES ☐ NO

7. If this is a transfer to an agent, dummy, strawman, or conduit, is the grantee actively engaged in a business? (✓)..... ☐ YES ☐ NO

8. If the answers to questions 3, 5, 6 and 7 above are all "NO," describe the relationship of the grantor and the grantee and the purpose of the transfer:

   _____

   _____

   _____

   _____

SCHEDULE F - TRANSFER TO BUSINESS ENTITY IN RETURN FOR AN INTEREST IN THE BUSINESS ENTITY

SEE SCHEDULE M AND INSTRUCTIONS.

NOTE A transfer of property or an economic interest therein to a corporation in exchange for shares of its capital stock may be taxable, even where there is no simultaneous exchange of shares of stock for the real property or economic interest therein, if the transfer is part of a plan to form a corporation for the purpose of holding the property or economic interest therein. A transfer to a partnership as a contribution of partnership assets may be similarly taxable.

1. Relationship of grantee to grantor(s) immediately after the transfer: (✓)

   ☐ Corporation wholly owned by grantor(s)
   ☐ Partnership consisting wholly of grantor(s)
   ☐ Corporation owned by grantor(s) and other(s)
   ☐ Partnership consisting of grantor(s) and other(s)
   ☐ Other (describe): _____

2. If this transfer has more than one grantor, state the percentage of interest transferred by each grantor. (If the grantor is a partnership or limited partnership, state the percentage of interest transferred by each individual partner or limited partner.)

Name of Grantor/Partnership	Percentage of interest
	%
	%
	%

3. Date of formation of grantee business	3.	
4. Fair market value of the real property or economic interest therein at time of transfer	4.	$
5. Basis used for depreciation of the real property on federal tax return by the grantor before this transfer	5.	
6. Basis to be used for depreciation of the real property on federal tax return by the grantee after this transfer	6.	
7. Amount of mortgages, liens or encumbrances on the real property transferred	7.	$
8. Other consideration received from the business entity (attach schedule)	8.	$
9. Value of shares of stock or partnership interest received in exchange for the real property or interest therein (line 4 less the sum of lines 7 and 8) (enter here and on line 7, Schedule 1)	9.	$

SCHEDULE G - TRANSFER BY OR TO A TAX EXEMPT ORGANIZATION

NONPROFIT ORGANIZATIONS PLEASE REFER TO THE INSTRUCTIONS "EXEMPTIONS FROM THE TRANSFER TAX"

NOTE A transfer by or to an eligible tax exempt organization is exempt from the Real Property Transfer Tax. To be eligible, an organization must be operated exclusively for religious, charitable or educational purposes and must provide proof of the organization's tax exempt status. If claiming tax exempt status, please answer questions 1 and 2. Additionally, the organization must provide copies of any letters granting an IRS or New York State sales tax exemption or New York City exemption and ATTACH AN AFFIDAVIT stating whether such an exemption remains in effect.

1. Is the grantor or grantee an organization exempt from taxation pursuant to IRS Code Section 501(c)(3)? (✓)..... ☐ YES ☐ NO
   If "YES", attach a copy of of the letter from the U. S. Treasury Department granting the exemption.
2. Has the grantor or grantee received an exemption from sales tax from the NYS Department of Taxation and Finance? (✓) .. ☐ YES ☐ NO
   If "YES", attach a copy of the letter from the NYS Department of Taxation and Finance granting the exemption.

SCHEDULE H - TRANSFER OF CONTROLLING ECONOMIC INTEREST

A. Indicate name, address and Employer Identification Number (EIN) of entity with respect to which a controlling economic interest has been transferred:

Name : _____

Address: _____
NUMBER AND STREET CITY STATE ZIP CODE

Employer Identification Number: ☐☐ - ☐☐☐☐☐☐☐

NOTE If the real property that is the subject of this transfer is owned by an entity other than the entity listed above, check (✓) the box and attach a schedule listing the name, address and Employer Identification Number of the entity. ..... ☐

B. Total percentage of economic interest transferred in this transaction	B.	%
C. Total percentage of economic interest transferred by this grantor(s) or others in related transfers or pursuant to plan (including this transaction)	C.	%
D. Total percentage of economic interest transferred by this grantor(s) or others within the preceding three years (including this transaction)	D.	%
E. Total percentage of economic interest acquired by this grantee(s) or others in related transfers or pursuant to plan (including this transaction)	E.	%
F. Total percentage of economic interest acquired by this grantee(s) or others within the preceding three years (including this transaction)	F.	%

NOTE If any of the above percentages is 50% or more, complete lines 1 and 2 below and Schedules 1 and 2. Attach a rider explaining apportionment of consideration.

COMPUTATION OF CONSIDERATION

1. Total consideration for this transfer	1.	$	
2. Amount apportioned to item of NYC real property or interest therein (see instructions)	2.	$	

SCHEDULE I - TRANSFERS PURSUANT TO A SEPARATION AGREEMENT, MARITAL SETTLEMENT AGREEMENT OR DIVORCE DECREE

NOTE The consideration for a transfer pursuant to a separation agreement, marital settlement agreement or divorce decree includes the value of any marital rights exchanged for the property or economic interest as well as any other types of consideration paid by the grantee for the transfer. The consideration **will be presumed to be equal to the fair market value of the portion of the property or interest transferred,** unless you establish the consideration to be a different amount.

1. What was the fair market value of property at the time of transfer? ..... $ _____

2. Is the property a 1, 2 or 3 family house, residential condominium or residential cooperative apartment? .. ☐ YES ☐ NO

   If yes, was there a mortgage on the property at the time of transfer? ..... ☐ YES ☐ NO

   If yes, what was the balance due? (Enter also on Schedule 2, line 2) ..... $ _____

3. What was the Grantor's percentage of ownership at the time of the transfer? ..... _____%
   If the transfer was between husband and wife jointly as Grantor and either husband or wife individually as Grantee it is presumed that the percentage of ownership transferred will be 50% unless the deed specifies another percentage.

4. ***Rebuttable Presumption of Fair Market Value:*** if the marital settlement agreement, separation agreement or divorce decree specifies a value for the portion of the property or interest transferred that is different from fair market value, enter that value here. You may choose to submit relevant portions of your separation agreement, marital settlement agreement or divorce decree, or any other information in support of the value attributed to the transferred property if you have evidence that the consideration was other than fair market value ..... $ _____

PLEASE LIST AND ATTACH ANY ADDITIONAL INFORMATION SUBMITTED

SCHEDULE M - MERE CHANGE OF FORM TRANSFERS

For transfers occurring on or after June 9, 1994, a transfer that represents a mere change in identity or form of ownership or organization is not taxable to the extent the beneficial ownership of the real property or economic interest therein remains the same. *(See instructions)* ATTACH COPIES OF ALL RELEVANT DOCUMENTS.

- For each person or entity who, prior to the transaction being reported on this Schedule M, owned a beneficial interest in the property or economic interest therein transferred, report above the percentage of beneficial interest in that real property or economic interest therein owned by that owner before and after the transfer, and describe the relationship of each beneficial owner to the grantor and grantee. Attach additional pages, if necessary.
- If, for any owner, the amount reported in column D is less than the amount reported in column E, enter zero in column F.

A 1. NAME OF BENEFICIAL OWNER	B (attach rider if necessary) RELATIONSHIP TO GRANTOR	C RELATIONSHIP TO GRANTEE	D PERCENTAGE INTEREST BEFORE	E PERCENTAGE INTEREST AFTER	F CHANGE *D minus E*
			%	%	
2. TOTAL CHANGE *(total of column F) Enter here and on Schedule 2, line 5.*					

SCHEDULE R - REAL ESTATE INVESTMENT TRUST TRANSFERS

Real Estate Investment Trust Transfers ("REIT Transfers") are taxed at one-half of the otherwise applicable rate. (NYC Administrative Code Section 11-2102(e)) **Attach a copy of the prospectus to Form NYC-RPT and write "REIT Transfer" on the top of the first page of Form NYC-RPT.** If you are filing Form NYC-RPT reporting a REIT Transfer that qualifies as a mere change in identity or form of ownership or organization, you must also complete Schedule M.

General Information

REIT TRANSFER

A REIT Transfer is any deed or other instrument or transaction conveying or transferring real property or an economic interest in real property to a Real Estate Investment Trust as defined in Section 856 of the Internal Revenue Code (a 'REIT"), or to a partnership or corporation in which a REIT owns a controlling interest immediately following the transaction and any issuance or transfer of an interest in a REIT or in such a partnership or corporation in connection with such a transaction, provided either:

1. the transaction occurs on or after June 9, 1994 in connection with the initial formation of the REIT and conditions 1(a), 2 and 3 below are met, or

2. the transaction occurs on or after July 13, 1996 and before September 1, 2002 (or after August 30, 2002 if the transfer is made pursuant to a binding written contract entered into before September 1, 2002, with a REIT or a partnership or corporation in which the REIT owns a controlling interest, and the date of execution of that contract is confirmed by independent evidence satisfactory to the Department), and conditions 1 (b) and 2 below are met.

For a definition of "controlling interest", see General Information for Form NYC-RPT, "Imposition of Tax."

CONDITIONS

1a. The value of the ownership interests in the REIT or in the partnership or corporation controlled by the REIT received by the grantor as consideration for the transaction must be equal to 40 percent or more of the excess of the value of the total consideration received over the amount of mortgages and other liens and encumbrances on the property or on the grantor's economic interest in the property, other than mortgages and other liens and encumbrances created in contemplation of the formation of the REIT.

b. This condition is the same as Condition 1(a), except that the value of the ownership interests received as consideration must be equal to at least 50 percent rather than 40 percent of the excess of the total consideration received over mortgages and other liens and encumbrances on the property or economic interest transferred excluding mortgages and other liens or encumbrances created in contemplation of the transaction reported on this Schedule R.

Use the worksheet on the following page of this Schedule to make this determination.

2. The interests in the REIT or in the partnership or corporation controlled by the REIT may not be transferred by the grantor or owners of the grantor within two years following the date of the transaction other than transfers within the two-year period resulting from the death of an individual grantor or owner of a grantor.

3. At least 75 percent of the cash proceeds of the initial public offering of REIT shares must be used for the following:

   a. payments on loans secured by an interest in the real property or an economic interest therein owned directly or indirectly by the REIT, or payments into reserves therefor;

   b. capital improvements to real property owned directly or indirectly by the REIT, or payments into reserves therefor;

   c. brokerage fees and commissions, professional fees and payments to or on behalf of a tenant as an inducement to enter into a lease or sublease of real property owned directly or indirectly by the REIT, or payments into reserves therefor; or

   d. payments to acquire real property or an economic interest therein other than an acquisition that would qualify as a REIT Transfer without regard to this condition 3.

If condition 2 or 3, where applicable, ceases to be met after this Schedule R is filed, an amended Form NYC-RPT must be filed and any additional tax due must be paid.

WORKSHEET FOR CONDITIONS 1(a) and 1(b)

1. Add lines 1, 2, 7, 8, 9 and 10 from Form NYC-RPT, Schedule 1 and enter total here ..... **1.** $ _____

2 a. Enter total number of REIT shares received ..... **a.** _____

b. Enter maximum number of REIT shares into which ownership interests may be converted ..... **b.** _____

c. Add lines a and b ..... **c.** _____

d. Enter offering price per share of REIT shares on the date of the transaction reported ..... **d.** _____

e. Multiply line 2c by line 2d ..... **e.** _____

f. Enter value of ownership interests received not convertible into REIT shares ..... **f.** _____

g. Add lines e and f ..... **2g.** _____

3. Multiply line 1 by .40 for condition 1(a) or .50 for condition 1(b) ..... **3.** _____

- If line 3 is greater than line 2g, the transaction does not qualify as a REIT transfer. DO NOT FILE THIS SCHEDULE. You must file Form NYC-RPT and compute your tax due on Schedule 2.
- If line 3 is less than or equal to line 2g, the transaction will qualify as a REIT Transfer, provided the other conditions are met. You should complete Form NYC-RPT substituting on line 4 of Schedule 2:
  - **.5%** instead of 1%;
  - **.7125%** instead of 1.425%;
  - **1.3125%** instead of 2.625%

SEE INSTRUCTIONS TO DETERMINE WHICH TAX RATE APPLIES

Instructions for Completing Worksheet

LINE 1

Where the value of the underlying property transferred or interest therein is used in determining the consideration for a REIT Transfer, you may, but are not required to, report as the value of the real property or interest therein (Form NYC-RPT, Schedule 1, line 7), the estimated market value as determined by the Department of Finance as reflected on the most recent Notice of Assessment issued by the Department. *(See Statements of Audit Procedure 93-2-GCT/RPTT, 3/1/93 and 95-1-GCT/RPTT, 7/28/95)* Add to the amount reported on line 1 the amount of any mortgages and other liens and encumbrances created in contemplation of the formation of the REIT in the case of condition 1(a) or in contemplation of the transaction reported on this Schedule R in the case of condition 1(b).

LINE 2

If the grantor received REIT shares as consideration for the transfer, enter on line 2a the number of REIT shares received. If the grantor received interests in a partnership or corporation controlled by the REIT that may be converted into REIT shares, enter on line 2b the maximum number of REIT shares into which such interests may be converted and attach an explanation of the terms of the conversion. If the grantor received interests that may be converted into REIT shares but you believe that the offering price for the REIT shares into which such interests may be converted is not a proper measurement of the value of the interests received, do not complete line 2b. Instead, attach an explanation of the terms of the conversion and enter on line 2f the fair market value of the interests received. If the grantor received interests in a partnership or corporation controlled by the REIT that cannot be converted into REIT shares at any time, enter on line 2f the fair market value of the interests received. If you enter an amount on line 2f, attach an explanation of the method used for determining the value of the interests received.

Certification

I swear or affirm under penalties of perjury that the grantor has no present intention to transfer or convey the REIT shares or interests in a partnership or corporation controlled by the REIT received by the grantor as consideration in the transaction reported on this Schedule R within two years of the date of the transfer, other than a distribution of such shares or interests to the partners or shareholders of the grantor, and that, to the best of my knowledge, condition 3 above regarding the use of the cash proceeds of the REIT offering will be satisfied, if applicable. I further swear or affirm that I will file an amended Form NYC-RPT and pay any additional tax due if any such transfer or conveyance occurs within such two-year period or if condition 3 above, if applicable, ceases to be met.

GRANTOR

Sworn to and subscribed to before me on this _____ day of _____, _____

_____
Signature of Notary

Notary's stamp or seal

_____
Name of Grantor

_____
Signature of Grantor

GRANTEE

Sworn to and subscribed to before me on this _____ day of _____, _____

_____
Signature of Notary

Notary's stamp or seal

_____
Name of Grantee

_____
Signature of Grantee

AFFIDAVIT OF COMPLIANCE
WITH SMOKE DETECTOR REQUIREMENT FOR ONE- AND TWO-FAMILY DWELLINGS

State of New York
County of } **SS.:**

The undersigned, being duly sworn, depose and say under penalty of perjury that they are the grantor and grantee of the real property or of the cooperative shares in a cooperative corporation owning real property located at

_____ , _____ ,
Street Address **Unit/Apt.**

_____ New York, _____ _____ (the "Premises");
Borough **Block** **Lot**

That the Premises is a one or two family dwelling, or a cooperative apartment or condominium unit in a one- or two-family dwelling, and that installed in the Premises is an approved and operational smoke detecting device in compliance with the provisions of Article 6 of Subchapter 17 of Chapter 1 of Title 27 of the Administrative Code of the City of New York concerning smoke detecting devices;

That they make affidavit in compliance with New York City Administrative Code Section 11-2105 (g). (The signatures of at least one grantor and one grantee are required, and must be notarized).

_____ **Name of Grantor** (Type or Print)	_____ **Name of Grantee** (Type or Print)
_____ **Signature of Grantor**	_____ **Signature of Grantee**
Sworn to before me this _____ **date of** _____ **20** _____	**Sworn to before me this** _____ **date of** _____ **20** _____

These statements are made with the knowledge that a willfully false representation is unlawful and is punishable as a crime of perjury under Article 210 of the Penal Law.

NEW YORK CITY REAL PROPERTY TRANSFER TAX RETURNS FILED ON OR AFTER FEBRUARY 6th, 1990, WITH RESPECT TO THE CONVEYANCE OF A ONE- OR TWO-FAMILY DWELLING, OR A COOPERATIVE APARTMENT OR A CONDOMINIUM UNIT IN A ONE- OR TWO-FAMILY DWELLING, WILL NOT BE ACCEPTED FOR FILING UNLESS ACCOMPANIED BY THIS AFFIDAVIT.

TP-584 (9/19)

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)* (☐ *mark an* ***X*** *if more than one grantor)*	Social Security number (SSN)
☐ Individual ☐ Corporation ☐ Partnership ☐ Estate/Trust ☐ Single member LLC ☐ Multi-member LLC ☐ Other	Mailing address	SSN
	City State ZIP code	Employer Identification Number (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)* (☐ *mark an* ***X*** *if more than one grantee)*	SSN
☐ Individual ☐ Corporation ☐ Partnership ☐ Estate/Trust ☐ Single member LLC ☐ Multi-member LLC ☐ Other	Mailing address	SSN
	City State ZIP code	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 *(mark an* ***X*** *in 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 ☐ Four-family dwelling
9 ☐ Other _____

Date of conveyance
_____ / _____ / _____
month day year

Percentage of real property conveyed which is residential real property _____%
(see instructions)

Condition of conveyance
(mark an ***X*** *in 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 3)*
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	Date received	Transaction number
	Schedule B, Part 1 $ _____ Schedule B, Part 2 $		

Schedule B – Real estate transfer tax return (Tax Law Article 31)

Part 1 – Computation of tax due

1	Enter amount of consideration for the conveyance *(if you are claiming a total exemption from tax, mark an **X** in the Exemption claimed box, enter consideration and proceed to Part 3)* ☐ **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 2 – 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 1, 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 3 – Explanation of exemption claimed on Part 1, line 1 *(mark an **X** in all 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, New York State, 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, § 1401(e) *(attach documents supporting such claim)* ..... k ☐

* The total tax (from Part 1, line 6 and Part 2, line 3 above) is due within 15 days from the date of conveyance. Make check(s) payable to the county clerk where the recording is to take place. For conveyances of real property within New York City, use Form TP-584-NYC. 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. If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.

Schedule C – Credit Line Mortgage Certificate (Tax Law Article 11)

Complete the following only if the interest being transferred is a fee simple interest.
This is to certify that: *(mark an **X** in 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:

   a ☐ 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.

   b ☐ 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).

   c ☐ The transfer of real property is a transfer to a trustee in bankruptcy, a receiver, assignee, or other officer of a court.

   d ☐ The maximum principal amount secured by the credit line mortgage is $3 million 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.

   Note: for purposes of determining whether the maximum principal amount secured is $3 million 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.

   e ☐ 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 ☐ A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.

   b ☐ A check has been drawn payable for transmission to the credit line mortgagee or mortgagee's 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.)*

Signature (both the grantors and grantees 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 their 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 marked *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? If no recording is 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. If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.

Schedule D – Certification of exemption from the payment of estimated personal income tax (Tax Law, Article 22, § 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 2, mark an *X* in the second box under *Exemption for nonresident transferors/sellers*, and sign at bottom.

Part 1 – New York State residents

If you are a New York State resident transferor/seller listed in Form TP-584, Schedule A (or an attachment to Form TP-584), you must sign the certification below. If one or more transferor/seller 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, photocopy this Schedule D and submit as many schedules as necessary to accommodate all resident transferors/sellers.

Certification of resident transferors/sellers

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor/seller as signed below was a resident of New York State, and therefore is not required to pay estimated personal income tax under Tax Law § 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 § 685(c), but not as a condition of recording a deed.

Part 2 – Nonresidents of New York State

If you are a nonresident of New York State listed as a transferor/seller in Form TP-584, Schedule A (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 § 663(c), mark an ***X*** in the box of the appropriate exemption below. If any one of the exemptions below applies to the transferor/seller, that transferor/seller is not required to pay estimated personal income tax to New York State under Tax Law § 663. **Each** nonresident transferor/seller who qualifies under one of the exemptions below must sign in the space provided. If more space is needed, 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 Form TP-584-I, page 1.

Exemption for nonresident transferors/sellers

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor/seller (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 § 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 New York State, 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

DOCUMENT NUMBER 4

UNIT OWNER'S POWER OF ATTORNEY

JEFFREY ZWICK & ASSOCIATES, PC
266 Broadway, Suite 403
Brooklyn, New York 11211

UNIT OWNER'S POWER OF ATTORNEY

The 499 Evergreen Avenue Condominium

Any terms used in this Unit Owner's Power of Attorney that are used (a) in the Declaration establishing a plan for condominium ownership of the premises known as The 499 Evergreen Avenue Condominium and by the street number 499 Evergreen Avenue, Brooklyn NY 11221, under Article 9-B of the Real Property Law of the State of New York, dated _____,and recorded in the Kings County office of the Register in The City of New York (hereinafter referred to as "Declaration"), or (b) in the By-Laws of The 499 Evergreen Avenue Condominium (hereinafter referred to as the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration or the By-Laws.

The undersigned, , the owner of the Condominium Unit (hereinafter referred to as the "Undersigned's Unit") known as Unit No._____ in The 499 Evergreen Avenue Condominium, said Unit being designated as Tax Lot _____ in Block 3368 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with any interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with the Unit Owner's respective Common Interests, subject to the provisions of the By-Laws then in effect, (1)(a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects surrender the same pursuant to the terms of paragraph (C) of Section 6.2 of the By-Laws, (c) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and (with respect to any transfer pursuant to the terms of subdivision (a) or (c) of this paragraph) at such price or at such rental, as the case may be, as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease, mortgage, or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in said premises that the undersigned could do if the undersigned were personally present and (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning, resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium or (b) any consent, covenant, restriction, easement, or declaration, or any

amendment thereto, affecting the Condominium or the Common Elements, that the Condominium Board deems necessary or appropriate.

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

IN WITNESS WHEREOF, the undersigned have executed this Unit Owner's Power of Attorney as of the day of , 20

_____

STATE OF NEW YORK)
COUNTY OF) ss.:

On the day of in the year 20 , before me, the undersigned, a notary public in and for said state, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the 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) acted, executed the instrument.

_____
Notary Public

POWER OF ATTORNEY

to

CONDOMINIUM BOARD OF
THE 499 EVERGREEN AVENUE CONDOMINIUM

Premises:
Unit No. ____
499 Evergreen Avenue
Brooklyn, New York 11221

County: Kings

Block: 3368

Lot:

Record and return to:

JEFFREY ZWICK & ASSOCIATES, P.C.
266 Broadway, Suite 403
Brooklyn, NY 11211
718-513-2050

DOCUMENT NUMBER 5

CONDOMINIUM UNIT DEED

JEFFREY ZWICK & ASSOCIATES, PC
266 Broadway, Suite 403
Brooklyn, New York 11211

CONDOMINIUM UNIT DEED

THIS INDENTURE, made the day of , 20 by and between 503 Evergreen Avenue LLC, having an address at 467 Keap Street, Suite 1A, Brooklyn, New York 11211 (hereinafter referred to as the "Grantor"); and _____ with an address at _____(hereinafter referred to as the "Grantee").

W I T N E S S E T H:

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

ALL OF THE PROPERTY DESCRIBED IN "SCHEDULE A"
ANNEXED HERETO, KNOWN AS CONDOMINIUM UNIT NO._____ IN
THE 499 EVERGREEN AVENUE CONDOMINIUM,
499 EVERGREEN AVENUE, BROOKLYN, NY 11221

TAX BLOCK 3368, F/K/A LOT 3, N/K/A LOT _____

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, agreements and other provisions set forth in the Declaration and the By-Laws of 499 Evergreen Avenue Condominium, as the same may be amended from time to time (hereinafter referred to as the "By-Laws"), all of which shall constitute the 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;

Together with an easement for the continuance of all encroachments by the Unit on any adjoining units or Common Elements now existing as a result of construction of the Building, of which may come into existence hereafter as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or of the Unit, after damage or destruction by fire or other casualty, or any taking in condemnation or eminent domain proceeds, or by alteration or repair to the Common Elements made by or with the consent of the board of Managers, so that any such encroachment may remain as long as the units stand.

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, and the heirs or successors and assigns of the Grantee, forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if

the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 67 of the Declaration shall control.

Except as otherwise specifically permitted by the Board (as such term is defined in the Declaration) or provided in the Declaration or in the By-Laws, the Unit is intended for residential use.

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 (and any Rules and Regulations adopted under 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 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.

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

The Grantee has examined the Unit and is purchasing the same in its existing condition.

This conveyance is made in the regular course of business actually conducted by the Grantor.

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

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

GRANTOR: GRANTEE:

_____ _____

STATE OF NEW YORK)
COUNTY OF) ss.:
On the day of in the year , before me, the undersigned, a notary public in and for said state, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A
DESCRIPTION OF THE UNIT

The Condominium Unit (hereinafter referred to as the "Unit") known as Unit No. __ in the building (hereinafter referred to as the "Building") known as The 499 Evergreen Avenue Condominium and by the street number 499 Evergreen Avenue, Borough of Brooklyn, County of Kings, City and State of New York, said Unit being designated and described as Unit No. _____ in a certain declaration dated _____ made pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act"), establishing a plan for condominium ownership of the Building and the land (hereinafter referred to as the "Property") upon which the Building is situate (which Land is more particularly described in Description of the Land, below, and by this reference made a part hereof), which declaration was recorded in the Kings County office of the Register of The City of New York as Condominium Plan No. _____ on _____ as Document ID No._____, City Register File No. _____, together with Map No._____. This Unit is also designated as Tax Lot _____ in Block 3368 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of the Building, certified by_____, and filed with the Real Property Assessment Department of The City of New York as Condominium No. _____.

Together with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration) and situated on the land described as follows:

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

See Attached.

SAID premises being known as and by the street address 499 Evergreen Avenue, Brooklyn, NY 11221.

Tax Lot 3 (For Information Only – 499 Evergreen Ave.):

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northeasterly side of Evergreen Avenue, distant 39 feet 6-1/2 inches, more or less, northwesterly from the corner formed by the intersection of the said northeasterly side of Evergreen Avenue with the northwesterly side of Putnam Avenue;

RUNNING THENCE northeasterly and parallel with said northwesterly side of Putnam Avenue, 100 feet;

THENCE northwesterly and parallel with said northeasterly side of Evergreen Avenue, 20 feet 5-1/2 inches to a line drawn parallel with the said northwesterly side of Putnam Avenue and distant 60 feet northwesterly therefrom;

THENCE southwesterly and along the said line parallel with the said northwesterly side of Putnam Avenue and 60 feet northwesterly therefrom, 100 feet to the said northeasterly side of Evergreen Avenue;

THENCE southeasterly and along the northeasterly side of Evergreen Avenue, 20 feet 5-1/2 inches, to the point or place of BEGINNING.

CONDOMINIUM UNIT DEED

GRANTOR:

503 Evergreen Avenue LLC
467 Keap Street, Suite 1A
Brooklyn, New York 11211

GRANTEE:

to

Premises:
Unit No. ____
499 Evergreen Avenue
Brooklyn, New York 11221

County: Kings

Block: 3368

Lot:

Record and return to:

JEFFREY ZWICK & ASSOCIATES, P.C.
266 Broadway, Suite 403
Brooklyn, NY 11211
718-513-2050

DOCUMENT NUMBER 6

DECLARATION OF CONDOMINIUM

JEFFREY ZWICK & ASSOCIATES, PC
266 Broadway, Suite 403
Brooklyn, New York 11211

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as

499 Evergreen Avenue
Brooklyn, New York 11221

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:

The 499 Evergreen Avenue Condominium

Declarant:
503 EVERGREEN AVENUE LLC
467 KEAP STREET, SUITE 1A
BROOKLYN, NEW YORK 11211

Date of Declaration:

Record & return to:
Jeffrey Zwick & Associates, P.C.
266 Broadway, Suite 403
Brooklyn, New York 11211

The land affected by the within instrument lies in Block 3368
formerly known as Lot 3 and now known as
Lots through inclusive on the
Tax Map of the Borough of Brooklyn,
City and State of New York

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BY-LAWS*

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*Reproduced in full in as Document Number 7

DECLARATION OF THE 499 EVERGREEN AVENUE CONDOMINIUM

Pursuant to Article 9-B of the Real Property Law of the State of New York

503 Evergreen Avenue LLC, with an address at 467 Keap Street, 1A, Brooklyn, New York 11211 (the "Declarant"), hereby declares as follows:

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 hereto, unless the context in which the same 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, and to verbs of any tense.

Article 2 - Submission of the Property

Declarant hereby submits the land ("Land") hereinafter described, together with the building and improvements thereon erected ("Building") owned by Declarant in fee simple absolute (the Land and Building referred to collectively as the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act").

Excluded from the Property are that portion of the unused floor area development rights that are now owned, subsequently acquired or that may become available under the New York City Zoning Resolution, which shall be retained by the Declarants and which may be sold, transferred or hypothecated to any other entity for the sole purpose of being merged into a zoning lot pursuant to a zoning lot development agreement ("ZLDA") or similar agreement. Said rights may not be used to increase the size of the subject Building.

Article 3 - Description of the Land

Included in the Property described in Article 2 is all that certain plot, piece, and parcel of land described in Schedule A annexed hereto and made a part hereof (the "Land"). The land is located in the Borough of Brooklyn, County of Kings, in the City and State of New York, and designated on the Tax Map of Kings County as Block 3368 formerly known as Lot 3 and being designated herein as Lots through , inclusive.

Article 4 - Description of the Building

Included in the Property described in Article 2 is the Building, which is new construction and will consist of 5 stories plus a cellar and will contain eight (8) residential units, one (1) community facility, five (5) storage Units and two (2) roof terraces as well as hallways, vestibules, corridors and other service, utility and mechanical areas. The principal materials of which it is constructed are block, brick, wood and steel.

Article 5 - Name of the Condominium

The Property shall be designated and known as "The 499 Evergreen Avenue Condominium."

Article 6 - The Units

A. Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) designation number; (ii) tax lot number; (iii) its approximate location in the Building; (iv) its approximate area; (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 and areas of each Unit within the Building and all of the areas and installations which are included as part of the Units are shown on the Floor Plans of the Building, certified by _____, intended to be filed in the Office of the City Register simultaneously with the recording of this Declaration and are made a part of this Declaration. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and the Floor Plans.

B. Statement of Dimensions. Dimensions of the Units shown on the Floor Plans reflect the approximate gross dimensions of each unit. Accordingly, they measure to the outside face of the glass at the exterior walls of the building and approximately to the non-unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units.

No Unit Owner shall be deemed to own the structural walls, supporting columns, pipes, wires, conduits or other public lines running through the Unit which are utilized for or serve more than one (1) Unit. Any area and/or installation which is designated on the Floor Plans as part of a Unit shall be considered as part of said Unit. Vertically, each unit consists of the space between the upper face of the subfloor and the upper face of the dry wall ceiling.

C. Notwithstanding anything contained in this Article to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install, at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of the Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no installation shall impair the structural integrity of such Unit or of the Building.

Article 7 - The Common Elements

The Common Elements are made up of the general common elements and the limited common elements.

A. General Common Elements. The general common elements consist of the Land and those rooms, areas and corridors and other portions of the Building (other than Units or limited common areas), 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. Without intention to limit the generality of the foregoing in any respect, and unless otherwise provided for in the Floor Plans, General Common Elements include the following:

(i) The Land not specifically designated to any of the Units on the Floor Plans.

(ii) foundations, columns, beams, supports, girders, exterior walls, interior walls, partitions, floors, and ceilings in, on or under the Building, to the extent that same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof;

(iii) all vestibules, stairs, elevators, mechanical and electrical equipment spaces, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof;

(iv) All central and appurtenant installations and facilities for services such as power, light, telephone, gas, sewer, plumbing, drainage, hot and cold water distribution, ventilation, 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, if any.

(v) All sewer and drainage pipes.

(vi) All other parts of the Property and all apparatus and installations existing in the Buildings or Premises for common use of the Unit Owners or which are, or may be necessary or convenient for the existence, maintenance or safety of the Buildings.

B. Limited Common Elements.

(i) Limited Common Elements are those Common Elements which service or to which a specific Unit or Unit Owner has exclusive right to use. Limited Common Elements may be allocated to one or more, but not all, Units. In this Condominium, the Limited Common Element areas are the balconies and terraces.

(ii) Unit Owners' right to make alterations, additions or improvements to the Limited Common Elements shall be subject to the provisions of Article 9 and 12 which shall also govern alterations, additions, or improvements allocated to the Units.

C. The Common Elements shall remain undivided and are not subject to partition nor are they severable from the Units except in accordance with The Condominium Act (Article 9-B of the Real Property Law), or as expressly permitted pursuant to Section 5.5 of the By-Laws.

Article 8 - Determination of Common Interests

In accordance with Section 339-i(1)(iv) of the New York State Condominium Act, the Common Interests of each of the Units have been allocated based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit.

Article 9 - Use of Units

As more particularly set forth in the By-Laws, each Unit may be used in accordance with the use permitted by local law and zoning regulations and the Certificate of Occupancy, and not more than one family may occupy a Unit at once. 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, respectively, or by Family Members or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests). Notwithstanding the foregoing, Sponsor may, without obtaining the consent of the Board or other Unit Owners, use any one or more of such Units as model units and sales and/or promotion offices in connection with the sale of the Unsold Units or for any other purpose, subject only to compliance with current laws, statutes or regulations.

Article 10 - Easements for the Enjoyment of Common Elements

Subject to the terms of the By-Laws and the Rules and Regulations, Sponsor, the Unit Owners, the Selling Agent, the Managing Agent, the Board and all officers, partners, employees, agents, guests, invitees, appointees 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, and the Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, 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.

Article 11 - Other Easements

A. Subject to the terms of the By-Laws and Rules and Regulations, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Common Elements, and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Element and utility distribution system serves, or is necessary to the service of, his or her Unit, and each Unit and all of the Common Elements shall be subject to such easement. In addition, each Unit Owner shall have a reasonable right of access through any other Unit for the purpose of entry to any part of his Unit where there is no other means of access to such part of his Unit or Limited Common Elements allocated to his Unit. In addition, the Board shall have an easement and a right of access to each

Unit and to Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted in this paragraph shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted only upon reasonable notice, except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Building, for the safety of the occupants of the Building or other persons, or to avoid the suspension of any necessary service in the Building. Each unit may maintain or replace its porches or balconies.

B. The Board shall have, on behalf of all Unit Owners, the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as the Board shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof or for the general health or welfare of the owners, tenants and occupants of the appropriate Units; provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units for their permitted purposes. Any utility company, as well as its officers, employees and agent, shall have the right of access to each Unit and to the Common Elements in furtherance of such easement. However, such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

C. Each unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

D. If (i) any portion of the Common Elements now encroaches upon any Unit or upon any other portion of the Common Elements, (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 Board, 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 after damage by fire or other casualty or after any taking by condemnation or eminent domain proceedings, 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.

E. In addition, a right of access is hereby granted to the unit owners, their successors, heirs and assigns, for the purpose of gaining access to the following areas: common areas; mechanical areas of the building, including but not limited to the boiler room, storage room, meter room or any other facility to which each such unit owner has a right of use; or to any area of the property that such

Unit Owner has a right to use as part of his Unit or as a Common Element. However, the right shall only be exercised in a reasonable manner.

F. In addition to the specific easements set forth in this Declaration, the Property and shall be subject to all easements and rights of access prescribed in the Condominium Act.

Article 12 - Alterations, Addition, Improvements and Changes to Units

Subject to Article 9, each Unit Owner shall have the right to (i) make alterations, additions, or improvements inside his unit, including subdivision thereof or combination of two adjacent units; (ii) make alterations, additions, or improvements to any part of the property allocated to his unit; and (iii) change the layout of his unit; provided, however, that, with respect to any such alteration, addition, improvement or change in, to, of or upon a Unit: (1) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto; (2) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and (3) such alteration, addition, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property, and (4) such alteration, addition, improvement or change shall not commence until the final certificate of occupancy for the building is procured. Any unit owner who wishes to undertake such addition, alteration or improvement must follow the procedures set forth in the Bylaws. Notwithstanding the foregoing, Sponsor or its designee shall have the right, without the approval of the Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units to (a) make or approve alterations, additions, improvements, or repairs in or to any Unsold Unit or Units, or limited common elements allocated thereto, whether structural or non-structural, interior or exterior, ordinary or extraordinary; and (b) to subdivide, combine and change the boundary walls of Unsold Units or Units subject only to the limitations set forth in the Bylaws and in the offering plan.

In the event that any unit is subdivided, the subdivided units shall jointly exercise and share the vote and the percentage of common interest allocated to the original unit. Percentage of common interest for merged units shall be the aggregate of the percentage of common interest for the units prior to the merge.

Article 13 - Acquisition of Units by the Condominium Board

If (i) any Unit Owner surrenders his or her Unit, together with its Appurtenant Interests, to the Board pursuant to the terms of the By-Laws or of Section 339-x of the Condominium Act or (ii) the Board, pursuant to the terms of the By-Laws or otherwise, either (x) acquires or leases a Unit, together with its Appurtenant Interests or (y) purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title or the leasehold estate, as the case may be, and to such Unit and such Appurtenant Interests shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium

Board or its designee shall be held by the Board or such designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

Article 14 - Power of Attorney to the Condominium Board

A. Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Board, jointly, to (1) acquire or lease any unit, together with its Appurtenant Interests, any unit whose owner desires to sell, convey, transfer, assign, lease or surrender the same or that becomes subject to a foreclosure or other similar sale, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (2) convey, sell, lease, mortgage, or otherwise deal with (but not to exercise the vote appurtenant to) any Unit so acquired or to sublease any Unit so leased; and (3) execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium that the Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (ii) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Board deems necessary or appropriate.

B. In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of the Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Owner's Power of Attorney in the form provided.

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 at least eighty percent (80%) of the vote. In the event that said withdrawal is authorized as aforesaid, but only in such event, 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 accordance with the factors set out in The New York State Condominium Act Section 339-i(1)(iv), which is based on floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, the overall dimensions of the particular unit and the fair market value of such unit. In the event of any dispute, the issue shall be presented for arbitration in accordance with Article 10 of the By-Laws. No payment shall be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of the 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 or a sublessee of a Unit Owner, an occupant of a Unit, a member of the Board, an

officer of the Condominium, 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 Board is hereby authorized as attorney-in-fact for such Unit Owner or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of 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 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 Board, Unit Owner, or other Person is required to take pursuant to this Declaration at the request of the Managing Agent, then the Managing Agent is hereby authorized as attorney-in-fact for the Board, such Unit Owner, or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board, such Unit Owner, or other Person, and such document or action shall be binding on the Board, such Unit Owner, or other Person, as the case may be.

Article 17 - Covenants to Run with the Land

A. All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 17, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions thereof shall be binding upon, and shall inure to the benefit of, the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights, in, or for the benefit of, the general public. 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 may be amended from time to time. The acceptance of a deed or conveyance, the entering into a lease, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time, any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance, or lease.

This Declaration of Condominium is subject also to such other liens, covenants, easements, restrictions, consents, agreements, and other matters of record and any agreements as pertain to the Units, the Land and/or the Building.

B. If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be for the purposes of submitting the Property to the provisions of the Condominium Act.

C. Subject to the terms of paragraph (b) of this Article 17, if this Declaration and the By-laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

Article 18 - Amendments to this Declaration

A. Unless otherwise stated, any provision of this Declaration, including the Bylaws, may be amended, modified, added to, or deleted by a 66 2/3 vote of the Units in Common Interest, taken in accordance with the provisions of the By-Laws. However, this section may only be amended with unanimous consent of all Unit Owners. Additionally, no amendment shall be made which limits or affects the rights of the mortgagee against the mortgagor. No such amendment, modification, addition, or deletion shall be effective until recorded in the Kings County Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions, or deletions affecting Sponsor or its designee or any Unsold Units, any such amendment, modification, addition, or deletion may be executed either (i) by the Condominium Board as attorney-in-fact for the Unit Owners, which power shall be deemed to be coupled with

an interest as provided for in Article 14 hereof; or (ii) by the Unit Owner or Unit Owners whose Unit or Units are affected by such amendment, modification, addition or deletion.

B. If the amendment requires the approval of a specified percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certification shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

C. For five (5) years after the First Closing, or until unsold units constitute less than 25%, whichever is sooner, the Declaration may not be amended or modified so as to adversely affect Sponsor or its designee without the prior written consent of every Unit Owner affected by such amendment, including Sponsor or its designee

D. Notwithstanding the foregoing, any amendment which affects only unsold units may be made by Sponsor or its designee, without the consent or approval of the board or any other unit owner. In such event, Sponsor may sign any required document in connection therewith on behalf of the board.

E. Any amendment to the Bylaws which materially adversely affects the Community Facility Unit requires the consent of the Community Facility Unit Owner.

Article 19 - Consents of Sponsor

Wherever the consent, approval, satisfaction, or permission of Sponsor or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when Sponsor or such designee no longer owns any Units.

Article 20 - Person to Receive Service

The Secretary of State is designated as agent of the Board upon whom process against it may be served. The post office address within or without this state to which the secretary of state shall mail a copy of any process against the Board served upon him or her is: 499 Evergreen Avenue, Brooklyn, NY.

Article 21 - Incorporation by Reference

The terms, covenants, conditions, descriptions, and other information contained in (i) the Property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Owner's Power of Attorney; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if the same were set forth at length in the text hereof. In the event of any inconsistency between the terms of the Declaration and those in the offering plan, the terms of this Declaration shall govern.

Article 22 - Waiver

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Article 23 - Severability

Subject to the provisions of paragraphs (b) and (c) of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise provided herein, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provision of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

Article 24 - 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 25 - 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 and year first written above.

Declarant:

By:_____

State of New York)
County of Kings) ss.:

On the day of in the year , before me, the undersigned, a notary public in and for said state, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted and executed the instrument.

_____
Notary Public

EXHIBIT A TO THE DECLARATION
OF THE 499 EVERGREEN AVENUE CONDOMINIUM

DESCRIPTION OF THE LAND

Tax Lot 3 (For Information Only – 499 Evergreen Ave.):

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northeasterly side of Evergreen Avenue, distant 39 feet 6-1/2 inches, more or less, northwesterly from the corner formed by the intersection of the said northeasterly side of Evergreen Avenue with the northwesterly side of Putnam Avenue;

RUNNING THENCE northeasterly and parallel with said northwesterly side of Putnam Avenue, 100 feet;

THENCE northwesterly and parallel with said northeasterly side of Evergreen Avenue, 20 feet 5-1/2 inches to a line drawn parallel with the said northwesterly side of Putnam Avenue and distant 60 feet northwesterly therefrom;

THENCE southwesterly and along the said line parallel with the said northwesterly side of Putnam Avenue and 60 feet northwesterly therefrom, 100 feet to the said northeasterly side of Evergreen Avenue;

THENCE southeasterly and along the northeasterly side of Evergreen Avenue, 20 feet 5-1/2 inches, to the point or place of BEGINNING.

EXHIBIT B TO THE DECLARATION
OF THE 499 EVERGREEN AVENUE CONDOMINIUM

[INTENTIONALLY OMITTED – TO BE PROVIDED WITH RECORDED DECLARATION]

EXHIBIT C TO THE DECLARATION
OF THE 499 EVERGREEN AVENUE CONDOMINIUM

DEFINITIONS

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

2. Architect's Report: The written description of the Property and the condominium floor plans as prepared by Sponsor's architect available in Part II of the Offering Plan, as the same may, from time to time have been amended or changed, or may, from time to time, hereafter be amended or changed in accordance with the Plan.

3. Balance: The purchase price less the Down Payment, which is due at the Closing.

4. Bank: The bank at which the Escrow Account is located, which is Signature Bank, 565 5th Avenue, New York, New York 10007.

5. Below Grade: Below first floor or ground floor level.

6. Board of Managers: (the "Board") The governing body of the Condominium, selected, authorized and directed to manage and operate the Condominium individually as provided by the Condominium Act, the Declaration and the By-Laws. The Board will manage and operate the building as provided by the Condominium Act, Declaration and By-Laws.

7. Building: The structure to be erected on the Property.

8. By-Laws: By-laws of the Condominium, which are annexed as Exhibit D to the Declaration, as the same may be amended from time to time pursuant to the terms thereof. The bylaws outline the procedures and methods for the operation of the condominium.

9. Closing: The settlement of the mutual obligations of the Sponsor and Purchaser under a Purchase Agreement, or the date thereof as context requires, including the payment to Sponsor of the purchase price and the delivery to Purchaser of the deed transferring full ownership to the Unit on the terms set forth in the Purchase Agreement.

10. Common Charges: Assessments by the Board upon the Unit Owners, in proportion to their respective interests (unless otherwise indicated in the Condominium Documents)_in the Common Elements for the purpose of paying common Expenses. NOTE: These charges are payable by the Unit Owners of its building on a monthly basis.

11. Common Elements: All that part of the Condominium Property or facilities servicing or benefitting all the Units comprising the Condominium, as defined in Section 339-e of the Condominium Act. The Common Elements include generally, and without limitation: (i) all parts of that building (other than the Units in that building) including but not limited to the foundation, common areas of the roof and supports of the building; and (ii) all areas or facilities for the common use of all the Units of the building and Unit Owners. Common Elements consist of all portions of the Condominium Property which are not designated as Units or parts thereof.

12. Common Expenses: Expenses and costs for which Unit Owners shall be proportionately
liable, in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); (iii) the purchase, lease, or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer, or convey the same or that is to be sold at a foreclosure or other sale; and (iv) generally, the conduct of the affairs of the Condominium.

13. Common Interest: The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit, as expressed in the Declaration of Condominium.

14. Condominium: The 499 Evergreen Avenue Condominium which was established pursuant to the terms of the Declaration and is to be governed pursuant to the terms of the By-Laws.

15. Condominium Act: Article 9-B of the Real Property Law of the State of New York, as amended, which sets forth provisions governing the creation and operation of condominiums, and to which the Condominium is the subject of this Offering Plan, is submitted.

16. Condominium Association: The unincorporated association of Unit Owners in the Condominium.

17. Condominium Documents: This Offering Plan, and the Declaration, Floor Plans, By-Laws and rules and regulations of the Condominium and all Exhibits for the foregoing, as amended from time to time.

18. Declaration: The instruments by which the Building is submitted to the provisions of the Condominium Act and that instrument as from time to time amended, consistent with the provisions of the Condominium Act and the By-Laws of the Condominium.

19. DOB: The New York City Department of Buildings.

20. DOL: The New York State Department Of Law.

21. Down Payment: A sum equal to 10% of the purchase price of a Unit, subject to negotiation, which shall be tendered along with a fully executed Purchase Agreement.

22. Emergency: A condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or required to avoid the suspension of any necessary service in the Building.

23. Equal or Better Quality: Comparable or better quality recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

24. Escrow Agent: Jeffrey Zwick & Associates, PC, 266 Broadway, Suite 403, Brooklyn, New York 11211.

25. Escrow Account: The account existing at Signature Bank entitled "Jeffrey Zwick & Associates, P.C. Attorney Escrow Disbursement Account" into which Down Payments will be placed.

26. Family Members: Spouse, children (natural and adopted), stepchildren, parents, grandchildren, grandparents, siblings, and parents-in-law of a Unit Owner who reside in such Unit Owner's Unit.

27. First Class Condition: Same as new, excepting normal wear and tear.

28. First Closing: Date on which title to the first Condominium Unit is transferred and operations, including the budget year, commences.

29. Floor Plans: The floor plans of the Units filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and By-Laws and the Floor Plans.

30. Initial Capital Payment: The amount of money collected at Closing from each initial Purchaser equal to two (2) month's Common Charges for its Unit, to be used as working capital.

31. Initial Control Period: Period during which Sponsor exercises voting and veto control over the Board. In this plan, the period is for five (5) years after the First Closing or until Sponsor owns less than 25% of the Units, whichever is sooner.

32. Institutional Lender: (i) a savings bank, savings and loan associations, bank or trust company, insurance company, real estate investment trust, or mortgage trust or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

33. Insurance Trustee: An individual who is a resident of the State of New York, or a bank or trust company having an office in The City of New York, from time to time appointed to serve as such by the Condominium Board.

34. Interim Lease: Lease entered into between Sponsor and a prospective purchaser to allow for occupancy of a Unit for which the purchaser has signed a Purchase Agreement, for the time between signing the Purchase Agreement and Closing.

35. Interim Lessee: Purchaser and other occupants who sign and Interim Lease and occupies a Unit prior to Closing, pursuant to such Interim Lease.

36. Law: The laws and ordinances of any or all of the Federal, New York State, New York City, in the particular County, and Borough governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the Property and/or the Condominium, and/or the direction of any public officer pursuant to law.

37. Limited Common Elements: Limited Common Elements generally are those Common Elements which service or which are reserved for use and enjoyment by one or more (but not all) Units. Examples of Limited Common Elements can be an area like a balcony, or yard, or a facility like a boiler which is located in the cellar but provides hot water to a specific Unit.

38. Limited Warranty: The Housing Merchant Implied Warranty, as limited by Sponsor.

39. Lot Line: The boundaries of the tax lot as determined by the City of New York Department of Finance, Real Property Assessment Bureau. Lot line windows are

windows located on such boundaries, in the event the building is constructed on the lot lines. There will be no lot line windows in the completed building.

40. Managing Agent: A Person or company employed by the Condominium Board pursuant to pursuant to paragraph (C) of Section 2.5 of the By-Laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium Board shall delegate, subject to the limitations contained in paragraph (D) of Section 2.6 of the By-Laws.

41. Majority of Unit Owners: Those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

42. Notice of Closing: Letter sent to Purchasers setting a Closing date for the respective Unit which will be at least thirty (30) days after the date of the notice.

43. Mortgage Contingency Expiration Date: A date which is on or before forty-five (45) days from date the Purchaser receives an executed Purchase Agreement after which the mortgage contingency, if granted, will expire.

44. Permitted Mortgage: Any mortgage covering one or more Units that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws.

45. Permitted Mortgagee: Any holder of a Permitted Mortgage at the time in question.

46. Person: Any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

47. Plan: That certain offering plan to convert the Property to condominium ownership filed with the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York.

48. Plans and Specifications: The plans and specifications for the Building filed with the Department of Buildings and other appropriate governmental authorities, as the same may be amended or changed from time to time.

49. Property: All that certain tract, plot, piece, and parcel of land situate, lying and being in the County of Kings, City and State of New York, as more particularly described in Exhibit A to the Declaration, which is subject to the Condominium Act by the Declaration, together with all improvements thereon and all easements, rights and

appurtenances belonging thereto or intended for the benefit thereof as fully detailed in the Declaration.

50. Purchaser: A Person who tendered the appropriate Down Payment and who has received a fully executed Purchase Agreement for a Unit in the Condominium.

51. Purchase Agreement: The written agreement to purchase a Unit.

52. Register's Office: The Office of the Register of the City of New York, Kings County.

53. Rules and Regulations: The rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

54. Selling Agent: Sponsor or a NY licensed real estate broker appointed by Sponsor to market and sell the Condominium Units.

55. Special Assessments: The charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), in accordance with paragraph (D) of Section 6.1 of the By-Laws.

56. Sponsor: As per New York State regulations for newly constructed and vacant condominiums, means "any person, partnership, joint venture, corporation, company, trust, association or other entity or agent thereof who makes or takes part in a public offering or sale in or from the State of New York of participation interests or investments in real estate including condominium interests in realty." The Sponsor of this offering plan is 503 Evergreen Avenue LLC.

57. Time of the Essence: Purchaser must cure a default or satisfy a condition in the Purchase Agreement by the date indicated or commit an incurable breach and forfeit his down payment.

58. Trust Funds: The moneys actually received from the insurance company pursuant to a claim for damage.

59. Unit: Any Unit designated as such in the Declaration of the Condominium and further described in the Floor Plans to be filed simultaneously with the Declaration.

60. Unit Owner: The Person or Persons owning, on record, a unit in fee simple absolute.

61. Unsold Units: Any Unit owned by Sponsor or its designee at the time in question, excluding any unit occupied by the Sponsor or any Family Member.

DECLARATION OF CONDOMINIUM

Declarant:
503 EVERGREEN AVENUE LLC
467 KEAP STREET, SUITE 1A
BROOKLYN, NEW YORK 11211

Premises:

499 Evergreen Avenue
Brooklyn, New York 11221

County: Kings

Block: 3368
F/K/A: 3

N/K/A:

Record and return to:

Jeffrey Zwick & Associates, P.C.
266 Broadway, Suite 403
Brooklyn, New York 11211

DOCUMENT NUMBER 7

BY-LAWS

JEFFREY ZWICK & ASSOCIATES, PC
266 Broadway, Suite 403
Brooklyn, New York 11211

EXHIBIT D TO
THE DECLARATION

BYLAWS

of

THE 499 EVERGREEN CONDOMINIUM

499 Evergreen Avenue
Brooklyn, New York 11233

Jeffrey Zwick & Associates, P.C.
266 Broadway, Suite 403
Brooklyn, New York 11211

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BYLAWS OF
THE 499 EVERGREEN CONDOMINIUM

ARTICLE 1 - GENERAL

Section 1.1. Purpose. The purpose of these Bylaws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is described in Exhibit A to the Declaration of Condominium of The 499 Evergreen Condominium; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part.

Section 1.2. Definitions. All capitalized terms used in these Bylaws 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. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3. Applicability of Bylaws. These Bylaws are applicable to the Property and to the use and occupancy thereof.

Section 1.4. Application of Bylaws. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of the foregoing, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with. The terms of these Bylaws shall govern in the event of any inconsistency between same and those terms contained in other condominium documents such as the offering plan or in other portions of this Declaration.

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 reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2 - BOARD OF MANAGERS

Section 2.1. General. As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the 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 Bylaws.

Section 2.2. Status of the Condominium Board. Unless and until the Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3. Principal Office of the Condominium Board. The principal office of the Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Board.

Section 2.4. Powers and Duties of The Condominium Board.
(A) The Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and By-Laws, may not be delegated to the Board by Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, lease, add to, improve, alter and replace the Common Elements, as the Board shall deem necessary or proper including, but not limited to in connection therewith: (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Board for use in connection with the ownership and operation of the Property as a condominium;

(iii) to maintain records with respect to the finances and the operation of the Condominium, including, without limitation: (a) detailed accounts of receipts and expenditures affecting the Property; (b) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (c) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to determine the amount and establish the means and methods of payment of, and to collect, the Common Charges and Special Assessments from Unit Owners;

(vi) to borrow money on behalf of the Condominium when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of all of the members of the Board shall be required for the borrowing of any sum in excess of $25,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) the affirmative consent of all of all Unit Owners shall be required for the borrowing of any sum in excess of $25,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Board pursuant to this subparagraph (vi) shall not be repaid by the Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interest of all Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file, against such Unit Owner's Unit;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof. During the period which the Sponsor controls the Board, the insurance coverage shall not be less than what is required by the governing regulations (Part 20 of Title 13 NYCRR);

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners; (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws;

(xii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiii) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiv) to purchase Units at foreclosure or other judicial sales, in the name of the Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xv) to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Board or its designees shall in no event be entitled to the vote appurtenant to any such Unit;

(xvi) to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same;

(xvii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xviii) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and by-laws;

(xix) to organize corporations to act as the designees of the Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal

property for use in connection with the ownership and operation of the Property as a condominium;

(xx) to execute, acknowledge and deliver: (a) any declaration or other instrument affecting the Property that the Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, license or declaration affecting the Property that the Board deems necessary or appropriate;

(xxi) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the same;

(xxii) to execute, acknowledge and deliver any documents necessary for filing an appeal for reduction of assessment of real estate taxes on behalf of all units in the Condominium, unless written notice is received by the Board from any Unit Owner not to so on behalf of his or her condominium unit;

(xxiii) unless and until real estate taxes, water charges and sewer rents are billed directly to the Unit Owners by the New York City Department of Finance and/or the Department of Environmental Protection, the Board shall promptly pay such taxes, charges and rents as a common expense;

(xxiv) to carry out any other duties imposed upon the Board pursuant to the Declaration and these By-Laws; and

(xxv) to create and maintain a reserve fund to pay for major capital expenditures and/or a contingency fund to pay for unanticipated expenses.

(B) The Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5. Exercise and Delegation of Powers and Duties.

(A) Any act within the power of the Board to perform, and deemed necessary or desirable to be performed by the Board, shall be performed by the Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Board.

(B) The Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Board, subject to both the exceptions and limitations contained in paragraph (D) of this Section and such additional exceptions and limitations as the Board may from time to time deem appropriate, during the

intervals between the meetings of the Board. In addition, the Board may from time to time appoint, by duly adopted resolutions, such other committees as the Board may deem appropriate to perform such duties and services as the Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section.

(C) The Board may employ a Managing Agent to serve at a compensation to be established by the Board and to perform such duties and services as the Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section, the Board may delegate to the Managing Agent any of the powers granted to the Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (vii), (x), (xiii), (xiv), (xv), (xvi), (xvii), (xviii), (xix) and (xx) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in Subsection (B) of this Section shall have, or be entitled to exercise, any of the powers of the Board, except to the extent permitted by Law.

Section 2.6. Number, Election and Qualification of Members.

(A) Qualifications of Board Members. After the Initial Control Period, the affairs of the Condominium will be governed by the Condominium Board of three (3) members, each having one (1) vote. After the Initial Control Period, there is no requirement that Board Members must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board may serve. Any person over 18 may serve on the board. No member of the board shall be compensated for acting as such.

(B) Number of Board Members.

(i) Prior to the First Closing. Until the First Closing, Sponsor will have voting control over the Board of Managers. Sponsor shall designate the initial one-person board.

(ii) After the First Closing. As provided in the Bylaws, Sponsor will have voting control over the Board of Managers for five (5) years after the First Closing or until Sponsor owns less than twenty-five percent (25%) of all Units, whichever is sooner ("Initial Control Period"). During this period, Sponsor shall designate a majority of Board Members and shall have the same right to vote as all other Unit Owners. Within four (4) months of the First Closing, a meeting will be held to elect a new Board consisting of three (3) Members. At such time, Sponsor shall designate two (2) of the members who shall serve for the Initial Control Period. The other members shall be elected by the other Unit Owners including Sponsor. The term of office for this seat on the Board shall continue for one (1) year.

(iii) Expiration of Initial Control Period. Within thirty (30) days of the expiration of the Initial Control Period, Sponsor shall call a meeting to elect a new Board consisting of three (3) members. At such time, all Unit Owners, including Sponsor, so long as Sponsor still holds Unsold Units, may nominate and vote for Board members. In addition, the Community Facility Unit Owner may appoint a nominee to one of the three seats on the Board. Sponsor may relinquish control at any time prior to the expiration of the Initial Control Period by calling a special meeting of Unit Owners to elect a new Board.

(C) Election of Board Members. Subject to the provisions of this section, Board Members will be elected annually based on plurality vote.

(i) First Meeting. The first meeting to appoint new Board Members will be held within four (4) months after the First Closing. The term of office of each member of the Board shall continue for one (1) year with elections held annually.

(ii) Annual Meetings. Unit Owners shall hold annual meetings on or about the anniversary of the first meeting and every anniversary thereafter, unless such date shall occur on a legal holiday, in which event the meeting shall be held on the succeeding business day. At each annual meeting, the Unit Owners shall conduct such business as may properly be conducted. When desirable, meetings (including the first meeting) may be held via teleconference upon consent of all Unit Owners.

(iii) Special Meetings. The Board shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Board or upon receipt of a petition calling for such a meeting signed by a Unit Owner. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

(iv) Quorum. The presence, in person or by proxy, of Majority of Unit Owners shall constitute a quorum at all meetings of Unit Owners, and unless otherwise provided, the decision of a Majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all of the Unit Owners.

(v) Voting. When votes of the Unit Owners are required (to elect Board Members and otherwise), each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own at least one (1) Unit) shall be entitled to cast one (1) vote for each Residential unit owned. If two (2) or more Persons own a Unit, they shall designate one Person amongst them to vote on behalf of their Unit in a writing given to the Board, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually exercise the vote appurtenant to such unit under one ballot without division, and the concurrence of all Persons shall be conclusively

presumed if any one of them purports to exercise such vote without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the vote appurtenant to such Unit shall be counted solely for the purpose of determining whether the required attendance is present to establish a quorum. Any deadlock in voting shall be settled by arbitration.

Section 2.7. Term of Office of Members. The term of office of each member of the Board shall continue for one year or until the next annual election, whichever is later. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board may serve.

Section 2.8. Deleted.

Section 2.9. Vacancies.
(A) Removal. At any regular or special meeting of Unit Owners, any one or more of the members of the Board may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created, provided notice of such proposed removal was given to the Board Member and was specified in the notice of the meeting. Regardless of whether a Sponsor's appointee to the Board is removed by the Sponsor, its designee or the other unit owners or board members, only Sponsor or its designee shall have the right to designate a replacement for such appointee.

(B) Resignation. Any Board Member may voluntarily withdraw his or her position as Board Member by sending written notice to the other Board Members. In said case, the withdrawal will be effective immediately and the withdrawing member may appoint someone to serve in his or her place. In the event the withdrawing member does not appoint anyone within five (5) business days by a writing to the board, the other Board Members may elect amongst themselves someone to fill the vacancy. Notwithstanding the foregoing, if Sponsor's appointed board member withdraws (except at the first election in accordance with the preceding section), only Sponsor or its designee shall have the right to designate a replacement for such appointee.

Section 2.10. Meetings. Board meetings shall be held at least annually on or about the date of the first unit owners meeting, and as often as necessary to govern the affairs of the condominium. Board meetings may be in person or via teleconference. Any member of the Board may call a special meeting of the Board whenever he or she deems the same to be necessary or desirable.

Section 2.11. Notice of Meetings.
(A) Notice of regular and special Board meetings shall be sent by regular mail, posting in the lobby of the subject building, or by email to the Board Members at least five (5) days prior to the meeting.

(B) Any member of the Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver by him or her of notice of the time and place thereof.

Section 2.12. Quorum of the Board. For purposes of all meetings of the Board, the attendance of Majority of all Board Members shall be required for the transaction of business. In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of 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.

Section 2.13. Conduct of Meetings. The minutes of the meetings of the Board shall be faithfully recorded, which minutes shall include the full text of all resolutions duly adopted by the Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order shall govern the conduct of meetings of the Board unless the same shall be in conflict with the terms of the Declaration, By-Laws or the Condominium Act.

Section 2.14. Decision by the Board. Except as otherwise expressly provided in the Declaration or these By-Laws, the affirmative vote of a majority of the Board Members shall constitute the decision of the Board. Alternatively, any decision that is required or permitted to be made by the Board may be made without a meeting thereof if all members of the Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Condominium in the minutes of the Board. In the event of a deadlock in voting, such deadlock shall be submitted to an arbitration board in accordance with Article 10, "Arbitration".

Section 2.15. Compensation of Members. No member of the Board shall receive any compensation from the Condominium for acting as such.

Section 2.16. Common or Interested Members of the Board. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by law, no contract or other transaction between the Board and either (i) any of its members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such member was counted for such purpose, provided, however, that either (a) the fact thereof is disclosed to, or known by, the Board or noted in the minutes thereof, and the Board shall authorize, approve, or ratify such contract or transaction in good faith by vote of the Board; (b) the fact thereof is disclosed to, or known by the Unit Owners, and the Unit Owners authorize, approve, or ratify such contract or transaction; or (c) the contract or transaction is commercially reasonable to the Board at the time that the same is authorized, approved, ratified, executed, or otherwise consummated. Any such member of the Board may be counted in determining the requisite attendance of any meeting of the Board that authorizes, approves, or ratifies any such contract or transaction.

Section 2.17. Liability of the Condominium Board.
(A) The Board has a fiduciary duty to act in the best interest of the Condominium. The Board Members 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 or her own bad faith or willful misconduct.

(B) Every contract made, and other document executed, by or on behalf of the Board, any committee thereof, or the Managing Agent shall expressly state (if obtainable and in addition to the limitation of liability of condominium officers and Unit Owners pursuant to the terms of Sections 3.10 and 4.12 hereof, respectively) that same is made or executed by or on behalf of the Board, such committee, or the Managing Agent solely as agent for the Unit Owners and that the Board Members or such committee or Managing Agent shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(C) Neither the Board nor any member thereof shall be liable for either:

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

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(D) Unit Owners shall severally indemnify and hold each member of the Board harmless from and against any claim or liability to others arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, a Board Member, except, however, to the extent that such claim or liability shall be due to, or arise out of, the bad faith or willful misconduct of such member and, to the extent permissible by law, that such liability will be proportionate to, and not exceed, the total liability and the Unit Owner's percentage of common interest.

ARTICLE 3 - OFFICERS

Section 3.1. General. The principal officers of the Condominium shall be the President, Secretary/ Vice President and Treasurer. The Board may appoint other such other officers as, in its discretion, may be necessary or desirable. Where necessary, one individual may hold more than one position. All officers must be board members. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Board, by the officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Board.

Section 3.2. President. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Board from amongst the Unit Owners from time to time as he or she may decide, in his or her discretion, as appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3. Vice President. The Vice President shall take the place of the President and perform their duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Board shall appoint some other member of the 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 or her from time to time by the 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 Board or the Managing Agent in such depositories as may from time to time be designated by the Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under BCL.

Section 3.6. Election, Term of Office and Qualifications of Officers. Each officer of the Board shall be elected annually by a plurality vote of the Board taken at the organizational meeting of each new Board, and shall serve at the pleasure of the Board.

Section 3.7. Removal and Resignation of Officers. Any officer may be removed from office with or without cause, by an affirmative vote of a majority of the board. Any officer may resign at any time by giving written notice to the Board. If the President or the Vice President shall cease to be a member of the Board during his or her 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 Board at any regular meeting of the Board or at a special meeting thereof called for such purpose.

Section 3.9. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

Section 3.10. Liability of the Officers of the Condominium.

(A) Officers shall have no liability to Unit Owners for errors of judgment, negligence, or otherwise, except that each officer shall be liable thereto for his own bad faith or willful misconduct. In addition, every contract made, and other document executed, by one or more officers or other Persons on behalf of the Condominium shall expressly state (if obtainable and in addition to the limitation of liability of the Board Members and Unit Owners pursuant to the terms of Sections 2.20 and 4.12 hereof, respectively) that same is made or executed by such officers or Persons on behalf of the Condominium solely as agent for the Unit Owners and that such officers or Persons shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(B) None of the officers of the Condominium shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by any such officer on behalf of the Condominium or to be paid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(C) The Unit Owners shall jointly and severally indemnify and hold each officer of the Condominium harmless from and against any claim or liability arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer and, to the extent permissible by law, that such liability will be proportionate to, and not exceed, the total liability and the Officer's percentage of common interest.

ARTICLE 4 -UNIT OWNERS

Section 4.1. Annual Meetings of the Unit Owners. The first annual meeting of the Unit Owners shall be held approximately four (4) months after the First Closing, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held within sixty (60) days of the anniversary date of the first meeting. At each such subsequent meeting, Unit Owners shall transact such business as may properly come before such meeting. In the event that any annual meeting of members is delayed, the existing Board shall continue to serve.

Section 4.2. Special Meetings of Unit Owners. The Board shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Board or upon receipt of a petition calling for such a meeting signed by a Unit Owner. Each such resolution or petition shall

set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place as may be designated by the Board.

Section 4.4. Notice of Meetings. The Board 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, telephone or email not later than five (5) business days prior to the day fixed for the meeting; however, the mailing of such notice to any Unit Owner, addressed to their address at the Property, at least ten (10) days prior to the day fixed for the meeting shall be conclusively deemed the giving of notice to such Unit Owner of such meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Board not less than ten (10) days prior to the giving of notice of the applicable meeting. Any Unit Owner's presence at a meeting of Unit Owners shall be deemed a waiver of said notice requirement.

Section 4.5. Quorum of the Unit Owners. Except as otherwise provided in these Bylaws, the presence, in person or by proxy, of Majority of all Unit Owners shall be required at all meetings of the Unit Owners.

Section 4.6. Conduct of Meetings. The minutes of all meetings of the Unit Owners shall be faithfully recorded, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat.

Section 4.7. Order of Business. The order of business at all annual meetings of the Unit Owners shall be as follows:

(i) Roll call;
(ii) Proof of notice of meeting;
(iii) Reading of the minutes of the preceding meeting (unless waived);
(iv) Reports of officers of the Condominium;
(v) Reports of committees;
(vi) Reports of inspectors of election (when so required);
(vii) Election of members of the Condominium Board;
(viii) Unfinished business; and
(ix) New business.

Section 4.8. Voting at Meetings of Unit Owners.
(A) Subject to the terms of Sections 2.7 and 4.9 hereof, at meetings of Unit Owners, each Unit Owner (including the Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one (1) vote for each residential unit owned.

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Board nor any designee thereof shall be entitled to the vote appurtenant to any Unit owned by the Board or such designee. The vote of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the results of voting. Any deadlock in voting shall be settled by arbitration.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two (2) or more Persons own a Unit, they shall designate one Person amongst them to vote on behalf of their Unit in a writing given to the Board, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually exercise the vote appurtenant to such unit under one ballot without division, and the concurrence of all Persons shall be conclusively presumed if any one of them purports to exercise such vote without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the vote appurtenant to such Unit shall be counted solely for the purpose of determining whether the required attendance is present to establish a quorum.

(D) Any Unit Owner may designate any Person to act as a proxy on his behalf. The designation of any such proxy shall be made in a writing both signed and dated by the designator and delivered to the Board at or before the appointed time for the meeting during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Board; however, no revocation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Board.

Section 4.9. Election of Board Members. After the period of initial control by Sponsor, board members will be elected by all unit owners in accordance with section 2.6 of these Bylaws.

Section 4.10. Action Without a Meeting. Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium together with a true copy of the resolution to which they relate.

Section 4.11. Title to Units. Title to any Unit may be taken by any Person or by any two (2) or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.12. Contractual Liability of Unit Owners. Every contract made by the Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Board and the officers of the Condominium pursuant to the terms of Section 2.20 and 3.10 hereof, respectively), that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's interest in his or her Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5 - OPERATION OF THE PROPERTY

Section 5.1. Maintenance.
(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit or Limited Common Element or any part thereof (including, but not limited to, the interior walls, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and their frames, sills and sashes, all doors (entrance and terrace or patio, if any) and their frames and saddles, plumbing, gas and heating fixtures) shall be performed by the Owner of such Unit at his sole cost and expense;

(ii) in or to the Common Elements which are not covered in subsection (i) and service only specific Units shall be performed by the Board as a Common Expense vis a vis the Units so benefitting only; and

(iii) in or to the Common Elements which are not covered in subsection (i) or (ii) shall be performed by the Board as a Common Expense.

Notwithstanding the foregoing, however, all maintenance, repairs and replacements to the Common Elements, whether structural or non-structural, ordinary or non-extraordinary, necessitated by the negligence, misuse, or abuse of a Unit Owner, will be made by such Unit Owner at his or her sole cost and expense. If any work is necessitated by any condition or occurrence in the individual unit, such Unit Owner shall be liable for such costs which are not paid by the insurance carrier. Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Board or Managing Agent any defect for which the Board is responsible pursuant to the terms thereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) In accordance with paragraph (A) of this Section, the exterior glass surfaces of all windows of each Unit are to be washed and cleaned by the owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Board, the entire cost and expense thereof shall be borne by the Board as a Common Expense, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his or her Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition and order (and free of snow, ice and accumulation of water with respect to any terrace, patio, roof, or other part of the Property exposed to the elements) by Unit Owner or the Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, replacements and repairs) 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 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 terraces, patios, windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his or her Unit.

Section 5.2. Alterations, Additions, or Improvements in and to Units.
(A) Subject to Article 9 of the Declaration, each Unit Owner shall have the right to (i) make alterations, additions, or improvements in the interior of his unit, including subdivision thereof or combination of two adjacent units; (ii) make alterations, additions, or improvements to any part of the property allocated to his unit, including limited common elements; (iii) change the layout of his unit. However, with respect to any such alteration, addition, improvement or change in, to, of or upon a Unit: (1) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto; (2) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; (3) such alteration, addition, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property; and (4) such alteration, addition, improvement or change shall not commence until the final certificate of occupancy for the building is procured.

In the event that any Unit Owner wishes to make any modifications to its Unit in accordance with the forgoing, such Unit Owner shall apply to the Board for approval. The Board must respond within fifteen (15) days from receiving notice from the Unit Owner. The Board’s

failure to timely respond shall be deemed a waiver of its right to reject the proposed modifications. Notwithstanding the foregoing, no Board approval shall be required for work that is cosmetic in nature and for which no permit is required (painting, changing floors, changing appliances, etc).

Prior to, and as a condition of, the granting of any such approval, the Board may, at its sole option, require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, including, without limitation, the indemnity referred to in paragraph (C) hereof and the days and hours during which any such work may be done. Notwithstanding the foregoing provisions, Sponsor may perform work to any unsold units without notice to or authorization from the board, managing agent, or any other person, subject only to the provisions in the offering plan.

Additionally, notwithstanding the forgoing provision, the non-residential Unit Owners will have the right to perform any alterations, additions, or improvements to the their commercial unit or community facility, or to subdivide or merge subdivided units, without the consent of or prior notice to the Board or other Unit Owners. At the request of Sponsor or its designee or the Unit Owner, the Board will execute any application or other documents required to be filed with any governmental authority having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair proposed to be made by Sponsor or Unit Owner, at which time Sponsor or Unit Owner shall execute an agreement to indemnify and hold harmless the Board and the Unit Owners from any expense or liability by virtue of the execution of the application or such other documents.

In the event that any unit is subdivided, the subdivided units shall jointly exercise and share the vote allocated to the original unit. The percentage of common interest allocated to the original unit shall be divided proportionately between the resultant units. In the event any Units are merged, the resultant Unit shall enjoy the number of votes originally allocated to the original Units. The percentage of Common Interest allocated to the original Units shall be aggregated and assigned to the resultant Unit.

(B) All alterations, additions, and improvements by Unit Owners shall be made in compliance with all applicable laws. In connection therewith, the Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit, provided that, with respect to all such work of a structural nature, the same was approved by the Board pursuant to the terms of paragraph (A) hereof.

(C) Neither the Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s)) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii)

to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s) shall agree (in a writing executed and delivered to the Board, if the Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Board, the officers of the Condominium, and the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(D) Sponsor's Rights. Sponsor or its designee shall have the right, without the approval of the Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units to (a) make alterations, additions, improvements, or repairs in or to any Unsold Unit or Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and to any Limited Common Elements allocated thereto; and to common areas; and (b) to subdivide, combine and change the boundary walls of Unsold Units or Units or Limited Common Elements.

(a) Limitation on Sponsor's Rights. No change will be made in the size or number of units and/or their respective percentages of common interest, and no material change will be made in the size or quality of common elements, except by amendment to the Plan and, when applicable, the declaration. No material change will be made to size and no material adverse change will be made in the quality of common elements unless all then-existing Unit Owners and Purchasers consent thereto in writing. In addition, no material change will be made in Unit size, layout or percentage of common interest if the Unit has closed or a purchase agreement has been executed and delivered to Sponsor for that Unit and the Purchaser is not in default, unless all affected Unit Owners and purchasers consent in writing to such change.

(b) Board's Obligation to Execute. At the request of Sponsor, its designee or the Unit Owner, the Board will execute any application or other documents required to be filed with any governmental authority having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair proposed to be made by Sponsor or Unit Owner, at which time Sponsor or Unit Owner shall execute an agreement to indemnify and hold harmless the Board and the Unit Owners from any expense or liability by virtue of the execution of the application or such other documents. Notwithstanding the foregoing, any amendment which affects only unsold units may be made by Sponsor, without the consent or approval of the board or any other unit owner. In such event, Sponsor may sign any required document in connection therewith on behalf of the board.

(E) Community Facility. The community facility unit owner shall have the right without the consent of the board or any other party to make alterations and repairs in the unit, whether structural or non-structural, including subdivision of the unit. The Board will have no right to restrict or limit any uses of the unit which are permitted by law and the New York City Zoning Resolution. All such alterations must be made in accordance with applicable building code.

Section 5.3. Alterations, Additions, or Improvements to the Common Elements. Except as covered in section 5.2 or otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Board, and the cost and expense thereof shall constitute a Common Expense. Notwithstanding the foregoing, however, whenever the cost and expense of any such alterations, additions, or improvements would, in the judgment of the Board, exceed $5,000.00 in the aggregate in any calendar year, such proposed alterations, additions, or improvements shall not be made unless first approved by the Unit Owners at a duly constituted meeting of the Unit Owners and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing $5,000.00 or less in the aggregate in any calendar year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. During the Initial Control Period, no material adverse change will be made to quality of common elements unless all then-existing Unit Owners and Purchasers consent thereto in writing.

Section 5.4. Insurance.
(A) If same shall be obtainable, the Board shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all Units and the bathroom and kitchen fixtures installed therein by Sponsor or improvements done by unit owners existing by prior construction on the date of recording the Declaration and all service machinery contained therein, and any other property usual to the servicing and general occupancy, 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) and covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear, and comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee 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 or her own Unit). Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Board and that all proceeds thereof shall be paid to either the 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 Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either cancelled or substantially modified except upon at least ten days' prior written notice to all of the insureds, including all Permitted Mortgagees.

Duplicate originals or certificates of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be sent to all Unit Owners and Permitted Mortgagees at least ten days prior to the expiration of the then current policies.

(B) The Condominium Board may also obtain and maintain, to the extent practicable:

(i) rent insurance (if applicable);

(ii) workmen's compensation and New York State disability benefits insurance;

(iii) boiler and machinery insurance; and

(iv) such other insurance as the Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Board shall contain such limits as the Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than eighty percent of the full replacement cost of the Building, exclusive of excavation and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $500,000.00 in the aggregate until the first regular meeting of the first Board elected by the Unit Owners; and

(iii) with respect to insurance policies maintained by the Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount least equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Board may also provide for such deductible amounts as the Board shall determine. The Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Board pursuant to the terms of these By-Laws, shall be borne by the Board as a Common Expense.

(E) Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing the insurance maintained by the Board shall not be affected or diminished by reason of any such, additional insurance carried by any Unit Owner.

Section 5.5. Casualty or Condemnation.
(A) In the event that either (i) the Building or any part thereof 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 Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable to the Board. In either instance, all such monies actually received (hereinafter referred to as the "Trust Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section, however, no Unit Owner whose Unit, or any portion thereof, is taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he or she may have to pursue a separate claim against the condemning authority by reason thereof.

After Sponsor has relinquished control of the Board, the Board shall notify the Sponsor of any damage or destruction by fire or other casualty sustained by the Unsold Units within ten (10) days of such damage.

(B) Subject to the terms of paragraph (D) hereof, the 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 portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Elements affected by such Taking. If, pursuant to the immediately preceding sentence, work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the work shall be performed, to the extent practicable, first in or to

the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. In addition, each Unit Owner whose Unit, or any portion thereof, shall be the subject of all or part of any Work shall have the right, subject to the terms of Section 5.2 hereof, to supervise any redecorating of his or her Unit.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section, the 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 discharge the cost and expense of performing the Work, the Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, and all proceeds of such Special Assessment shall become part of the Trust Funds. However, if the insurance proceeds are not sufficient to discharge the cost and expense of performing any work attributable to any part of the building which is not a "Common Element", such cost and expense must be paid by the owner or owners of the Units or Limited Common Elements which were damaged and no special assessment may be levied against the Unit Owners. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to the Unit Owner of the damaged unit, except that no payment shall be made to a Unit Owner until there has first been paid, out of said excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remains unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, free of any claim of any lienor (including, without limitation, any Permitted Mortgagee).

If the damage is caused to both a Unit and Common Elements, the Board shall retain the services of an insurance adjuster to determine the amount of damages caused separately by the Unit and Common Element and all the underpayments and overpayments shall be subject to provisions in this paragraph (C).

(D) If either 75% or more of a 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 the Unit Owners of the Building 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) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit after such Taking bears to the total floor area of such Unit prior to such Taking. The Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be acknowledged by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of acknowledgement by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

(F) As used in this Section 5.5, the terms:

(i) "prompt repair or restoration" shall mean that the Work is to be commenced not more than sixty (60) days after the date on which the Board has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "promptly resolve" shall mean a resolution shall be duly made not more than sixty days after the date on which the Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharged the estimated cost and expense of the Work, as the case may be.

(G) Any dispute that may arise under this Section between Unit Owners or between Unit Owner(s) and the Board shall be resolved by arbitration pursuant to the terms of Article 10.

Section 5.6. Use of The Property and Common Elements.
(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, as determined by the board in its sole discretion, shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

(D) 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 Board, whomever shall have the obligation to maintain or repair such portion of the Property.

(E) The Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) 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. The lobbies, vestibules, public halls, and stairways shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesmen to utilize exclusively the entrance designated by the Board, if any, for transporting packages, merchandise, or other objects.

Section 5.7. Use of the Units.
(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units (including any Limited Common Area appurtenant thereto) shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section. Each Unit may be used in accordance with the use permitted by local law and zoning regulations and the Certificate of Occupancy. Any Unit may be partially used as a professional office by the owner of such unit only.

(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 and employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, respectively, or by the Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any Unit by such Family members or guests). Notwithstanding the foregoing, the Board may, in its sole discretion, permit Persons other than those set forth above to occupy a Unit. In no event, however, 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 (B)) may be accommodated therein.

(C) 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 Board, whomever shall have the obligation to maintain or repair such portion of the Property.

(D) Notwithstanding the foregoing, Sponsor may, without obtaining the consent of the Board, Managing Agent or the other Unit Owners, use any one or more of such Units as model units and sales and/or promotion offices in connection with the sale of the Unsold Units or for any other purpose, subject only to compliance with current laws, statutes or regulations.

(E) Unit Owners must notify the Managing Agent or Board 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 the Unit Owner's expense, the required window guards in all windows of the Unit and shall not remove them until permitted by the law and, in any event, without the full knowledge of the Managing Agent.

(F) Unit Owners shall maintain carbon monoxide/smoke detectors and fire extinguishers located within their unit.

Section 5.8. Intentionally Deleted.

Section 5.9. Rights of Access.
(A) Subject to the rights of existing tenants and other occupants of Unsold Units, Unit Owners shall grant to the Sponsor, Board, Managing Agent or manager (if any), superintendent and/or to any other Person authorized by any of the foregoing a right of access to their 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 their Unit which threaten 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 or her 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.

Except in cases of Emergency, the foregoing rights of access shall be exercised only upon not less than two day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In cases of Emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) For purposes of paragraph (A), each Unit Owner shall grant to the Board a right of access to his or her Unit and the Board shall grant rights of access to the Common Elements, provided that access thereto shall not be exercised with respect to any Unit in such a manner as will unreasonably interfere with the use of such Unit for its permitted purposes.

(C) A right of access is hereby granted to the Sponsor, unit owners, their successors, heirs and assigns, for the purpose of gaining access to the following areas: common areas; mechanical areas of the building, including but not limited to the boiler room, storage room, meter room or any other facility to which each such unit owner has a right of use; or to any area of the property that such Unit Owner has a right to use as part of his Unit or as a Common Element. This right of access may be exercised by the Sponsor on no notice and without limitation. However, the right shall only be exercised in a reasonable manner.

Section 5.10. Modification of the Rules and Regulations. The Board shall have the right to amend, modify, add to or delete any of the Rules and Regulations from time to time, provided, however, that copies of such amendments are furnished to each Unit Owner at least thirty (30) days prior to the time that they become effective. Any such amendment, modification, addition, or deletion may be overruled by the vote of 75% of the Unit Owners. However, this section may only be amended with unanimous consent of all Unit Owners. Notwithstanding the foregoing, for five (5) years after the First Closing, or until unsold units constitute less than 25%, whichever is sooner, the Rules and Regulations may not be amended or modified so as to adversely affect Sponsor or its designee without the prior written consent of every Unit Owner affected by such amendment, including Sponsor or its designee.

Section 5.11. Real Estate Taxes, Water Charges and Sewer Rents. Water for the Building shall be supplied by the City of New York. Unless and until real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the City Collector, the Board shall promptly pay such taxes, charges and rents as a Common Expense. However, the Board shall have the right, exercisable in its sole discretion to require the installation of submeters to determine the consumption of water by each Unit as a common expense. In the event of a proposed sale of any Unit, the Board (for so long as the Board is still paying such real estate taxes, water charges and sewer rents) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all

such taxes, charges and rents affecting such owner's Unit to the date of the closing of title to such Unit. The Board will be responsible for reviewing, appealing and filing any documents necessary for obtaining a reduction in the tax assessment and will file such documents on behalf of all of the Unit Owners. Such Unit Owners shall execute any documents required for such filing. After the Units have been separately assessed, tax review for each Unit will be the responsibility of the Unit Owner.

Section 5.12. Real Estate Tax Escrow. If the tax lots are not apportioned at the time of the First Closing, Sponsor shall place in escrow in the name of the Board an amount equal to the real estate taxes which will be levied against the property for the six (6) month period following the First Closing and will collect at each unit closing the estimated amount of taxes for that period attributable to such unit for reimbursement. The amount in the escrow account will be disclosed in the initial post closing amendment. The Board will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment. In the event the lots are not apportioned for the following tax bill, each Unit shall pay its proportionate share of the tax bill allocated against the Property and the Board shall make such payment.

Section 5.13. Gas and Electricity. Gas and electricity shall be supplied to each Unit through a separate meter for such Unit, and each Unit Owner shall be required to pay all charges for gas and electricity consumed or used in his Unit directly to the utility company servicing the Building as and when billed therefor. The Board shall have the right, exercisable in its sole discretion, to require that gas and electricity be supplied to the Condominium through one or more common meters. In such event, the cost of installation shall be borne by all Unit Owners as a common expense. The cost of gas and electricity shall be borne by each Unit Owner based upon the consumption or usage of gas and electricity in his Unit, as determined by submetering, survey, or any other reasonable method prescribed by the Board and permitted by Law, and shall be payable either to the Board or to the utility company servicing the Building, as directed by the Board.

Section 5.14. Utilities Serving the Common Elements. Unless otherwise noted, the cost and expense of water, steam, electricity and gas (if any) serving or benefiting any Common Element shall be (i) considered part of the expense of maintaining such Common Elements, (ii) determined by the Board and (iii) charged to the Unit Owners as a Common Expense.

Section 5.15. Vault Charges. All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the building line shall be paid by the Board as a Common Expense.

Section 5.16. Records and Audits.
(A) The Board or Managing Agent, if any, shall keep full, detailed and accurate records with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the

amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

(B) Within (4) four months after the end of each fiscal year of the Condominium, the Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared by an independent accountant. The cost of preparing and distributing each such report shall be borne by the Unit Owners as a Common Expense.

ARTICLE 6 - COMMON CHARGES

Section 6.1. Determination of Common Expenses and Fixing of Common Charges.

A. Commencement of Collection.

(i) The Board will commence collection of common charges at the First Closing provided the Sponsor has not exercised its option to pay all expenses of operation of the Property in lieu of Common Charges.

(ii) Sponsor may, in its sole discretion, elect to pay the expenses of the building in lieu of collecting common charges. During any such delay, Sponsor will timely pay all expenses of the Condominium, including but not limited to, insurance premiums and any reserve fund payments. Upon commencement of collection of common charges, there will not be any assessment for any item in the approved budget for the condominium. Sponsor shall remain obligated to update the budget for the Condominium as required by governing regulations. In the event Sponsor elects to delay the collection of common charges, Sponsor shall disclose such fact in the closing notice to Purchasers and in the post-closing amendment to the Offering Plan. Such amendment shall also disclose the anticipated period of delay. Sponsor will notify all unit owners in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of common charges and will disclose such fact in the following amendment to the Offering Plan.

(B) Budget. From time to time, but not less frequently than annually, the Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.4 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in these By-Laws). The Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them and, not later than ten days next preceding the date upon which the first installment of newly determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees.

(i) Allocations. Certain budgeted items are allocated between the residential Units and non-residential Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of the particular Common Elements, pursuant to N.Y. Real Property Law (RPL) Section 339-m (2). Where the allocation of Common Expenses is not based on Common Interest, the budget and budget notes so indicate. Because the non-residential units will be primarily self-contained, they will not be subject to all of the expenses to which the residential Units are subject. The non-residential units will still contribute their pro-rata share of certain building-wide expenses. The common charges payable by the owners of the commercial Unit and community facility will be sufficient to cover the expenses fairly attributable to such unit. The portion of the insurance premiums paid by the non-residential unit owners will be not less than the estimated amount allocated to them by the insurance carrier. This section and subsections may not be amended without the consent of all Unit Owners.

(A) The community facility Unit will contribute to the expenses of the Building as follows (Common Charge payments will not be calculated based on any expense not listed below:

2.5% of Total Cost	Management Janitor/24 Hour Maintenance Company
Percentage of Common Interest	Fire Alarm Sprinkler System Backflow Prevention Testing Franchise Taxes Repairs, Services and Supplies Insurance Legal Fees Audit Fees Reserve Fund for Major Repairs

The board shall have the obligation to bill the Community Facility Unit based on actual usage.

(B) The storage and roof terrace units will contribute to the expenses of the Building as follows (Common Charge payments will not be calculated based on any expense not listed below:

2.5% of Total Cost	Management Janitor/24 Hour Maintenance Company
5% of Total Cost	Elevator
Percentage of Common Interest	Fire Alarm Sprinkler System Backflow Prevention Testing Franchise Taxes

	Repairs, Services and Supplies Insurance Legal Fees Audit Fees Reserve Fund for Major Repairs

(ii) Revisions. The Board may, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination.

(iii) Sponsor's Right to Veto. For five (5) years after the First Closing or until unsold units constitute less than 25%, whichever is sooner, the Board must obtain Sponsor's prior written approval with regard to the below items. During this time, Sponsor may veto these actions.

1. Raise common charges or levy a special assessment to:
    a. make an alteration to the common elements;
    b. create an additional reserve fund for repairs, alterations, unanticipated expenses and/or contingencies which exceed 5% of the projected common expenses for the budget year;
    c. increase, decrease, eliminate or otherwise change the number, type, classification or working hours of the building's service staff (if any), or to hire additional service staff.
    d. increase, decrease, or eliminate building services;
    e. increase, decrease, eliminate or otherwise change the amounts or types of insurance coverage from the coverages existing on the date of the First Closing.
2. Borrow money on behalf of the Condominium Association.

Notwithstanding the foregoing, Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; (iii) to remedy any work order by an insurer; or (iv) to remedy any immediately hazardous condition which affects the health and/or safety of the occupants.

(C) The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall

continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(D) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Board shall have the right, subject, in all respects, to the strictures contained in Section 2.4 hereof, to levy Special Assessments to meet the Common Expenses or to fund additional projects. All Special Assessments may be payable either in one lump sum or in installments, as the Board shall determine, provided, however that the Board shall give each Unit Owner not less than fifteen (15) days' notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.4 hereof. Special Assessments shall be levied against all Unit Owners in proportion to their respective Common Interests as follows:

(i) assessment or increase in Common Charges to repair or maintain the Common Elements shall be levied against all Units proportionately in accordance with the percentage of Common Interest;

(ii) assessment or increase in Common Charges to improve the Common Elements, which only benefit specific Units shall be levied against the Units so benefitting proportionately in accordance with the percentage of Common Interest.

(E) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners, and shall be collected on behalf of the Unit Owners by the Board and applied against the Common Expenses for the year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Board against the Common Expenses for the next succeeding year(s) of operation, and no Unit Owner shall be entitled to a distribution of any portion of such excess unless the Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, however, in no event shall any rent, profit, or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings, or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

Section 6.2. Payment of Common Charges.
(A) All Unit Owners shall be obligated to pay Common Charges and Special Assessments assessed by the Board pursuant to the terms of Section 6.1 hereof at such time or times (but not

less than annually) as the Board shall determine. Unless otherwise determined by the Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the 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. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit.

(B) No Unit Owner shall be liable for the payment of any part of Common Charges or 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. 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, except that, to the extent permitted by Law, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by the Permitted First Mortgagee or such purchaser. In the event of a foreclosure of a Permitted First Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied, including the new Unit Owner of the subject Unit.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his or her Unit, together with its Appurtenant Interests, to the Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his or her Unit (except with respect to a conveyance of the same to the Board, without compensation, pursuant to the terms of paragraph (C) hereof.) Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit

(including, without limitation, such Unit Owner's Unit) pursuant to the terms of Sections 5.1, 5.2 or 5.3 hereof; or (iii) any action taken by the Board to comply with Law.

Section 6.3. Statement of Common Charges. The 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 ten (10) business days' notice, but not more frequently than once a month.

Section 6.4. Default in Payment of Common Charges.

(A) In the event that any party defaults in performing any act or making any payment which is that party's responsibility hereunder and said default is not cured within fifteen (15) days of written notice of said default, then the Board shall take prompt action to collect any Common Charges due to the Board that remains unpaid for more than thirty days after the due date for the payment thereof. Any lien for unpaid Common Charges and expenses against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office and until all sums secured thereby, with interest and costs accrued thereon, shall have been fully paid, or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall be sooner. In accordance with Section 339-aa of the Real Property Law, while Sponsor is in control of the Board, Sponsor will cause the Board to file a lien on units in which Sponsor is more than thirty (30) days in arrears of common charges. Such liens may be foreclosed by a suit brought in the name of the Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board to recover unpaid Common Charges without foreclosing the lien. In connection therewith, the Board shall, at its discretion or upon instruction by sponsor if sponsor is in control of the board, have the right and obligation to cause liens for all sums due and owing to the Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Board to recover all such unpaid Common Charges, together with all additional sums of money collectable by the Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay a penalty charge equal to 10% of the outstanding charge, together with all costs and expenses paid or incurred by the Board, the Managing Agent, or the manager (if any) in connection with collecting such aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs. In addition, if the Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner shall be required to pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. 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 Board to foreclose a lien on a Unit because of unpaid Common Charges, the 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 in excess of the amount of common charges owed 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.

(D) Section 339-kk of the Real Property Law of the State of New York (the "Condominium Act") applies to all condominium plans in existence after July 22, 1998. It is intended to provide financial protection for a condominium association if a non-occupying owner fails to make monthly payments for its units. The terms of Section 339-kk are 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 unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within 60 days of the expiration of any grace period after they are due, the Board shall provide written notice to the tenant and the non-occupying owner that rental payments from the tenant shall be paid directly to the Board.

(iii) Such notice shall provide that commencing immediately and until such time as all such payments are made current, all rental payments due subsequent to the issuance of such notice are to be made to the Condominium Association at the address listed on the notice. However, where a majority of the Board has been elected by Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Board.

(iv) When such payments from the non-occupying owner are once again current, written notice of this fact shall be given within 3 business days to the rental tenant and non-occupying owner; thereafter, all rental payments shall be made payable to the non-occupying owner or a designated agent.

(v) A non-occupying owner who disputes the Board's claim to rental payments pursuant to Section 339-kk shall be entitled to present facts supporting such position at the next

scheduled meeting of the Board, which must be held within 30 days of the date that such Board receives notice that such owner seeks to dispute such claim.

(vi) Nothing in Section 339-kk shall limit any rights of Unit Owners or of the Board existing under any other law or agreement.

(vii) Payment by a rental tenant to the Board made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

ARTICLE 7 - SELLING AND LEASING OF UNITS

Section 7.1. General. Each owner of a Unit may sell or lease his or her Unit without limitation except that no unit owner may discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or any other grounds prohibited by law. The Board does not have a right of first refusal. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Board, and, if the Board shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized leasing) in the name of said Unit Owner as the owner or landlord, as the case may be. The said Unit Owner shall reimburse the Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Section 7.2. No Severance of Ownership. No Unit Owner shall execute any deed or other instrument conveying title to their Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any 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 or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.3. 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 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 7.4. 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 Board) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth in Part II of the Offering Plan.

ARTICLE 8 - MORTGAGING OF UNITS

Section 8.1. General. Each Unit Owner shall have the right to mortgage his Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his Unit, or the holder of such mortgage, shall supply the Board with the name and address of his mortgagee and shall file a confirmed copy of the note and mortgage with the Board. Any Unit Owner who satisfies a mortgage covering his Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units".

Section 8.2. Restrictions on Mortgaging.
(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his or her Unit unless and until he or she shall have paid in full to the Board all unpaid Common Charges and special assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions thereto as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association, or other institutional or non- institutional lender to make the mortgage loan or take an assignment thereof.

Section 8.3. Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Board shall promptly report to such Permitted Mortgagee any default by his mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Board has knowledge then exists. The Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his or her Permitted Mortgagee, if so requested. However, the Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his or her mortgagor under the Condominium Documents, provided that (i) the Board shall advise such Permitted Mortgagee of the default

promptly after discovering such failure and (ii) if the Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Board shall pay to such Permitted Mortgagee the net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee. Any excess proceeds shall be paid to the defaulting Unit Owner.

Section 8.4. Performance by Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his or her Permitted Mortgagee, and the Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5. Examination of Books. Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on ten (10) business days' notice, but not more frequently than once a month.

Section 8.6 Additional Rights of Mortgagee:
(A) If the Declaration and the By-Laws are to be amended and such amendment would materially interfere with any right or interest of any mortgagee, such amendment may only be filed upon approval of 51% of all mortgagees.

(B) In addition to any other notices provided for in the Declaration and By-Laws, Notices will be sent to any mortgagee by certified or registered mail return receipt requested, pursuant to the terms of this section.

i) Notice shall be sent in the event that either (a) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (b) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking") in accordance with section 5.5 of the By-Laws. In addition, when applicable, no termination of condominium shall occur without 51% mortgagee approval.

ii) Notice shall be sent in the event that any party whose unit or interest is mortgaged to a mortgagee defaults in performing any act or making any payment which is that party's responsibility hereunder, including common charges and or special assessments, for a period of sixty (60) days after the obligation to pay, and said default is not cured within fifteen (15) days of written notice of said default.

iii) At least ten days' prior written notice to all of the insureds, including all Permitted Mortgagees shall be sent if any insurance policies insuring the Building and all service machinery contained therein covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear are to be either cancelled, or be allowed to lapse, or substantially modified.

iv) If the Declaration and the By-Laws are to be amended and such amendment would materially interfere with any right or interest of any mortgagee.

v) In addition, the mortgagee and guarantor of the mortgage on any unit in the condominium project has the right to timely written notice of a) delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage, which is in excess of 60 days and b) any proposed action that requires the consent of a specified percentage of mortgagees.

C. Notwithstanding the foregoing provisions in the event a mortgagee fails to respond to written notice within 60 days of said written notice, provided notice was delivered by certified or registered mail return receipt requested said silence shall be construed as an implied approval by an mortgagee.

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 required to be observed or performed by him, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his Unit, and shall fail to cure such violation or breach within five days after receipt of written notice of the same from the Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five day period and, thereafter, to prosecute such cure with due diligence to completion), the Board shall have the right to enter such Unit Owner's Unit and summarily abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event the 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 safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Board may take such action immediately, without prior notice and without allowing said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2. Abatement and Enjoinment. In the event any Unit Owner shall violate or breach any of the provisions of the Condominium Documents to be observed or performed, the Board shall have the right to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought at law or in equity.

Section 9.3. Remedies Cumulative. The remedies specifically granted to the Board in this Article or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Board. The exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4. Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by the Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or Section 9.2 hereof shall be immediately payable by such Unit Owner to the Board, which amount shall be paid within ten (10) days of receiving notice. In the event it is not paid within ten (10) days of receiving notice, a penalty charge equal to 10% of the outstanding charge shall be payable. All sums payable by a Unit Owner to the Board pursuant to the terms of this Section shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10 - ARBITRATION

Section 10.1. Procedure. In order to resolve any dispute, controversy, claim or question arising with respect to the Condominium or the Purchase Agreement, or to break any deadlock in voting, the parties shall submit such dispute or question to arbitration through the American Arbitration Association ("AAA"), which will give any party the rights he is entitled to under New York law. The arbitration proceeding will follow the rules of the AAA. The arbitrator will be neutral and independent of Sponsor and its principal and will be appointed by the AAA. The hearing will take place in the county where the building is located. The parties to the purchase agreement are giving up the right to bring suit in court, including the right to a trial by jury, concerning disputes over the disposition of escrowed funds, except as provided by the rules of the arbitration forum in which a claim is filed. The decision of the arbitrators so chosen shall be given within thirty (30) days after their selection or appointment.

Section 10.2. Variation by Agreement. The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 10.3. Binding Effect. The decision/award rendered in any arbitration proceeding shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction under the New York Arbitration Law and Article 75 of the CPLR. The Board shall follow the directions of the Arbitrators. Any decision shall be final and conclusive upon the parties and a judgment thereon may be entered in a court of competent jurisdiction. The decision shall be enforceable in a court of competent jurisdiction.

Section 10.4. Costs and Expenses. The fees, costs and expenses of the arbitrators shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses. All costs and expenses paid or incurred by the Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

ARTICLE 11 - NOTICES

Section 11.1. General. All notices required or desired to be given hereunder by mail shall be sent by registered or certified mail, return receipt requested, postage prepaid and addressed:

(i) if to the Board, to the 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, to such Owner at his or her address at the Property; and,

(iii) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section shall be deemed given when deposited in a United States Postal Service depository located in the State of New York enclosed in a sealed, postage paid wrapper, provided, however, that notices of change of address, designating additional addresses and those deposited in a United State Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2. Waiver of Service of Notice. Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Person or Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof. Wherever provided for in these bylaws, notice may also be given by telephone, email, or other transmission.

ARTICLE 12 - AMENDMENTS TO BY-LAWS

Unless otherwise noted, any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of 66 2/3 of all Units in Common Interest in accordance with section 4.8 hereof, either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition,

or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

Any amendment to the Bylaws which materially adversely affects the Community Facility Unit requires the consent of the Community Facility Unit Owner.

For five (5) years after the First Closing, or until unsold units constitute less than 25%, whichever is sooner, the By-Laws and Rules and Regulations may not be amended or modified so as to adversely affect Sponsor or its designee without the prior written consent of every Unit Owner affected by such amendment, including Sponsor or its designee

Notwithstanding the foregoing, any amendment which affects only Unsold Units may be made by Sponsor, without notice to or the consent or approval of the board or any other unit owner. In such event, Sponsor may sign any required document in connection therewith on behalf of the board. Similarly, any amendment which affects only the non-residential units may be made by the non-residential unit owners, without notice to or the consent or approval of the board or any other unit owner. In such event, the commercial unit owner or community facility owner may sign any required document in connection therewith on behalf of the board.

ARTICLE 13 - FURTHER ASSURANCES

Section 13.1. General. Any Person that is subject to the terms of these By-laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for therein, and take such other action as such other Person may reasonable 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. If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Board or its Managing Agent, 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.

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 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. All provisions of the Declaration and By-Laws are subject to any written agreement among the owners of the Units.

Section 14.4. Severability. If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5. 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 14.6. 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.

ADDENDUM TO THE BY-LAWS OF
THE 499 EVERGREEN CONDOMINIUM
RULES AND REGULATIONS

1. The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used in any manner to impede the ingress and egress to the units.

2. No article (including, but not limited to, strollers, bicycles, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

3. Nothing shall be hung or shaken from any doors, window, or open terraces or patios, 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.

4. There shall be no playing or lounging in the entrances, passages, public halls, vestibules, corridors, stairways, or fire towers of the Building, except in recreational areas or other areas designated as such in the Declaration or by the Condominium Board.

5. Use of the recreational areas are subject to the following restrictions: no barbeques (except in designated areas, if any), no loud music, no other use that would void the roof warranty or otherwise increase insurance for the Condominium.

6. The Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, recreation, or service purposes in the Building.

7. 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 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.

8. In no event shall any bird, reptile, or animal be permitted in any public area of the Building or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the windowsills, patios, terraces, or other public portions of the Building, or on the sidewalk or street adjacent to the Building. The Board reserves the right to instill a fee on any Unit Owner harboring a permitted animal.

9. 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, practice any vocal or instrumental music, or shall operate or permit to be operated a radio, television set, or other loudspeaker in such Unit Owner's Unit between midnight and the following 8:00 AM, if same shall disturb or annoy other occupants of the Building.

10. 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.

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 or her 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 Sponsor, Board or the Managing Agent and any contractor or workman authorized by the Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least two 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 Sponsor, Board or the Managing Agent may retain a passkey to each Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry there is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board or the Managing Agent, then the Board or Managing Agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

16. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his or her agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board nor the Managing Agent shall (except as otherwise provided herein) 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 not designated as a Limited Common Element.

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 Board. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

20. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board or to the Managing Agent.

21. Smoking and/or use of electronic cigarettes is prohibited in all areas on the Property. This policy shall apply to all Unit Owners and tenants and their respective invitees as well as other persons on the premises.

DOCUMENT NUMBER 8

ARTICLE 36-B of
THE GENERAL BUSINESS LAW

Warranties on Sales of New Homes

GENERAL BUSINESS LAW
Article 36-B
WARRANTIES ON SALES OF NEW HOMES

§ 777. Definitions

As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.

2. "Building code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.

3. "Constructed in a skillful manner" means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.

4. "Material defect" means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unliveable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

5. "New home" or "home" means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or unit in which the builder has resided or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or any firm under common control of the builder.

7. "Plumbing, electrical, heating, cooling and ventilation systems" shall mean:
a. in the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;
b. in the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and
c. in the case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

8. "Warranty date" means the date of the passing of title to the first owner for occupancy by such owner or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

§ 777-a. Housing merchant implied warranty

1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and

c. six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to:

a. any defect that does not constitute (i) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or

b. any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

§ 777-b. Exclusion or modification of warranties

1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

3. A housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.

a. A copy of the express terms of the limited warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.

b. A copy of the express terms of the limited warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

c. The language of the contract or agreement for sale of the home must conspicuously mention the housing merchant implied warranty and provide that the limited warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the face hereof."

d. The limited warranty shall meet or exceed the standards provided in subdivisions four and five of this section.

4. A limited warranty sufficient to exclude or modify a housing merchant implied warranty must be written in plain English and must clearly disclose:

a. that the warranty is a limited warranty which limits implied warranties on the sale of the home; the words "limited warranty" must be clearly and conspicuously captioned at the beginning of the warranty document;

b. the identification of the names and addresses of all warrantors;

c. the identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the limited warranty must be extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;

d. a statement of the products or parts covered by the limited warranty;

e. the clear and conspicuous identification of any parts or portions of the home or premises that are excepted or excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:

i. any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice, shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

ii. any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

f. what the builder and any other warrantor will do when a defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. the term of the warranty coverage and when the term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a housing merchant implied warranty, as defined in subdivision one of section seven hundred seventy-seven-a of this article;

h. step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder and any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in nonbinding arbitration or any mediation process;

i. any limitations on or exclusions of consequential or incidental damages, and any limitations on the builder's and other warrantor's total liability, conspicuously expressed on the first page of the warranty. Notwithstanding the foregoing, a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately caused by a breach of the limited warranty, where the court finds that such limitation or exclusion would cause the limited warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under section 5-322.1 of the general obligations law.

b. This article shall preempt any local law inconsistent with the provisions of this article. This article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of home builders except as expressly provided herein.

c. Nothing in this article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy provided by any other statute of the state, except where such construction would, as a matter of law, be unreasonable.

DOCUMENT NUMBER 9

FORM OF LEASE AGREEMENT

INTERIM LEASE

AGREEMENT made this day of , 202__, between, (hereafter SPONSOR) and , (hereinafter PURCHASER);

WITNESSETH:

WHEREAS, SPONSOR is the Sponsor of a condominium conversion of premises located at , New York; and,

WHEREAS, PURCHASER has executed a Purchase Agreement for Unit _____ at said premises; and,

WHEREAS, PURCHASER wishes to occupy said Unit prior to the closing of the transaction;

NOW, THEREFORE, in conformity with the terms and conditions of the Offering Plan filed with the Attorney General of the State of New York, the parties agree as follows:

1) Commencing on _____, and terminating as hereinafter specified, PURCHASER shall have the right to use and occupy the aforementioned Unit.

2) PURCHASER shall pay a fee for use and occupancy of the Unit of $_____per month. It is understood that this use and occupancy fee is not rent, and that no landlord-tenant relationship has been created between the parties, and that this agreement is not governed or subject to any rent regulatory laws.

3) The use and occupancy fee for the month in which closing occurs shall be adjusted at closing. No portion of the use and occupancy fee will be applied to the purchase price of the Unit.

4) The terms of the Offering Plan, and all related documents in effect as of the date hereof are incorporated in and made a part of this agreement.

5) A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. If during Purchaser's occupancy the Unit is damaged by casualty or otherwise, the Purchaser shall assume the risk of loss and the obligation to

repair the damage in excess of insurance proceeds, unless the cause thereof originated outside the Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workmen. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance and accepting delivery of the deed.

Except as provided in the preceding paragraph, all other risk of loss prior to closing in excess of insurance proceeds has been assumed by Sponsor, but without any obligation or liability of Sponsor to repair the damage or restore the Unit. If Sponsor or (in the event the Declaration is filed) the Unit Owners elect to repair or replace the loss or damage, this agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete or to permit the Board to complete such repairs or replacements. Purchaser shall not be required to pay the Balance unless and until (i) the Unit has been repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor (subject to the rights, if any, of the Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing.

E. In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, this Agreement and the Contract shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited under the Purchase Agreement, without interest (unless interest is

earned), whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain the Liquidated Sum as defined in the Purchase Agreement.

6) PURCHASER shall pay all utility costs and make any repairs to the Unit for which he would be obligated as owner. SPONSOR will not be responsible for ordinary wear and tear to the Unit during the PURCHASER'S occupancy.

7) PURCHASER may not make any alterations to the Unit without SPONSOR'S written consent.

8) This lease will terminate on the happening of the earliest of the following:

a- Closing
b- Rescission of the Purchase Agreement (by PURCHASER)
c- Default by PURCHASER

9) Upon a default by PURCHASER or Rescission of the Contract by PURCHASER, which is not cured within 15 days after notice thereof, PURCHASER'S right to occupy the Unit will terminate, and PURCHASER must vacate the Unit within thirty (30) days after mailing of Notice to Vacate by the SPONSOR. Such notice must be by certified mail, return receipt requested, to the Unit. PURCHASER agrees to pay SPONSOR $250.00 per day for each day he remains in possession beyond the 30th day following mailing of the Notice to Vacate in conformity with this section. Nothing contained herein shall be construed so as to limit SPONSOR's ability to have PURCHASER evicted from the premises and to pursue any other legal remedy available to SPONSOR; nor shall anything herein be construed as a waiver by the SPONSOR of his right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement.

10) Any uncured default under this lease agreement will be a default under the Purchase Agreement, and any uncured default under the Purchase Agreement will be a default under this lease agreement. Any such default will terminate PURCHASER'S right to use and occupancy, and will also terminate PURCHASER'S right to purchase the Unit, and may

result in loss of the down-payment. Before SPONSOR may utilize the default under the lease to declare a default under the purchase agreement, SPONSOR will obtain an order of eviction or other judgment or order from a court or other agency of competent jurisdiction against lessee unless lessee has vacated the Unit.

11) This agreement may not be assigned, and may not be changed, except by signed, written instrument. This agreement is the entire agreement between the parties as regards use and occupancy of the Unit pending closing.

12) As of the date hereof PURCHASER confirms that all work required to be done in or about the subject Unit has been completed; and that in all respects PURCHASER agrees to accept the Unit in "as is" condition; subject to the "punch list", if any, attached hereto.

13) Smoking and/or use of electronic cigarettes is prohibited in all indoor and outdoor locations on the property including inside the units and in Limited Common Element areas. This policy shall apply to all Unit Owners and tenants and their respective invitees as well as other persons on the Property.

14) If any term of this agreement differs from the Offering Plan as accepted for filing by the Attorney General of the State of New York, the offering plan shall be controlling.

IN WITNESS WHEREOF, the parties hereunto set their hands this ___day of _____, 202___.

BY:_____

CERTIFICATIONS

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS

The Department of Law of the State of New York
28 Liberty Street
New York, New York 10005

Attention: Real Estate Financing Bureau

Re: The 499 Evergreen Avenue Condominium
499 Evergreen Avenue
Brooklyn, New York

Sponsor: 503 Evergreen Avenue LLC

To Whom It May Concern:

We are the Sponsor and the principal 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 Part 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereinafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

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

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

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

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representations or statements made.

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

SPONSOR: 503 Evergreen Avenue LLC

By: _____
Nadav Hamo, Principal

_____
Nadav Hamo

Affirmed before me this
19 day of August 2020

_____
Notary Public

ELVIS A GUAMAN
NOTARY PUBLIC-STATE OF NEW YORK
No. 01GU6351741
Qualified in Queens County
My Commission Expires 12-12-2020

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
120 Broadway, 23rd Floor
New York, NY 10271

Attn.: Real Estate Finance Bureau

Re: 499 Evergreen Avenue
Brooklyn, 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 12/24/2020 and the building plans prepared by Infocus and dated 12/31/2020 and prepared the Report dated 1/5/2021, 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 professional engineer 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.

Executed on 02-16-2021 .

Wu Chen. P.E.



Wu Chen, P.E.

Sworn to before me this
day of , 2021

Notary Public

AYC Management LLC
3215 Avenue R
Brooklyn, NY 11234

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

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

Re: 499 Evergreen Avenue

Brooklyn, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B and prepare schedule B-1 containing projections of income and expenses for the first year of condominium operation. I have the following experience:

I have been engaged in the real estate business for over five (5) years in the State of New York, during which time I have been involved in the purchase, sale, and management of real property. My management experience includes the following residential/Commercial buildings and/or condominiums/ cooperatives: 77 East 28th Street, Brooklyn, NY; 2136 Rockaway Parkway, Brooklyn, NY; and 8602 Glenwood Road, Brooklyn, NY.

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 13 NYCRR Part 20 insofar as they are applicable to Schedule B and Schedule B-1.

I have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential buildings.

I certify that the projections in Schedule B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year or condominium operation.

I certify that the Schedules:

(I) sets forth in detail the projected income and expenses for the first year of condominium operation;

AYC Management LLC
3215 Avenue R
Brooklyn, NY 11234

CERTIFICATION BY EXPERT ON ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNER

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

Re: 499 Evergreen

Brooklyn, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B and prepare schedule B-1 which include projections of common charges payable by the owners of the commercial unit. I have the following experience:

I have been engaged in the real estate business for over five (5) years in the State of New York, during which time I have been involved in the purchase, sale, and management of real property. My management experience includes the following residential/Commercial buildings and/or condominiums/ cooperatives: 77 East 28th Street, Brooklyn, NY; 2136 Rockaway Parkway, Brooklyn, NY; and 8602 Glenwood Road, Brooklyn, NY.

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 13 NYCRR Part 20 insofar as they are applicable to the commercial units listed in Schedule B.

I have reviewed the Schedule as it impacts upon the commercial units and investigated the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential buildings.

I certify that the projections in Schedule B for common charges payable by the owners of the commercial units appears reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflects special or exclusive use or availability or exclusive control of particular common areas.

I certify that the estimates in Schedule B for the common charges payable by the owners of the commercial units:

(a) sets forth in detail the projected common charges for the commercial units for the first year of condominium operation;

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

(c) does not omit any material fact:

(d) does not contain any untrue statement of a material fact;

(e) does not contain any fraud, deception, concealment or suppression:

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

(g) does not contain any representation or statement which is false, where I:

(i) knew the truth;
(ii) with reasonable effort could have known the truth;
(iii) made no reasonable effort to ascertain the truth; or
(iv) did not have knowledge concerning the representations or statement made.

I further certify that I am not owned or controlled by the sponsor. I understand that a copy of this Certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges attributable to the commercial units for the first year of condominium operation.

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

AHUVAH RIBNER
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01RI6117048
Qualified in Kings County
Commission Expires October 12, 2024

AYC Management LLC

By: _____
Abe Caller

Affirmed to before me this
15 day of Feb, 2021

_____
Notary Public

AHUVAH RIBNER
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01RI6117048
Qualified in Kings County
Commission Expires October 12, 2024

(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; and

(VII) does not contain any representation or statement which is false, where I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statement made.

I further certify that I am not owned or controlled by the Sponsor. I understand that a copy of this Certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

AYC Management LLC

By:_____
Abe Caller

Affirmed to before me this
31 day of AUGUST, 2020

_____
Notary Public

YAFFA KAGAN
Notary Public - State of New York
No. 02KA6392783
Qualified in Kings County
My Commission Expires June 03, 2023