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

THE STUYFORD HAUS

1021 Bedford Avenue
Brooklyn, Kings County, New York 11205

15 Residential Units	$ 9,185,000
1 Commercial Unit	$ 900,000
TOTAL OFFERING	**$ 10,085,000**

SPONSOR

BEDFORD AVE CONDOS, LLC
37-36 75th Street
Jackson Heights, New York 11372

SELLING AGENT

NEWS REALTY CORP.
37-36 75th Street
Jackson Heights, New York 11372

SPONSOR'S ATTORNEY

CERTILMAN BALIN ADLER & HYMAN, LLP
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THE DATE OF ACCEPTANCE FOR FILING IS JUNE 23, 2021. THE OFFERING PLAN MAY NOT BE USED AFTER JUNE 22, 2022 UNLESS EXTENDED BY AMENDMENT.

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE (iii).

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL THE RESIDENTIAL UNITS ONLY IN THE EVENT THE CURRENT REQUIREMENTS OF SECTION 421-(a) 16 OF THE REAL ESTATE TAX LAW TO SELL ALL OF THE RESIDENTIAL UNITS TO RESIDENTIAL UNIT OWNERS ARE NOT OBTAINED AFTER CONSUMMATION OF THE PLAN, THIS PLAN MAY RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE RESIDENTIAL UNITS ARE NOT OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE THE SPECIAL RISK SECTION OF THE PLAN.) PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS OF THE CONDOMINIUM UNDER THE TERMS OF THIS OFFERING PLAN.

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

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SPECIAL RISKS

1. The Condominium will consist of fifteen (15) Residential Units ("Residential Units") and one (1) Commercial Unit ("Commercial Unit") in a six (6) story building including a cellar. The term Units in the Offering Plan will refer to the Residential Units and Commercial Unit unless otherwise stated. See Section I of the Offering Plan. The Commercial Unit may be used for any lawful purposes permitted under applicable zoning. The Residential Unit Owners will not have any input or decision making over the uses of a Commercial Unit. Purchasers should note that the use of a Commercial Unit may generate noise, traffic or other annoyances over which the Residential Unit Owners will have no control.

2. The Sponsor will have voting control and may designate the Members of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to Residential Unit Owners other than the Sponsor, its Principals, successors, assignees and/or designees ("Sponsor Control Period"). The initial Board of Managers will call for the First Annual Meeting of the Residential Unit Owners to elect a new Board of Managers within a reasonable period after the Sponsor Control Period. There is no limit on the period of time it may take Sponsor to convey all the Residential Units in the Condominium and as a result the Sponsor may control the Board indefinitely. Notwithstanding, the Board of Managers has a fiduciary duty to the Residential Unit Owners to enforce Sponsor's obligations. Sponsor's intentional refusal to allow the Board of Managers to pursue litigation against the Sponsor entity may constitute a breach of fiduciary duty to the Board of Managers. In addition, the Residential Unit Owners may commence a lawsuit in the nature of a derivative action. In the event a Sponsor-controlled Board does not undertake the enforcement of the Sponsor's obligations, the Residential Unit Owners may have to independently raise funds to pursue such enforcement and any other causes of action against the Sponsor. Notwithstanding said fact, Sponsor has the right to voluntarily relinquish a majority of the Members of the Board of Managers before the last Residential Unit is closed. If Sponsor relinquishes control of the Members of the Board of Managers, there is no provision in the By-Laws that requires that a majority of Members of the Board of Managers be owner occupants who are unrelated to the Sponsor or its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed as a result of their different reasons for purchasing, i.e. purchasing as a Residential Unit to live in as opposed to purchasing as an investment. See Sections XVII and XVIII of the Offering Plan.

3. The Sponsor has the right to retain control over certain expenditures and fiscal actions of the Board of Managers of the Condominium for a period ending not more than five (5) years after the Closing of the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the Percentage of Common Interest, whichever is sooner. During this period, the Sponsor will have control of maintenance, facilities and services to be provided to the Condominium and will determine the Common Charges to be paid by all Unit Owners, including those paid by the Sponsor.

During this period the Sponsor will also have control over the enforcement of the Sponsor's obligations and will also have the right to control all decisions including but not limited to the determination of Common Expenses, management of the Condominium, the hiring and termination of employees of the Condominium, the placing of easements on the property and making improvements to the Common Elements. Notwithstanding the above, the Board of Managers has a fiduciary duty to the Unit Owners to enforce Sponsor's obligations. Sponsor's intentional refusal to allow the Board of Managers to pursue litigation against the Sponsor entity may constitute a breach of fiduciary duty to the Board of Managers. In addition, the Unit Owners may commence a lawsuit in the nature of a derivative action. In the event a Sponsor-controlled Board does not undertake the enforcement of the Sponsor's obligations, the Unit Owners may have to independently raise funds to pursue such enforcement and any other causes of action against the Sponsor. At no time may Sponsor exercise veto power over expenses described in Schedule B or over expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, (iii) to remedy any work order by an insurer or (iv) necessary for the preservation or safety of the Condominium or for the safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium. See Section XVIII of the Offering Plan and Schedule B.

4. It is anticipated that the Board of Managers on behalf of all Residential Unit Owners will apply for a partial tax abatement for real estate tax benefits under Section 421-a (16) of the Real Estate Tax Law of the State of New York ("421-a (16) Tax Abatement") from the Department of Housing Preservation and Development of the City of New York ("HPD"). On February 6, 2021, HPD adopted new regulations concerning the 421-a program which require that there shall be executed and recorded Deeds for each Unit prior to applying for the tax abatement. **PURSUANT TO THE REQUIREMENTS REGARDING THE 421-A (16) TAX ABATEMENT, APPLICATION TO HPD MUST BE SUBMITTED WITHIN ONE YEAR AFTER COMPLETION. ALL RESIDENTIAL UNIT CONTRACTS MUST THEREFORE BE ENTERED PRIOR TO ONE (1) YEAR FOLLOWING COMPLETION OF CONSTRUCTION. NOTE THAT THE 421-A RULES AND REGULATIONS DEFINE COMPLETION OF CONSTRUCTION AS FOLLOWS: '"COMPLETION OF CONSTRUCTION" SHALL MEAN THE DATE UPON WHICH EITHER A TEMPORARY CERTIFICATE OF OCCUPANCY IS ISSUED FOR ALL RESIDENTIAL AREAS IN THE MULTIPLE DWELLING OR A PERMANENT CERTIFICATE OF OCCUPANCY IS ISSUED FOR THE ENTIRE BUILDING. IN ADDITION, NO APPLICATION SHALL BE FILED BEFORE (1) THE FIRST ASSESSMENT FOLLOWING THE COMPLETION DATE, AND (2) THERE ARE EXECUTED AND RECORDED DEEDS FOR EACH RESIDENTIAL UNIT. THIS MAY CREATE A VERY LIMITED PERIOD TO FILE THE APPLICATION.** The time frame HPD will take to review and issue a determination as to whether or not the Application will be granted once the Application is submitted by the Board cannot be estimated. In the event the Building obtains the 421-a (16) Tax Abatement, the partial tax exemption is expected to commence after HPD grants the 421-a (16) Tax Abatement Certificate of Eligibility (the "Certificate of Eligibility"). It will be incumbent upon the Board to use its best efforts to obtain the Section 421-a (16) Tax Abatement and file all necessary

papers to secure final approval. **ALTHOUGH SPONSOR ANTICIPATES THAT THE SECTION 421-A (16) TAX ABATEMENT BENEFIT WILL BE GRANTED, SPONSOR MAKES NO GUARANTEE THAT THE SECTION 421-A (16) TAX ABATEMENT WILL BE GRANTED OR IF GRANTED WHEN THE CERTIFICATE OF ELIGIBILITY WILL BE ISSUED OR WHEN THE 421-A (16) TAX ABATEMENT WILL COMMENCE. There is no guaranty that a 421-a tax abatement benefit will be available during the first year of Condominium operation inasmuch as the Application may only be filed by the Board after all of the Deeds to the Residential Units are fully executed and recorded. Furthermore, since every Residential Unit must be sold before the Board can apply for benefits, the Sponsor will no longer be involved. Therefore, as the Sponsor will have conveyed all of the Residential Units, the recent amendment requires each Purchaser of a Residential Unit to authorize an officer of the Board to submit the Application and to execute and record the 421-a(16) Restrictive Declaration on their behalf. AS A RESULT, PURCHASERS SHOULD BE PREPARED AND SHOULD BASE THEIR DECISION TO PURCHASE UPON PAYING REAL ESTATE TAXES WITHOUT THE 421-A (16) TAX ABATEMENT.** Schedule A of the Offering Plan reflects the estimated real estate taxes for each Residential Unit both with and without the Section 421-a (16) Tax Abatement. If approved the 421-a (16) Tax Abatement may not be reflected on a Residential Unit Owner's tax bill for a period of time from the date of approval. No guarantee or warranty is made that the actual assessed valuation or the assessed valuation for the Property with the 421-a (16) Tax Abatement benefits will be as projected herein, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation, or that real estate taxes will be allocated among Residential Units as reflected in Schedule A. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their purchase in the event the 421-a (16) is not obtained or if the amount of such exemption and the resulting taxes differ from those projected. Purchasers should further note the following regarding the 421-a (16) Tax Abatement:

(a) The Building is not located within the statute's geographic exclusion area.

(b) If eligible the Building will receive a 20-year partial tax exemption under Section 421-a (16) of the New York State Real Property Law.

(c) The Building is not required to provide affordable Residential Units because of its Condominium status.

(d) Building service employees do not need to be paid a prevailing wage as a result of the fact the Building contains less than 30 Residential Units.

(e) Upon the first assessment following completion, the building must have an average assessed value not exceeding $65,000 per unit, upon the first assessment following the Completion Date (the "Post-Completion Assessment Cap Requirement"). Based on the estimates of Sponsor's Tax Consultant (the "Tax Consultant") the average assessed value is expected to be approximately $63,321 and will not exceed $65,000. As a result, it is their opinion that the Condominium should qualify for 421-a (16) Tax Abatement if the Condominium meets all the other requirements

of the 421-a (16) Tax Abatement program. However, should the Department of Finance issue the assessed value which is 2.65% or higher than estimated, the Building will not qualify for long-term tax benefits under 421-a(16). Neither the Sponsor, the Tax Consultant nor Sponsor's counsel can guarantee the average assessment in view of the fact the Condominium will be assessed by the NYC Department of Finance, Assessor's Residential Unit upon completion. **IF THE CONDOMINIUM UNITS ARE ASSESSED IN EXCESS OF AN AVERAGE OF $65,000, THE CONDOMINIUM WILL NOT QUALIFY FOR 421-A (16) TAX ABATEMENT AND EACH RESIDENTIAL UNIT OWNER WOULD BE OBLIGATED TO PAY THE FULL NON-EXEMPTED TAXES**. The 421-a AV Cap is a limit on the amount of real estate tax savings a Residential Unit can receive if 421-a benefits are received. The AV Cap is set at $65,000 of the assessed valuation of a Residential Unit. If a Residential Unit's assessment is higher than $65,000 in assessed valuation, the excess assessed valuation is fully taxed and does not get exempted. This excess amount would have to be paid by the Residential Unit Owner in addition to the real estate taxes subject to the exemption. As per the Tax Consultant's Opinion, it is anticipated that Units 202, 203, 302, 303, 402, 403, 502, 503, 602, and 603 will be assessed post-completion at a value exceeding $65,000; thus the tax abatement for said Units will be capped at an assessed value of $65,000 per the 421-a regulations. The AV Cap should not be confused with the Post-Completion Assessment Cap Requirement as discussed in the Tax Consultant's Opinion Letter. A copy of Sponsor's Tax Consultant's Opinion Letter is contained in Section XXIII of the Offering Plan. Purchasers should refer to Schedule A which provides an estimate both with and without the 421-a (16) Tax Abatement.

(f) **EACH PURCHASER DURING THE BENEFIT PERIOD MUST AGREE IN WRITING TO MAINTAIN THE RESIDENTIAL UNIT AS PURCHASER'S PRIMARY RESIDENCE FOR AT LEAST THE FIRST FIVE (5) YEARS OF ACQUISITION OF A RESIDENTIAL UNIT ('PRIMARY RESIDENCE REQUIREMENT"). The Deed to each Residential Unit must also contain the Primary Residence Requirement**. Notwithstanding the foregoing, the minimum five (5) year period of occupancy necessary to establish whether such Residential Unit is an owner's primary residence shall not be deemed to be interrupted by any period during which such owner temporarily relocates because he or she: (i) is engaged in military duty; (ii) is enrolled as a full-time student; (iii) is not in residence at the Residential Unit pursuant to a court order not involving any terms or provisions of the occupancy agreement, and not involving any grounds specified in the New York State Real Property Actions and Proceedings Law; (iv) is engaged in employment requiring temporary relocation from such Residential Unit; (v) is hospitalized temporarily for medical treatment; or (vi) has other reasonable grounds that shall be determined by HPD.

(g) The Condominium Building meets the building size requirement ("Building Size Requirement") of Section 421-a (16) of the State Real Property Law

that requires a minimum of six (6) Residential Units and a maximum of thirty-five (35) Residential Units to be eligible for the 421-a (16) Affordable New York Housing Program.

(h) The estimates are based on the current residential tax rate of 12.267% for a Class 2 property. The estimates will change to the extent that these rates increase.

(i) The estimates do not include (i) added value factors for location premiums or optional extras for which the taxes could increase to the extent of such premiums or extras and (ii) any exemptions other than the basic STAR that might be granted to individual Residential Unit Owners such as enhanced STAR, veterans, senior citizen, etc.

(j) A Restrictive Declaration must be executed by the Board of Managers and recorded against the Property before the 421-a (16) Tax Abatement Certificate of Eligibility can be approved. **EACH PURCHASER MUST AGREE IN WRITING TO AUTHORIZE AN OFFICER OF THE BOARD TO SUBMIT THE APPLICATION AND EXECUTE AND RECORD THE RESTRICTIVE DECLARATION ON PURCHASER'S BEHALF.** Said Restrictive Declaration cannot be recorded until HPD's review and approval is obtained. A copy of the proposed Restrictive Declaration is contained in Schedule O in Part II of the Offering Plan.

(k) No portion of the Condominium shall be operated as a Hotel or single room occupancy during the benefit period.

(l) The Sponsor intends that the Building will be exempt from the statutory obligation to register the Residential Units as rent-stabilized by reason of the fact this will be a condominium.

(m) In the event, prior to consummation of the Offering Plan, the Sponsor rents any Residential Unit (or portion thereof) to any person other than an interim lessee, the Sponsor will be obligated to abandon the Offering Plan.

(n) The 421-a statute states that: '(i) Replacement Ratio. If the land on which an eligible site is located contained any dwelling units three years prior to the commencement date of the first eligible multiple dwelling thereon, then such eligible site shall contain at least one affordable housing unit for each dwelling unit that existed on such date and was thereafter demolished, removed or reconfigured.' Since the Property was formerly operated as a garage with no residential units thereon, three years prior to the commencement date, the replacement ratio is not applicable and thus no affordable housing units must be provided in the eligible multiple dwelling. See the Tax Consultant's Opinion Letter in Section XXIII.

(o) As required by the HPD regulations, this Offering Plan discloses the Building Size Requirement, Primary Residence Requirement and Post-Completion Assessment Cap Requirement as stated above.

In the event it is reasonably apparent that all of the pre-conditions to the issuance of the tax abatement will not be achieved, Sponsor will submit an amendment to the Offering Plan disclosing that it does not appear that the tax benefits will be obtained and **PURCHASERS SHOULD NOT RELY ON OBTAINING THE TAX ABATEMENT IN**

THEIR DETERMINATION AS TO WHETHER OR NOT THEY PURCHASE A RESIDENTIAL UNIT, AND SHOULD ONLY PURCHASE A RESIDENTIAL UNIT BASED UPON THE ASSUMPTION THAT THE 421-A(16) TAX ABATEMENT BENEFITS WILL NOT BE GRANTED.

See Schedule A, Section XX of the Offering Plan, and Paragraph 40(n) of the Purchase Agreement which set forth that the Purchaser agrees to maintain their Residential Unit as their primary residence and to authorize the Board of Managers to file the Application and execute and record the Restrictive Declaration on Purchaser's behalf.

5. As a result of the 421-a (16) requirement that in order to obtain the benefits of the tax abatement Deeds for each Residential Unit must be executed and recorded prior to the Application filing and that the Purchasers are required to maintain their Residential Unit as Purchaser's primary residence, subject to the exemptions disclosed in Special Risk 4(f) above, for at least the first five (5) years of acquisition of the Residential Unit, no rentals will be permitted during this period if the Board obtains the 421-a (16) tax abatement and this requirement is not revised or held to be invalid. In the event the provision is revised or held invalid so as to permit rentals of one (1) or more Residential Units during this period or if the other requirements of the 421-a (16) tax abatement are not met and the Building does not obtain the 421-a (16) tax abatement, then although Sponsor will endeavor in good faith to sell the Residential Units in the Condominium, Sponsor will retain the unconditional right to rent rather than sell the Residential (and Commercial) Units. Prior to renting any Residential Units, Sponsor will submit an amendment disclosing the fact that the Building will not then be receiving 421-a (16) tax benefits. Because Sponsor is retaining the unconditional right to rent rather than sell the Units after the consummation of the Offering Plan, under such circumstances, this Plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors who are unrelated to the Sponsor and Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of the Offering Plan. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, under the above circumstances, there would be no commitment to sell more Residential Units than the fifteen (15%) percent of the Units being offered for sale (15% x 16 = 2 Units) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. In such an event, Sponsor shall not rent a Residential Unit in the Condominium prior to Consummation of the Plan as defined in Title 13 NYCRR § 20.1(c)(6). See Section XVII of the Offering Plan.

6. Sponsor has applied for a partial tax abatement for real estate tax benefits under Section 489-bbbbbb of the New York Real Property Law in connection with the Commercial Unit. The Industrial and Commercial Abatement Program ("ICAP") reduces a portion of the increase in real estate taxes due to new construction, modernization or rehabilitation of industrial/commercial buildings, by providing a maximum of twenty-five (25) year property tax abatements for qualified projects.

7. In the opinion of Sponsor's Tax Consultant, the Commercial Unit is expected to be eligible for ICAP benefits. The Sponsor will use its best efforts to obtain the ICAP Tax Abatement and will file all necessary papers to secure final approval. Although Sponsor anticipates obtaining the ICAP Tax Abatement benefit, Sponsor makes no guarantee that the ICAP Tax Abatement will be granted or if granted when the Certificate of Eligibility will be issued or when the ICAP Tax Abatement will commence. As a result, Purchasers may be required to pay real estate taxes without the ICAP Tax Abatement. Schedule A of the Offering Plan reflects the estimated real estate taxes for the Commercial Unit both with and without the ICAP Tax Abatement. If approved, the ICAP Tax Abatement may not be reflected on the Commercial Unit Owner's tax bill for a period of time from the date of approval. No guarantee or warranty is made that the actual assessed valuation or the assessed valuation for the Property with the ICAP Tax Abatement benefits will be as projected herein, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation, or that real estate taxes will be allocated among the Units as reflected in Schedule A. **The ICAP exemption is only applied the July following receipt of the ICAP Certificate and thus the benefits may not be applied during the first year of Condominium operation.**

PURCHASERS SHOULD NOT RELY ON OBTAINING THE TAX ABATEMENT IN THEIR DETERMINATION AS TO WHETHER OR NOT THEY PURCHASE A COMMERCIAL UNIT, AND SHOULD ONLY PURCHASE A COMMERCIAL UNIT BASED UPON THE ASSUMPTION THAT THE ICAP TAX ABATEMENT BENEFITS WILL NOT BE GRANTED.

8. The projected real estate taxes for the first year of operation contained on Schedule A are based on an assessment of the Building before construction is complete. Purchasers are advised that real estate taxes may increase materially when the Building is reassessed after construction is complete. See Footnote 5 to Schedule A in Section V of the Offering Plan for more information regarding the projected assessed valuation after completion of construction and Sponsor's Tax Consultant's Opinion letter contained in Section XXIII of the Offering Plan.

9. The property will continue to be registered with an E-Designation by the NYC Buildings Department in connection with three (3) environmental restrictions (Hazmat, Noise, & Air). Hazardous Materials restriction requires Phase I and Phase II Testing Protocol. Noise restriction requires Window Wall Attenuation & Alternate Ventilation. Air Quality restriction requires HVAC fuel to be limited to natural gas. The Sponsor is in contract with an environmental consultant to have these restrictions remediated with NYC Office of Environmental Remediation. See Architect's Description of Property and Specifications in Exhibit C-1. Establishment of Engineering Controls and Institutional Controls in this Remedial Action Work Plan ("RAWP") and a requirement that management of these controls must be in compliance with an approved Soil Management Plan ("SMP"). Institutional Controls will include prohibition of the following: (1) vegetable gardening and farming; (2) use of groundwater without treatment rendering it safe for the intended use; (3) disturbance of residual contaminated material unless it is

conducted in accordance with the SMP; and (4) higher level of land usage without the Office of Environmental Remediation ("OER") approval. At the conclusion of remedial activities required under this action, the Zoning Resolution and §24-07 of the Rules of the City of New York requires that OER issue a Notice of Satisfaction signifying that all remedial action requirements established for this project have been satisfied prior to issuance of the Certificate of Occupancy or Temporary Certificate of Occupancy by the Department of Buildings. See OER letter dated April 10, 2019 attached to Architect's Description of Property and Specifications in Exhibit C-1.

10. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their Purchase Agreement in the event the amount of any Tax Abatement under either 421-a (16) or ICAP and the resulting taxes differ from those projected or if abatement benefits are not granted. See Tax Consultant's Opinion Letter in Section XXIII of the Plan.

11. Although normally a Sponsor's expense, pursuant to contractual agreement the following obligations have been transferred to Purchasers and shall be at Purchaser's sole expense: New York State Real Estate Transfer Taxes at the rate of $2.00 per $500 of consideration and New York City Transfer Tax of one (1%) percent of the Purchase Price for Units where the consideration is less than $500,000 and 1.4259 percent where the consideration is $500,000 or greater. Both taxes are considered additional consideration on which the respective tax is based. See Section XVI of the Offering Plan as to how the above taxes are calculated. See the Purchase Agreement set forth as Schedule D.

12. Sponsor has not been required to post a completion bond with the City of New York covering the Common Elements. In addition, no bond has been posted to secure Sponsor's obligations under the Offering Plan. However, Sponsor has the financial resources to fulfill its obligations under the Plan. See Section XVII of Part I of the Offering Plan.

13. Although all funds received by Sponsor from Purchaser for upgrades, options, extras, special work or custom work ("Extras") not included in the base price of a Unit will initially be placed in the Escrow Account as described in Section XII of the Offering Plan, such funds may be released from the Escrow Account as long as the Sponsor uses the funds for such Extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid to the Sponsor for Extras which (i) have been installed by Sponsor, (ii) not installed, but paid for by Sponsor or (iii) not installed, but which have been ordered but not installed by Sponsor and for which Sponsor is obligated to pay for unless the Offering Plan has been abandoned. In the event the Offering Plan is abandoned the Purchaser shall be entitled to receive a refund of all funds paid to the Sponsor for such Extras. See Section XII of the Offering Plan.

14. The First Annual Meeting will be held within a reasonable period of time after the expiration of the Sponsor Control Period which may occur later than one (1) year after the date of the Closing of Title to the first Residential Unit in the Condominium. See Section XVIII of the Offering Plan.

15. No Unit Owner shall make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to the Unit, or any Individual Unit's Limited Common Element, without the prior written approval of the Board of Managers. Said provision requiring the written consent of the Board of Managers does not apply to the Sponsor. See Section XX of Part I of the Offering Plan and Article VIII of Schedule J.

16. The Board of Managers shall have the right to designate or approve a contractor or contractors to do any work to the balcony, terrace and/or privacy structure that is the Residential Unit Owner's responsibility at the Residential Unit Owner's sole cost. Residential Unit Owners must first inform the Board of Managers before undertaking any repair or replacement of a balcony, terrace or privacy structure.

17. Pursuant to existing regulation, the Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent of the Units being offered for sale (15% x 16 Units being offered for sale = 2 Residential Units). Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to close Units with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit.

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

Even after Residential Units have closed, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell if prospective buyers are unable to obtain a loan due to such minimum sales requirements. See Section I of Part I of the Offering Plan.

18. In the event of a failure by the Sponsor to convey title as set forth in the Purchase Agreement to any Unit on or before twelve (12) months (eighteen (18) months if closing is delayed by acts of God, strikes or other causes beyond the control of Sponsor as specified in paragraph 5 of the Purchase Agreement) after the date of

delivery of title set forth in the respective Purchase Agreement, except for Purchaser's default, the Purchaser will have the option of rescinding his Purchase Agreement and to have all monies refunded by the Sponsor. In addition, the Sponsor anticipates that the Closing of the first Unit will occur by January 1, 2022. Purchasers will be offered a separate right of rescission if the actual date of Closing of Title to the first Unit occurs later than January1, 2023, twelve (12) months after the projected closing date for the first Closing contained in this Offering Plan. However, if the Plan is amended to provide for a later projected closing date for the first Unit closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than twelve (12) months beyond that amended, later date. However if the first Unit Closing occurs before January 1, 2022, the Sponsor may schedule the Closings of Title to the other Units significantly later than such date. Notwithstanding such fact, this will not impact the outside closing date set forth in each individual Purchase Agreement. See Section XII for full details and required timing for notices.

19. All Deposits received from Purchaser will initially be deposited into an escrow account of the law firm of Lewis P. Kamin, Esq., 42-40 Bell Boulevard, Suite 206, Bayside, New York 11361 (the "Escrow Agent"), in Signature Bank, 78-27 37th Avenue, Jackson Heights, New York 11372, as described in Section XII of the Offering Plan. The escrow account is an IOLA account consistent with Section 487 of the Judiciary Law of the State of New York. The maximum deposit insurance amount will be $250,000. If an individual makes a deposit in excess of said amount for the purchase of a Residential Unit, it is a Special Risk of this offer that such Deposit will not be federally insured in excess of said amount. Purchasers should further note that in the event a Purchaser has an account at Signature Bank the funds in Purchaser's account are factored into the maximum insured amount of $250,000. See Section XII.

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

21. It shall be the responsibility of each Purchaser to pay the following additional Closing Costs, if applicable: (a) an initial non-reimbursable capital contribution equal to two (2) months Common Charges for the Unit to the Condominium; (b) reimbursement to the Sponsor based on each Unit's percentage of Common Interest for Sponsor's advancement for the cost of the Condominium's insurance for the first year of Condominium operation; and (c) $2,000 to Sponsor's attorney for the preparation of the Closing documents. Purchaser shall also pay, or reimburse to Sponsor, if Sponsor has already made payment, the following charges, if applicable: (a) inspections, (b)

appraisals, (c) surveying services, (d) water and sewer tap and connection fees, water meter deposit, water vault, water meter reading equipment and water and sewer test fees and (e) advance sewer use payments, if any. See Section XVI of the Offering Plan.

22. If through no fault of Sponsor, Purchaser fails for any reason to Close Title after the date originally scheduled in Sponsor's Notice of Closing or such later date (if applicable) to which Sponsor in a subsequent Notice for Closing adjourned the Closing, all of the apportionments shall be made as of midnight of the day preceding (i) the date originally scheduled for Closing or (ii) Sponsor's adjourned Closing Date (as the case may be).

In addition, Purchaser shall pay to Sponsor at or prior to the actual Closing an amount equal to .0438% per day (which equals an annual rate of 16%) of the purchase price for the Unit for each day beyond such originally scheduled or Sponsor adjourned Closing Date, to and including the date of actual Closing, for reimbursement and defrayal of Sponsor's carrying costs and other charges. See Section XVI of the Offering Plan.

23. As a result of the fact gas pipes, water pipes and electric wires run throughout the walls of the Building, Purchasers should be careful when placing any items on the wall or drilling into the walls of their Unit. See Section XIX of the Offering Plan.

24. Purchasers of a Residential Unit should refer to the floor plans in Schedule G-2 of Part II of the Plan for details of each type of Residential Unit. The approximate (within reasonable tolerances) physical dimensions of each Unit consists of the area measured horizontally from the exterior side of the exterior wall (columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, and mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit is measured vertically from the top of the concrete floor slab below to the underside of the ceiling. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual living area comprising the Unit may be significantly less than the area listed in Schedule A for the Residential Units and/or Commercial Unit. See Schedule A and the footnotes thereto contained in Section VI of Part I of the Offering Plan.

25. Balconies, rear yard and cellar spaces may not be used for any type of occupancy including but not limited to sleeping, living room, recreation room, etc. To do so may result in a violation against the Building being issued by the Building Department. See Section XX of the Offering Plan

26. The Sponsor does not wish to sell Residential Units to Purchasers who intend to purchase the Residential Unit as a short-term resale investment. As such, and in the event the Condominium does not qualify for 421-a Tax Abatement, the Purchase

Agreement provides that in the event a Purchaser elects to sell their Residential Unit to a third-party purchaser within eighteen (18) months of the Closing Date, Purchasers shall be required to pay (at or before such resale closing) to Sponsor the lesser of (a) the net proceeds of such resale of the Residential Unit (which shall be computed based on the gross sales price less the amounts owed under any third-party unaffiliated mortgage lender and less all closing costs payable by Purchaser in connection with such resale) and (b) ten percent (10%) of difference between (i) the gross purchase price paid by such third-party purchaser to Purchaser (after deducting closing and other transaction costs) and (ii) the Purchase Price paid by Purchaser to Sponsor. This provision only applies to the initial Purchaser of a Residential Unit from Sponsor and not to subsequent re-sales and does not apply if the Residential Unit Owner or spouse dies within the eighteen (18) month period or if all the Residential Units have been titled by Sponsor before the eighteen (18) month period. In addition, it does not apply to any mortgagee who forecloses or accepts a deed in lieu of foreclosure for a default under a first mortgage. See Paragraph 14 of the Purchase Agreement.

27. All Residential Unit Owners must notify the Board of Managers or the Managing Agent (if any) in writing when a Child or Children under the age of eleven (11) years lives or resides (even temporarily) in the Residential Unit. Each Residential Unit Owner shall install, at the Residential Unit Owner's expense, any required Window Guards in all windows of the Residential Unit and shall not remove them until permitted by applicable law and in any event, without the full knowledge of the Board of Managers or Managing Agent (if any). See House Rules and Regulations set forth in Schedule J to the Offering Plan.

28. All Unit Owners are required to keep their thermostats at a minimum of sixty (60) degrees Fahrenheit to prevent freezing of pipes. In the event the Unit Owner fails to adhere to this requirement the Unit Owner shall be responsible for any damage done to the Common Elements of the Condominium and/or any other Unit. See the By-Laws contained in Part II of the Offering Plan as Schedule J. See Section XX in Part I of the Offering Plan.

29. Sponsor must either return a fully executed Purchase Agreement within thirty (30) days to the Purchaser or reject the Purchase Agreement and refund the Deposit monies. In the event the Sponsor does not act within said thirty (30) day period the Purchase Agreement will be deemed rejected by the Sponsor. See Section XII of the Offering Plan.

30. If Purchaser fails to appear and Close Title in accordance with the Purchase Agreement on the date and at the time and place stated in Sponsor's Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under the Purchase Agreement, Sponsor may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default. Time is of the essence for Purchaser to cure such default within such thirty (30) day period. In the event default(s) are not timely cured, the Purchase Agreement, at Sponsor's option, shall be deemed cancelled and Sponsor

shall retain as liquidated damages, all amounts paid by Purchaser (including for upgrades or extras), and the Unit may be sold by Sponsor without any accounting to Purchaser. See Section XII in Part I of the Offering Plan and Paragraph 23 of the Purchase Agreement and Paragraph 21 of the Commercial Unit Purchase Agreement contained in Part II of the Plan.

31. Purchasers should note that pursuant to the terms of the Offering Plan as long as the Sponsor retains control of the Board of Managers, the Board of Managers of the Condominium retains the right to delay commencement of the collection of Common Charges. During any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve funds reflected in the Budget. Upon the commencement of the collection of Common Charges, there will be no assessment of Unit Owners for prior expenses of the budget during the period Sponsor was paying the Common Expenses of the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided for in the governing regulations. In the event Sponsor elects to delay collection of Condominium Common Charges, it will disclose such fact in the closing notice to Purchasers and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to commencing collection of Common Charges and will disclose such fact in the following Amendment to the Offering Plan. See Section I of the Offering Plan.

32. Purchasers should note that the Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers of the Condominium against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provision of the Declaration or of the By-Laws. It is intended that the Members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners), except for any willful illegal conduct. It is understood and permissible for the original Board of Managers, who may be affiliated with or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing, provided such contracts contain reasonable terms. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the Members of the Board of Managers shall be limited to such proportion of the total liability thereunder as the Purchaser's Percentage of Common Interest in the Common Elements bears to the Percentage of Common Interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by a Member on behalf of the Condominium, shall provide that the Members of the Board of Managers, or the managing agent, or the Member, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners). See Section XIX in Part I of the Offering Plan and Article III, Section 16 of the By-Laws of the Condominium.

33. The Percentage of Common Interest of each of the Residential Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act, based on floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Residential Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Residential Unit. Based upon final specifications, construction conditions and/or "as-built" Plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation the Percentage of Common Interest may justify a minor increase or decrease in the aggregate Percentage of Common Interest appurtenant to Residential Units. In such event, the Percentage of Common Interest appurtenant to each individual Residential Unit would be adjusted pro rata. Sponsor expressly reserves the right, from time to time, prior to the first Closing, to effect such a change in the Percentage of Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Percentage of Common Interest of any Residential Unit be increased or decreased as the result of any of the foregoing by a material amount. See Section XX of the Offering Plan.

34. Residential Unit Owners will not be permitted to make any changes, additions or alterations to their Residential Unit prior to the issuance of a Permanent Certificate of Occupancy for the Residential Unit and/or Building. Residential Unit Owners are responsible for obtaining all necessary permits from the City of New York and any other required municipal agencies for any changes the Residential Unit Owner makes to their Residential Unit subsequent to the Closing of Title with the Sponsor. Sponsor will not be liable for nor responsible to a Residential Unit Owner in the event an inspection by the Department of Buildings of the City of New York prevents the issuance of a renewal and/or extension of a Temporary Certificate of Occupancy or Permanent Certificate of Occupancy as a result of changes made to the Residential Unit by a Residential Unit Owner. In the event a Residential Unit Owner makes any changes, additions or alterations to their Residential Unit prior to the issuance of a Permanent Certificate of Occupancy for the Residential Unit and/or Building, the Residential Unit Owner shall reimburse Sponsor within ten (10) days following Sponsor's demand therefor, for any and all costs incurred by Sponsor with respect to the Residential Unit Owner's changes to the Residential Unit that prevent the extension or renewal of a Temporary Certificate of Occupancy or the issuance of a final Certificate of Occupancy by the Department of Buildings of the City of New York. Any such unauthorized alteration(s) by a Residential Unit Owner that affects the extension of a Temporary Certificate of Occupancy or issuance of a Permanent Certificate of Occupancy shall not affect the Sponsor's obligation to obtain a Permanent Certificate of Occupancy for the Building. See Section XVII of the Offering Plan.

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

certificates of occupancy. Certificates of occupancy are generally governed by section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the Building Department. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell Residential Units. In New York, it is common for sponsors to commence Residential Unit closings when some or all Residential 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 issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the Building Department will issue the FCO within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building and shall exercise best efforts to obtain the FCO within such two (2) year period while keeping the TCO current. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. See Section III in Part I of the Offering Plan.

36. Common Charges are generally levied in proportion to each Unit's Percentage of Common Interest in the Common Elements. However, as provided for in Section 339-m of The Real Property Law of the State of New York, the Board of Managers may also make allocations and assessments of Common Charges to the General Common Elements and any Individual Unit's Limited Common Element that is the Condominium's obligation to repair and maintain, in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are based on intensive, special or exclusive use or availability or exclusive control of particular Units or Common Elements by particular Unit Owners. See Section XX in Part I of the Offering Plan.

37. The Owner of the Commercial Unit will be obligated to pay a share of the cost of insurance and maintenance and operation of the General Common Elements, General Residential Units' Limited Common Elements, and other Common Expenses reflected in Schedule B based on the percentage of Common Interest in the Building allocated to such Unit even though they may not be entitled to use certain parts of the Condominium. A Commercial Unit Owner will also be responsible for the entire cost of the maintenance and operation of the Commercial Unit's Limited Common Elements. In addition, as provided for in Section 339-m of The Real Property Law of the State of New York, the Board of Managers may also make allocations and assessments of Common Charges to the General Common Elements and General Residential Units' Limited Common Elements in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are based on special or exclusive use or availability or exclusive

control of particular Units or common areas by particular Unit Owners. In the event of any dispute relating to the expenses to be borne by a Commercial Unit Owner such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XII of the By-Laws. See Schedule B and Section XX of the Offering Plan.

38. The Commercial Unit Owner and/or its tenant(s) shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building. During the Sponsor Control Periods, and thereafter, no sign may be erected or maintained by the Commercial Unit Owner without the prior written consent of the Sponsor and/or Board of Managers, as applicable. See Section IX of the Offering Plan.

39. The Smoke-Free Air Act of New York City prohibits Smoking and using E-cigarettes of any kind in indoor common areas, including but not limited to, lobbies, hallways, stairwells, mailrooms, fitness areas in any building with three or more residential units. NYC Admin. Code, § 17-505. Effective as of August 28, 2018, Local Law 147 of the City of New York became effective. Local Law 147 amends the Administrative Code of the City of New York to require that all class A multiple dwellings (i.e. buildings with 3 or more residential dwelling units) adopt a written smoking policy (the "Smoking Policy"). In compliance with Local Law 147 the following is the smoking policy that will apply to this Condominium:

(a) Definitions:

(i) Smoking: Inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designated for people to use to inhale smoke.

(ii) Electronic Cigarette (E-cigarette): A battery-operated device that heats a liquid, gel, herb or other substance and produces a vapor for people to inhale.

(b) Policy:

(i) All types of Smoking and use of Electronic Cigarettes as defined above are prohibited from all Common Elements and common areas of the Condominium, including but not limited to any lobby, hallway, stairwell, mailroom, fitness room or other recreational facility, meeting room, storage area, mechanical room, equipment room, cellar, basement, elevator, rooftop, play areas, shared balconies, shared courtyards, shared patios, shared porches, shared yards and/or any outdoor common area within 15 feet of entrances, exits, windows, and air intake units on property grounds.

(ii) All types of Smoking and Electronic Cigarette use are prohibited from any patio, balcony and/or terrace or any space designated as an Individual Residential Unit's Limited Common Element appurtenant to the Residential Unit.

(iii) All legal Smoking and Electronic Cigarette use is permitted within the interior area of a Residential Unit.

(iv) The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, customers, patients, clients, licensees, employees and all persons that may be in or on any portion of the Condominium.

(v) Any Unit Owner who leases their Unit (if permitted) shall incorporate the provisions of the Smoking Policy into the lease with the Unit Owner's tenant.

(c) Complaints:

Complaints about smoke drifting into a Unit or common area should be made promptly to the Managing Agent, if applicable, or Board of Managers. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location where smoke was observed, building address, description of incident and apparent source of smoke.

The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, customers, patients, clients, licensees, employees and all persons that may be in or on any portion of the Property and any Building located thereon constituting the Condominium. Pursuant to the requirements of Local Law 147 all tenants in the Building are required to receive a copy of the Building's Smoking Policy and the Smoking Policy must be incorporated into all leases or interim leases. The provisions of Local Law 147 of the City of New York shall take precedent in the event of any conflict with the Smoking Policy contained herein. The Smoking Policy is contained in Article VIII (the "Rules and Regulations"), Section 5 of the By-Laws. Purchasers should also refer to Section XX of the Offering Plan.

40. No representation is made that the reserve fund line item will be adequate for future expenses including repairs or replacements of Common Elements during the first five (5) years of the Condominium. If additional funds are required over and above said funds, it may be necessary to increase the Common Charges payable by the Unit Owners, collect a Special Assessment from each Unit Owner or borrow money for such repairs or replacements. See Section XXIV in Part I of the Offering Plan.

41. In view of the fact the Condominium will consist of a Building containing more than five (5) stories the Housing Merchant Implied Warranty Law contained in Article 36-B of the General Business Law is not applicable. Notwithstanding said fact, the Sponsor will correct any defects in the construction of the Residential Unit or in the installation or operation of any mechanical equipment therein due to materials or improper workmanship substantially at variance with the plans and specifications, as may have been changed by Sponsor from time to time provided that it is notified of such defects in writing by certified mail within one (1) year from the date of Closing of Title to the Residential Unit in which the alleged defect exists ("Limited Warranty"). If a defect occurs in an item which is covered by this warranty, the Sponsor or Sponsor's contractors will (a) repair or (b) replace the defective item. The choice between repair or replacement is strictly the Sponsor's. See Section XVII, Section 13 of the Offering Plan.

Regarding the Common Elements of the Condominium, the Sponsor will correct any defects in the construction of the Common Elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material substantially at variance with this Offering Plan as may be changed by Sponsor from time to time provided and on condition that Sponsor is notified of or becomes aware of such defect(s) within twelve (12) months from the date of completion of the particular Common Element.

42. The Commercial Unit is not under any warranty, but the Sponsor is obligated to construct the Commercial Unit in accordance with the terms and provisions of the Offering Plan in accordance with the applicable laws and codes and customary building standards if there are not applicable codes.

43. Sponsor has obtained a loan from Maspeth Federal Savings and Loan Association with an address of 56-18 69th Street, Maspeth, New York 11378 ("Acquisition Lender") in connection with its acquisition of the Property ("Acquisition Loan"). The Sponsor shall be obligated to pay off and otherwise comply with the terms of the Acquisition Loan on the entire Condominium. Sponsor intends to pay off and satisfy the Acquisition Loan prior to the closing of title to the first Unit. However, in the event the Sponsor does not do so prior to the closing of title to the first Unit, the Sponsor shall endeavor to modify the terms of the Acquisition Loan and/or to refinance same in order to release each Unit from the Acquisition Loan at the time of Closing. In addition, the Sponsor and/or its affiliate, obtained loans which have been spread against the Property (and other parcels) from LPK Capital LLC ("Construction "Lender"), with an address at 14 Seward Drive, Woodbury, New York 11797, in the total amount of $4,100,000.00 to enable it to construct the Condominium ("Construction Loan"). Pursuant to correspondence from the Construction Lender, the Construction Loan does not provide for any minimum number or percentage of Units that must be under contract before the Offering Plan can be declared effective. The Construction Loan does not have any limitation or requirement that have been imposed by the Construction Lender that require when the Sponsor may rent rather than sell under specified market conditions. The Units will be released from the Construction Loan upon a release

payment of eighty-five percent (85%) of the sales price per Unit. See Section I of Part I of the Offering Plan.

44. The Condominium Board of Managers will enter into a management agreement with Manhasset Management, LLC, 37-36 75th Street, Jackson Heights, New York 11372. Purchaser should note that Sponsor's principal is also a principal of the management company. See Section XXVI of Part I of the Offering Plan.

45. Sponsor reserves the right to change the model mix of the Residential Units as long as the percentages of Common Interest for the Residential Units is not affected, there is no Purchase Agreement in effect for said Residential Unit and as long as the Sponsor does not change the total number of Residential Units being offered for sale or the total number of Buildings in the Condominium. See Section X in Part I of the Offering Plan.

46. Purchasers should note that the Financial Crimes Enforcement Network ("FinCEN"), of the U.S. Department of the Treasury issued a revised Geographic Targeting Order ("GTO") dated November 15, 2018 requiring U.S. title insurance companies to collect and report information about certain persons involved in certain real estate transactions. Pursuant to the GTO U.S. title insurance companies are now required to collect and report information regarding purchasers in transactions where: (1) the Purchaser is a legal entity as defined in the GTO (a corporation, limited liability company, partnership or other similar business entity, whether formed under the laws of a state or of the Residential United States or a foreign jurisdiction); (2) the Purchaser purchases residential real property located in the Boroughs of the Bronx, Brooklyn, Queens, Manhattan and Staten Island; (3) the total purchase price is in the amount of $300,000 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form, a funds transfer or virtual currency. The GTO affects all residential real property closings occurring on or after November 17, 2018 and as long as the GTO remains in effect. Further information regarding the revised Geographical Targeting Order is available at the following web address: https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf. See Section XII of Part I of the Offering Plan.

47. Purchasers should note that Sponsor will not be responsible for any condition in the Units or the Common Elements resulting from (i) normal wear and tear or natural deterioration or from the normal movement, settlement and/or shrinkage of the Building and/or Building materials; (ii) non-material defects of an immaterial nature, such as, without limitation, partial or total loss of any trees, shrubs, bushes or other landscape improvements that may abut the Building, nail pops, protruding dry wall fastenings, ridging on gypsum board, lumber shrinkage, door or window sticking, door warpage including, without limitation, warpage of the main entrance door within reasonable tolerances of doors of similar size and weight, scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel or porcelain surfaces; bathroom finish grouting; adjustment of doors; walls not square; electrical plates not straight; non-

material discoloration or shrinkage; slight separation between base and floors; (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, non-material cracks in roof ballast, or concrete non-material cracks which do not reduce the structural integrity of the Building; (iv) non-material deviations in the level of ceilings, and non-material imperfections in ceiling finishes; (v) non-material imperfections in painting finishes; (vi) non-material deviations in the level of a floor or failure of finished floors and walls to be straight or on plane or at less than 90° from each other; (vii) alignment of bathroom finishes and variation in grouting thickness; (viii) air infiltration and water infiltration from windows in accordance with customary practice and professional standards; (ix) noise from normal plumbing and the HVAC system; (x) normal floor noises and creaking; (xi) carpet or floor discoloring or stretching; (xii) scratches and non-material imperfections or variations in width, length, thickness, finish or color range of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood; (xiii) repair of chips, scratches, mars, breaks, dents, non-material cracks or other non-material defects in: exterior stone; windows, window glass, frames and hardware; insulation attached to the curtain wall; sliding glass doors, frames, door glass and hardware; louvers; shower doors; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, water closets; kitchen cabinets, back splashes and countertops; vanity tops and cabinets; all tile or natural stone floors and walls; saddles; all appliances; woodwork, millwork and doors; mirrors and after the Unit Closing, paint touch-ups, repair of dented appliances, or replacement of light bulbs; (xiv) non-material cracks or variations in tone or color of natural stone or variations in tone or color of vanity tops or variations in veining of any natural stone surfaces; (xv) leaching or color variation in color mortar and colored brick, and dimensional variations in brick joints, and mortar droppings on bricks; (xvi) non-material ponding and/or controlled drainage on the roof surface; (xvii) non-material cracks in pressure-treated lumber used or intended for use outside the Building; (xviii) non-material cracks or non-material discoloration in concrete and/or paving; (xix) non-material discoloration to hardware and plumbing finishes; (xx) non-material stains, runs, lumps, shags or non-material imperfections in weave in fabric panels; (xxi) scratched, dirty or cracked lenses in light fixtures; or (xxii) terrace or balcony tiles not laid flat, or color variation in tiles or mortar, or non-material stained tiles; (xxiii) subsequent to the Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, or (xxiv) salting or color variation in exterior colored mortar and deep colored brick; (xxv) remove mold from the Building or any Unit therein, or (xxvi) or normal water penetration in frameless shower doors. Sponsor will be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair will be made by filling the stone or formica or refinishing the porcelain, but Sponsor will not be obligated to replace such stone, formica or porcelain surfaces. THE ITEMS AND CONDITIONS DESCRIBED IN THIS PARAGRAPH ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING OR UNIT. PURCHASERS WHO PURCHASE A UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING OR UNIT. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF THESE

ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE BOARD OF MANAGERS THEREOF. IF PURCHASERS OR ANY BOARD OF MANAGERS DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR. See Section XVII of Part I of the Offering Plan.

48. Purchasers of Residential Units should note that each Residential Unit will be assigned one storage unit in the cellar of the Building (initially selected on a first-come first-served basis). There shall be one storage unit reserved for a potential future on-site superintendent. See the Description of Property Report contained in Schedule G in Part II of the Offering Plan.

49. Purchasers should refer to Article VIII of the By-Laws contained in Schedule J regarding the Rules and Regulations applicable to the Unit Owners in the Condominium.

50. The Condominium is subject to a Permanent Access Easement ("Easement") in favor of the contiguous property to the rear of the Condominium, to permit the adjoining property owner(s) to access their property, particularly the wall running along the rear Condominium property line and the roof of the structure on said adjoining property. The Easement Area as described in the Easement (approximately 6" by 40") shall at all times be maintained and kept clear and unobstructed and free from buildings or any other structure that would impact or impair the adjoining property owner's ability to access the Easement Area. The Easement was recorded in the New York City Registrar's Office in CRFN2018000409659. See a copy of the Easement contained in Schedule P.

THE STUYFORD HAUS CONDOMINIUM

PLAN OF CONDOMINIUM OWNERSHIP

I. INTRODUCTION

This is an Offering Plan (the "Plan") for the sale of fifteen (15) Residential Units ("Residential Units") for sale to Residential Unit Owners and one (1) Commercial Unit, in a Condominium to be known as The Stuyford Haus Condominium located at 1021 Bedford Avenue, Brooklyn, NY 11205. See Special Risk No. 1 regarding mixed-use Condominium. The Residential Units and Commercial Unit are collectively referred to as "Units."

The Plan may be amended at any time and from time to time provided that the amendment is duly filed with the Department of Law of the State of New York and is served on Purchasers and Residential Unit Owners.

A Declaration submitting the property to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") and By-Laws will be recorded prior to conveyance of title to the first Residential Unit by the Sponsor. The property will be subject to the Condominium Act. The Declaration and By-Laws will be substantially similar to those set forth in this Offering Plan and will not be changed so as to adversely affect the Purchaser. This Offering Plan and the accompanying documentation should be carefully studied by Prospective Purchasers and their attorneys prior to the purchase of a Unit.

The Sponsor of the Offering Plan is Bedford Avenue Condos, LLC, with an address at 37-36 75th Street, Jackson Heights, New York 11372, a New York limited liability company. Sponsor is the owner of the property having acquired it by deed dated November 20, 2018.

The Condominium as proposed will contain six (6) stories and a cellar.

The Residential Units will be located on the upper five floors and the Commercial Unit will be located on the first floor. The storage units will be located in the cellar. The cellar will also contain a lounge, gym, lavatory and bicycle storage area for use by the Residential Unit Owners. There will also be a rear yard courtyard with a gas barbeque and outdoor Areaway adjacent to the cellar for use of the Residential Unit Owners.

The Commercial Unit will have a separate entrance. The Commercial Unit Owner, its tenants, clients, customers and/or employees will not be permitted to utilize any portion of the Residential Area of the Building or Individual General Residential Units' Limited Common Elements.

The Commercial Unit may be used for any lawful purposes permitted pursuant to applicable zoning. The Residential Unit Owners will not have any control over the uses or types of operation of the Commercial Unit. The use of the Commercial Unit may

generate noise, traffic or other annoyances over which the Residential Unit Owners will have no control. The Commercial Unit will share in the cost of Common Expenses of the overall Condominium based upon its/their allocable Percentage of Common Interest as reflected in Schedule A.

The purpose of the Plan is to set forth all the terms of the offer for the benefit of Prospective Purchasers.

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

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

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

2. All portions of the roof, including any gutters and leaders, ladders, parapets, copings, roof drains, flashing and bulkheads, that are not restricted in use to a specific Unit and are intended for the common use and service of the entire Building;

3. All exterior walls of the Building;

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

5. Stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units:

6. All improved and unimproved areas of the Condominium located outside the boundaries of the Units;

7. All central and appurtenant installations for services such as power, light, telephone, television, gas, hot and cold water and heat (including all boilers, pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces, including but not limited to boiler room, refuse rooms, electric, gas and water, utility meters and rooms, telephone and cable rooms and water sprinkler room that are intended for the common use of the Condominium;

8. All drainage systems, sanitary systems, sanitary house line, house trap, sewers and/or storm sewer, pipes, backflow prevention device, drywells, or detention tanks or facilities intended for the common use of the Condominium;

9. Any heating, cooling or other mechanical system located in the Common Elements intended for the common use of the Condominium;

10. Any fire protection/sprinkler system including standpipes/combined standpipe sprinkler risers, fire hose valve, sprinkler heads and Siamese connections that service(s) the Building;

11. All tanks, pumps, motors, fans, compressors and control equipment intended for the common use of the Condominium;

12. Any plantings, landscaping and fencing intended for the common use of the Condominium;

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

14. All flues, chimneys and vent caps for the common use and service of the Condominium; and

15. All other parts of the Condominium, Building and all apparatus and installations existing in the Building or Property for common use and necessary or convenient to the existence, maintenance or safety of the Condominium.

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

1. General Residential Units' Limited Common Elements- General Residential Units' Limited Common Elements are those shared by all Residential Unit Owners and include all portions of the Residential Area of the Condominium except for the individual Residential Units and the Individual Residential Unit Limited Common Elements (irrevocably restricted in use to a specified

Residential Unit(s) or Residential Unit Owner(s), include without limitation the following:

(a) Any portion of the roof, parapets, copings and bulkheads that are for the exclusive use of the Residential Area of the Condominium;

(b) All foundations, footings, columns, girders, beams, supports, floor slabs and ceilings that are not part of a Unit and any interior load bearing walls that are not part of a Unit and that are for the exclusive use of the Residential Area of the Condominium;

(c) All parts of the exterior walls and facades that are for the exclusive use of the Residential Area of the Condominium;

(d) Stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units which are for the exclusive use of the Residential Area or Residential Units of the Building;

(e) The compactor and the refuse rooms with chutes located on each floor intended for the common use of the residents of the Condominium;

(f) All improved and unimproved areas of the Condominium located outside the boundaries of the Units that are for the exclusive use of the Residential Area of the Condominium;

(g) All central and appurtenant installations in the Common Elements for services such as power, light, telephone, television, gas, hot and cold water and heat (including all boilers, pipes, cooling towers, condensers, electric and hot water cabinet unit heaters, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces that are for the exclusive use of the Residential Area or two (2) or more Residential Units of the Condominium;

(h) All drainage systems, pumps, sewers, storm sewer and/or water pipes, drywells, catch basins, yard and roof drains, sump pit, detention tanks or facilities that are for the exclusive use of the Residential Area of the Condominium;

(i) All mechanical equipment, equipment rooms, machine rooms, telephone and cable rooms, meter rooms, utility meters, storage areas and any other mechanical rooms or areas, if applicable, that are for the exclusive use of the Residential Area of the Condominium;

(j) Any heating, cooling or other mechanical system located in the Common Elements that are for the exclusive use of the Residential Area or two (2) or more Residential Units of the Condominium;

(k) All tanks, pumps, motors, fans, compressors, cooling towers, condensers and control equipment that are for the exclusive use of the Residential Area or two (2) or more Residential Units of the Condominium;

(l) The intercom system that are for the exclusive use of the Residential Units;

(m) The elevator, elevator cab and elevator machine room that are for the exclusive use of the Residential Area of the Condominium;

(n) Any fire protection/ sprinkler system located in the Common Elements that is for the exclusive use of the Residential Area of the Condominium and related equipment/apparatus;

(o) Any compactor and trash chutes that are for the exclusive use of the Residential Area of the Condominium;

(p) The rear yard courtyard and gas barbeque for the exclusive use of the Residential Unit Owners of the Condominium;

(q) One storage unit in cellar reserved for possible future Superintendent;

(r) The residential lobby for the exclusive use of the Residential Area and the Residential Unit Owners of the Condominium;

(s) The portions of the cellar for the exclusive use of the Residential Unit Owners of the Condominium including the storage area, bicycle storage area, lounge, gym, and lavatory;

(t) The outdoor Areaway adjacent to the cellar for the exclusive use of the Residential Unit Owners;

(u) All other parts of the Residential Area of the Condominium and all apparatus and installations existing in the Residential Area of the Condominium or Property for common use or necessary or convenient exclusively to the existence, maintenance or safety of the Residential Area and/or Residential Unit Owners of the Condominium;

2. Individual Residential Unit's Limited Common Elements - Individual Residential Unit's Limited Common Elements are irrevocably

restricted in use to a specific Residential Unit or specific Residential Units. Following are descriptions of irrevocable restricted Limited Common Elements:

(a) Any balcony or terrace or privacy structure attached or appurtenant to a Residential Unit;

(b) Skylights located in any Residential Unit;

(c) Storage Unit assigned to a Residential Unit;

(d) Any hot water tank, boiler, air conditioning condenser, fireplace, heat pumps and any other heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements;

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

All structural repairs and replacements to any balcony, terrace or privacy structure that are designated as an Individual Residential Unit's Limited Common Element will be the responsibility of the Condominium and a Common Expense. All general maintenance and repairs of a balcony, terrace or privacy structure, including cleaning, snow removal and all repairs not structural in nature, (including the repair of leaks and the repair or replacement of the surface of the balcony, terrace or privacy structure), shall be the responsibility of the Residential Unit Owner whose balcony, terrace or privacy structure is appurtenant to their Residential Unit and is an individual Residential Unit's Limited Common Element of their Residential Unit. The Board of Managers shall have the right to designate or approve a contractor or contractors to do any work to the balcony, terrace and/or privacy structure that is the Residential Unit Owner's responsibility at the Residential Unit Owner's sole cost. Residential Unit Owners must first inform the Board of Managers before undertaking any repair or replacement of a balcony, terrace or privacy structure.

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

3. Commercial Unit's Limited Common Elements - The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of the owner of the Commercial Unit, if applicable and are herein sometimes collectively referred to as the "Commercial Unit's Limited Common Elements":

(a) The entrances to and exits from the Commercial Unit;

(b) The equipment and facilities exclusively serving only the Commercial Unit if located outside the Commercial Unit and all other apparatus, installations, systems equipment and facilities in the Condominium (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit the Commercial Unit exclusively;

(c) Any portion of the roof, including any roof equipment area, that services the Commercial Unit exclusively;

(d) Any stairs, stairways, hallways which service the Commercial Unit exclusively;

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

(f) All drainage systems, sewer and/or storm sewer pipes, drywells or detention tanks and facilities, if applicable, that service the Commercial Unit exclusively;

(g) All mechanical equipment, utility meters, storage areas, if applicable, that service the Commercial Unit exclusively;

(h) Any heating, cooling or other mechanical system located in the Common Elements servicing the Commercial Unit exclusively;

(i) Any intercom system that services the Commercial Unit exclusively;

(j) Any fire protection/sprinkler system located in the Common Elements that is for the exclusive use of the Commercial Area of the Condominium and related equipment/apparatus.

(k) All telephone and cable rooms, meter rooms, compactor rooms, refuse/recycle rooms, equipment rooms and any other mechanical rooms or areas that service the Commercial Unit exclusively;

(l) The Commercial lobby for the exclusive use of the Commercial area and the Commercial Unit Owner of the Condominium;

(m) The enclosed portion of the rear yard patio/terrace

containing the HVAC unit exclusively servicing the Commercial Unit; and

(n) All other parts of the Condominium and all apparatus and installations existing in the Condominium for the exclusive use of the Commercial Unit.

C. Provisions Applicable to All Common Elements -

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

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

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

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

The Board of Managers shall have the right to require that a Unit Owner utilize a contractor or sub-contractor of the Board of Manager's choosing for any repairs, maintenance and/or replacement of an Individual Residential Unit's Limited Common Element that is a Unit Owner's obligation at the Unit Owner's sole cost and expense.

The Common Expenses associated with the Condominium, General Common Elements, General Residential Units' Limited Common Elements, and Individual Unit's Limited Common Elements, that are the obligation of the Condominium to repair maintain and replace, as necessary and other costs designated as a Condominium obligation or Common Expense shall be paid for by all Unit Owners based upon their Percentage of Common Interest in the Condominium as reflected in Schedule A of the Offering Plan, except as provided in Section 339-m of the Real Property Law. See Special Risk No. 33.

There are different model types of Residential Units. See Schedule G-2 in Part II of the Plan for a detailed description of each model and/or Residential Unit type. The land and all improvements to be erected thereon are hereinafter referred to as the "Development" or the "Condominium".

Pursuant to existing regulation, the Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent of the Units being offered for sale (15% x 16 Units being offered for sale = 2 Units). Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to close Units with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit.

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

Even after Residential Units have closed, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

As a result of the 421-a (16) requirement that in order to obtain the benefits of the tax abatement, executed Deeds for each Residential Unit must be included in the Application and that the Purchasers are required to maintain their Residential Unit as Purchaser's primary residence, subject to the exemptions disclosed in Special Risk 4(f) above, for at least the first five (5) years of acquisition of the Residential Unit, no rentals will be permitted during this period if the Sponsor obtains the 421-a (16) Tax Abatement and this requirement is not revised or held to be invalid. In the event the provision is revised or held invalid so as to permit rentals of one (1) or more Residential Units during this period or if the other requirements of the 421-a (16) Tax Abatement are not met and the Building does not obtain the 421-a (16) Tax Abatement, then although Sponsor will endeavor in good faith to sell the Residential Units in the Condominium, Sponsor will retain the unconditional right to rent rather than sell the Residential Units. Prior to renting any Residential Units, Sponsor will submit an amendment disclosing the fact that the Building will not then be receiving 421-a (16) tax benefits. Because Sponsor is retaining the unconditional right to rent rather than sell the Units after the consummation of the Offering Plan, under such circumstances, this Plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors who are unrelated to the Sponsor and Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of the Offering Plan. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, under the above circumstances, there would

be no commitment to sell more Residential Units than the fifteen (15%) percent of the Units being offered for sale (15% x 16 = 2 Units) necessary to declare the plan effective, and owner-occupants may never gain effective control and management of the Condominium. In such an event, Sponsor shall not rent a Unit in the Condominium prior to Consummation of the Plan as defined in Title 13 NYCRR § 20.1(c)(6). See Section XVII of the Offering Plan.

In the event Sponsor makes a bulk sale of all or some of its unsold Units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell Units. A bulk sale consists of the transfer of twenty (20%) percent or more of the total number of Units in the Condominium.

Sponsor has obtained a loan from Maspeth Federal Savings and Loan Association with an address of 56-18 69th Street, Maspeth, New York 11378 ("Acquisition Lender") in connection with its acquisition of the Property ("Acquisition Loan"). The Sponsor shall be obligated to pay off and otherwise comply with the terms of the Acquisition Loan on the entire Condominium. Sponsor intends to pay off and satisfy the Acquisition Loan prior to the closing of title to the first Unit. However, in the event the Sponsor does not do so prior to the closing of title to the first Unit, the Sponsor shall endeavor to modify the terms of the Acquisition Loan and/or to refinance same in order to release each Unit from the Acquisition Loan at the time of Closing. In addition, the Sponsor and/or its affiliate, obtained loans which have been spread against the Property (and other parcels) from LPK Capital LLC ("Construction "Lender"), with an address at 14 Seward Drive, Woodbury, New York 11797, in the total amount of $4,100,000.00 to enable it to construct the Condominium ("Construction Loan"). Sponsor is current in its obligations under the Acquisition Loan and Construction Loan. Pursuant to correspondence from the Construction Lender, the Construction Loan does not provide for any minimum number or percentage of Units that must be under contract before the Offering Plan can be declared effective. The Construction Loan does not have any limitation or requirement that have been imposed by the Construction Lender that require when the Sponsor may rent rather than sell under specified market conditions. The Units will be released from the Construction Loan upon a release payment of eighty-five percent (85%) of the sales price per Unit.

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

The approximate, within reasonable tolerances, physical dimensions of each Unit consists of the area measured horizontally from the exterior side of the exterior wall

(columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit is measured vertically from the top of the concrete floor slab below to the underside of the ceiling. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual living area comprising the Unit may be significantly less than the area listed in Schedule A. For a detailed description of the Residential and Commercial Unit to be conveyed, see Schedule G in Part II of the Offering Plan.

A Unit Owner is required to pay monthly Common Charges assessed by the Board of Managers for the operation and maintenance of the Condominium pursuant to Sections 339(i) and (m) of the New York Condominium Act. Monthly Common Charges may commence with the Closing of the first Unit which is expected to be January 1, 2022. Purchasers should refer to Section XX as to the right of the first Board of Managers to commence the collection of Common Charges at a subsequent date. Purchasers should note that pursuant to the terms of the Offering Plan as long as the Sponsor retains control of the Board of Managers, the Board of Managers retains the right to delay the commencement of the collection of Common Charges. During any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve funds reflected in the Budget. Upon the commencement of the collection of Common Charges, there will be no assessment of Unit Owners for prior expense of the budget during the period Sponsor was paying the Common Expenses of the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided for in the governing regulations. In the event Sponsor elects to delay collection of Condominium Common Charges, it will disclose such fact in the closing notice to Purchasers and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to commencing collection of Common Charges and will disclose such fact in the following Amendment to the Offering Plan.

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

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

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

Each Residential Unit Owner can sell their Residential Unit to whomever they desire. In view of the 421-a (16) requirement that in order to obtain the benefits of the tax abatement Purchasers are required to maintain their Residential Unit as Purchaser's primary residence, subject to the exemptions disclosed in Special Risk 4(f), for at least the first five (5) years of acquisition of the Residential Unit, no rentals will be permitted during said period if the Sponsor obtains the 421-a (16) Tax Abatement and this requirement is not revised or held invalid. In the event the provision is revised or held invalid so as to permit rentals of one (1) or more Residential Units or if the other requirements of the 421-a (16) Tax Abatement are not met and the building does not obtain the 421-a (16) Tax Abatement, then Residential Unit Owners may lease their Residential Units subject to the conditions contained in Section XX of the Offering Plan.

The Residential Units can be purchased for all cash or may be purchased partly for cash and partly by mortgage. In the event a Purchaser does not Close Title to the Residential Unit as a result of Purchaser's inability to obtain a mortgage Purchaser will be deemed in default of the Purchase Agreement and after Sponsor complies with the required notices may, at its option, retain as liquidated damages all or any part of the monies paid on account of the Purchase Agreement plus Extras paid by Purchaser which Extras have been installed by Sponsor, paid for but not installed by Sponsor or which have been ordered but not installed by Sponsor and for which Sponsor is obligated to pay, unless the Offering Plan has been abandoned. In the event the Offering Plan is abandoned a Purchaser will be entitled to a return of all funds paid for Extras.

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

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

the Offering Plan. For information concerning Sponsor's Control Period of the Board of Managers, see Section XVIII of the Offering Plan.

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

Each Unit will be taxed separately for real estate tax purposes and may be separately mortgaged. Therefore, no Unit Owner is liable for the payment of real estate taxes or mortgage payments on any other Unit. In the opinion of counsel, a Residential Unit Owner is presently entitled to deductions for federal income tax purposes for payments for state and local income taxes and real estate taxes applicable to their Residential Unit to a maximum of $10,000 as currently permitted by law under the Federal Tax Cuts and Jobs Act of 2017 (the "Tax Act"). In addition, provided the Residential Unit will be the Purchaser's principal residence, a Residential Unit Owner may also deduct the interest on a mortgage, up to a maximum mortgage of $750,000, they procure to finance the purchase of their Residential Unit for income tax purposes pursuant to the Tax Act. See Section XXII of the Offering Plan.

Fire and liability insurance covering the Common Elements and Individual Unit's Limited Common Elements are included with other items as part of Common Charges, but fire and liability insurance for the Purchaser's personal effects, the interior of the Unit and the Individual Unit's Limited Common Elements for an Individual Unit Owner's exclusive use should be carried by the individual Purchaser. Common Charges are levied in proportion to the Percentage of Common Interest in the "Common Elements" appurtenant to each Unit. However, Purchasers should see Special Risk No. 33 which provides that as permitted in Section 339-m of the Real Property Law of the State of New York, the Board of Managers may also make allocations and assessments of Common Charges to the General Common Elements and in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are based on special or exclusive use or availability or exclusive control of particular Units or common areas by particular Unit Owners. For possible increases in Common Charges upon default in payment by a Unit Owner see Section XIX of the Offering Plan. Each Unit Owner is responsible for the cost of their own interior repairs and decoration in their Unit after Closing.

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

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

This Offering Plan contains all of the material terms of this transaction. Parts I and II along with Parts A, B, C and D of the Schedules submitted along with the Offering Plan together constitute the entire Offering Plan. Copies of the Plan and Parts A, B, C and D of the Schedules will be available for inspection by Prospective Purchasers and their attorneys without charge and for copying at a reasonable charge at the Condominium site whenever the on-site sales office is open, at the office of the Sponsor or any Selling Agent engaged by Sponsor and at the New York State Department of Law, 28 Liberty Street, 21st Floor, New York, New York 10005.

There are no restrictions on who may purchase a Unit in the Condominium except that this offer is made only to persons over eighteen (18) years of age.

THE PURCHASE OF A CONDOMINIUM RESIDENTIAL 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.

II. DEFINITIONS

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

1. "421-a (16) Tax Abatement" – The partial tax abatement that may be applicable to the Residential Units as described in Section XXI of the Offering Plan.

2. "Acquisition Lender" – Maspeth Federal Savings and Loan Association, 56-18 69th Street, Maspeth, New York 11378.

3. "Board of Managers" - The governing body of the Condominium responsible for its affairs.

4. "Board Member" or "Member" – Each individual representative elected, designated or appointed to the Board of Managers.

5. "Building" - The one (1) building including the Residential Units, Commercial Unit, and Common Elements of the Condominium.

6. "Building Department" – The Building Department of the City of New York.

7. "Building Size Requirement" – The requirement that a multiple dwelling have a minimum of six (6) units and maximum of thirty-five (35) units to be eligible for the 421-a (16) Affordable New York Housing Program.

8. "By-Laws" - The document governing the operation of the Condominium.

9. "Certificate of Occupancy" – A document issued by a local government to a developer which permits a structure to be legally occupied.

10. "Closing" or "Close Title" or "Closing of Title" or "Title Closing" – The consummation of the sale of the Unit transferring title via a deed from the Sponsor to the Purchaser.

11. "Closing Costs" or "Closing Adjustments" or "Closing Fees" or "Closing Apportionments" – Fees and expenses over and above the price of the Unit, incurred by the Purchaser and/or Sponsor at the Closing.

12. "Closing Date" or "Date of Closing" – The date of Closing of Title.

13. "Commercial Area" – The area of the Condominium consisting of the Commercial Unit and the Commercial Unit's Limited Common Elements.

14. "Common Charges" - Each Unit Owner's proportionate share of Common Expenses of the Condominium.

15. "Common Elements" - All portions of the Condominium, other than the Units. Common Elements are divided into General Common Elements which are Common Elements shared by all Unit Owners and include the drainage system, sewers and/or storm sewer pipes; the Commercial Unit's Limited Common Elements which are Common Elements that are irrevocably restricted and for the exclusive use of the Commercial Unit Owner; Individual Residential Unit's Limited Common Elements which are Common Elements that are irrevocably restricted for the exclusive use of an individual Residential Unit Owner; and General Residential Units' Limited Common Elements which are Common Elements that are irrevocably restricted for use by all the Residential Unit Owners.

16. "Common Expenses" - (a) Expenses incurred by all Unit Owners for the purpose of paying costs of the Condominium in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to the General Common Elements; and (b) All sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.

17. "Community" or "Development" - As used herein is equivalent in meaning to the term "Condominium" as same is used in Article 9-B of the Real Property Law.

18. "Condominium" – The Stuyford Haus Condominium which includes the Residential Unit Owners, Residential Units, Commercial Unit Owner, Commercial Unit, and the Common Elements.

19. "Condominium Act" - Article 9-B of the Real Property Law of the State of New York.

20. "Construction Lender" – LPK Capital, LLC, 14 Seward Drive, Woodbury, New York 11797.

21. "Declaration of Condominium" - The instrument by which the Property is submitted to the provisions of the Condominium Act, as such instrument may from time to time be amended, consistent with the provisions of the Condominium Act and of the By-Laws.

22. "Department of Finance" – The Department of Finance of the City of New York which department is responsible for the review and determination of the ICAP abatement as it applies to this Condominium.

23. "Deposit" or "Down Payment" – The amount deposited by a Purchaser towards the Purchase Price of a Unit upon execution of the Purchase Agreement.

24. "Equal or Better Quality" – Comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and classifications, as applicable.

25. "Escrow Account" – The attorneys' accounts where a Purchaser's Deposit will be held as provided for in Section XII of the Offering Plan.

26. "Escrow Agent" – The attorneys or law firms overseeing the Escrow Accounts as provided for in Section XII of the Offering Plan.

27. "Extras" – All funds received by Sponsor from Purchaser for upgrades, options, extras, custom or special work that is not included in the base price of the Unit.

28. "First Annual Meeting" – The date of the first annual meeting of the Unit Owners as disclosed in the Offering Plan.

29. "First Board of Managers" – The initial Board of Managers designated by the Sponsor.

30. "Grantee" – The person to whom an interest in real property is conveyed.

31. "Grantor" – The person conveying an interest in real property.

32. "HPD" – The Department of Housing Preservation and Development of the City of New York which department is responsible for the review and determination of the 421-a (16) Tax Abatement as it applies to this Condominium.

33. "ICAP" – The Industrial and Commercial Abatement Program, administered by the City of New York, whereunder a portion of the increase in real property taxes due to new construction, modernization or rehabilitation of industrial/commercial buildings, are reduced for qualified projects for up to a maximum of twenty-five years.

34. "Institutional Mortgage" - A first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor, its successor, designee or assignee to a purchaser of a Unit or in which the Sponsor, its successor, designee or assignee participates with one of the above.

35. "Notice for Closing" – The written notice of the date of the closing of title to a Unit provided to a Purchaser.

36. "Officer" – One (1) of the officers of the Condominium chosen by the Board of Managers as provided for in Article IV of the By-Laws of the Condominium including the President, Vice President, Secretary and Treasurer.

37. "Percentage of Common Interest" - The proportionate, undivided interest each Residential Unit Owner has in the Common Elements.

38. "Post-Completion Assessment Cap Requirement" – The requirement that one hundred percent (100%) of the Units in a Homeownership Project must have an average assessed value at or below $65,000 upon the first assessment following the Completion Date, under the 421-a (16) Affordable New York Housing Program.

39. "Primary Residence Requirement" – The requirement that the owner of a Residential Unit in a Homeownership Project anticipating 421-a (16) Affordable New York Housing Program Benefits, must for no less than five (5) years from acquisition of such unit occupy it in accordance with the criteria set forth for rental dwelling units in Section 2520.6(u) of the Rent Stabilization Code. Notwithstanding the foregoing, the minimum five (5) year period of occupancy necessary to establish whether such unit is in owner's primary residence shall not be deemed to be interrupted by any period during which such owner temporarily relocates because he or she: (i) is engaged in military duty; (ii) is enrolled as a full-time student; (iii) is not in residence at the apartment pursuant to a court order not involving any terms or provisions of the lease/occupancy agreement, and not involving any grounds specified in the Real Property Actions and Proceedings Law; (iv) is engaged in employment requiring temporary relocation from such unit; (v) is hospitalized temporarily for medical treatment; or (vi) has other reasonable grounds that shall be determined by the Agency.

40. "Property" – The overall land area of the Condominium.

41. "Purchase Agreement" – (i) A contract to purchase a dwelling unit in a Homeownership Project anticipating 421-a (16) Affordable New York Housing Program Benefits, that contains the Building Size Requirement, the Primary Residence Requirement and the Post-Completion Assessment Cap Requirement and which document is to be executed by the Purchaser and which will obligate the Purchaser to acquire the Residential Unit in the Condominium and which will obligate the Sponsor to sell to the Purchaser the Residential Unit in the Condominium or (ii) A contract to purchase the Commercial Unit in the Condominium which will obligate the Purchaser to acquire the Commercial Unit in the Condominium and which will obligate the Sponsor to sell to the Purchaser the Commercial Unit in the Condominium.

42. "Purchaser" – The person(s) who have entered into a Purchase Agreement to acquire a Unit in the Condominium.

43. "Residential Area" – The area of the Condominium consisting of the Residential Units of the Condominium, the General Residential Units' Limited Common Elements and Individual Residential Unit's Limited Common Elements.

44. "Units" – Includes all the Units in the Condominium. They are designated as follows:

(a) "Residential Units" – The fifteen (15) Residential Units designated in Schedule A of the Declaration of Condominium for residential use.

(b) "Commercial Unit" – The one (1) Commercial Unit designated in Schedule A of the Declaration of Condominium to be used for any use permitted by New York City.

As used herein the terms "Residential" and "Commercial" are equivalent to the term "Unit" in Article 9-B of the Real Property Law of the State of New York.

As used herein the term "Unit" shall include all the Units in the Condominium.

45. "Unit Owner" – A Unit Owner includes all the Unit Owners in the Condominium which are divided as follows:

(a) "Residential Unit Owner" – The owner of a Residential Unit in the Condominium.

(b) "Commercial Unit Owner" – The owner of the Commercial Unit in the Condominium.

46. "Restrictive Declaration" – The restrictive declaration or covenant that is required to be recorded against this Building as required by the 421-a (16) Tax Abatement, a copy of which is contained in Schedule O of the Offering Plan.

47. "Rules and Regulations" – The Rules and Regulations contained in Article VIII of the By-Laws as the same may be amended, altered, waived or added to by the Board of Managers.

48. "Special Assessment" – A Common Expense of the Condominium that is not included in the monthly Common Charges applicable to a Unit.

49. "Sponsor" or "Developer" or "Declarant" – Bedford Ave Condos, LLC a New York limited liability company and its successors, assigns and designees.

50. "Sponsor Control Period" – The period of time the Sponsor has the right to retain control of the Board of Managers of the Condominium.

51. "Sponsor's Counsel" – Certilman Balin Adler & Hyman LLP, 90 Merrick Avenue, East Meadow, New York 11554.

52. "Tax Act" – The Federal Tax Cuts and Jobs Act of 2017.

53. "Tax Consultant" – The tax expert who has provided the opinion letter regarding real estate taxes and the application of the 421-a (16) Tax Abatement and ICAP Abatement applicable to this Condominium.

54. "Unsold or Untitled Unit" - Any Unit in which title is retained by the Sponsor and any successors or assigns or designees until such time as the same has been sold and title conveyed to a third party. It shall not include a Residential Unit which is used for personal occupancy of the Sponsor, any of its principals or any of its successors or assigns or designees.

III. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Location, Acreage and Zoning

The Condominium is located at 1021 Bedford Avenue, Brooklyn, New York 11205, in the Bedford Stuyvesant neighborhood. The Condominium is zoned C2-4/R7A which permits construction of the Building. The overall zoning lot size of the Condominium is approximately 3,200 square feet.

Topographical Features

The site consists of a new building over generally flat land.

Improvements - General Description

The Building is in the process of being constructed and it is anticipated that the Closing of Title to the first Unit will occur on or about January 1, 2022 subject to factors beyond Sponsor's control such as weather conditions, strikes, material shortages, acts of God and sales conditions. The Condominium as proposed will contain six (6) floors and a cellar. The Building will contain fifteen (15) Residential Units on the second through sixth floors and one Commercial Unit on the first floor. Storage Units for use by Residential Unit Owners are located in the cellar. The cellar also contains a lounge, gym, lavatory, and bicycle storage area for use of the Residential Unit Owners. The outdoor Areaway adjacent to the cellar will also be for the exclusive use of the Residential Unit Owners. The Commercial Unit Owner, its tenants, clients, customers and/or employees will not be permitted to utilize any portion of the Residential Area of the Building or Individual Residential Units' Limited Common Elements.

The Building Plans have been filed with the Building Department of the City of New York and are available for inspection at the Sponsor's Office.

The Residential Units, the Commercial Unit, the Building containing them and all other improvements will comply with all applicable rules, regulations, laws, and other requirements of all governmental authorities having jurisdiction thereof, including those governing zoning and construction, and the Sponsor and all other persons engaged by the Sponsor in connection with this Plan have complied and will comply with all applicable laws, rules and regulations and other governmental requirements pertaining thereto. Construction of the Condominium will comply with the Building Code of the City of New York. Before the Closing of Title to a Unit, a temporary or permanent Certificate of Occupancy will be issued for such Unit or the Building in which it is located. At the time of the first Closing of Title to a Unit, the construction of all Units in the Building will have been partially or substantially completed. Purchasers should note that neither the Sponsor nor the manufacturer provides any warranty for the windows.

Purchasers are advised that in New York, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the Building Department. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance.

When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell Residential Units. In New York, it is common for sponsors to commence Residential Unit closings when some or all Residential 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 issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the Building Department will issue the FCO within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building and shall exercise best efforts to obtain the FCO within such two-year period while keeping the TCO current. Residential Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Construction Data for Residential Units, Common Elements and Individual Residential Unit's Limited Common Elements

The Building, the Residential Units, Commercial Unit, and Common Elements will be constructed in the manner set forth in the Building Plans filed with the City of New York, which Plans will not be changed so as to adversely affect the Residential Unit Owners. For a detailed description of such data see the Description of Property Report in Part II of the Plan. Construction of the Building has commenced and Closing of Title to the first Unit is expected to take place in May of 2021, barring any unforeseen delays beyond the control of the Sponsor such as weather conditions, strikes, material shortages, acts of God and sales conditions.

Easements

Every Unit Owner shall have an easement in common with the owners of other I Units to maintain and use all mechanical equipment, pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in other Units and/or an Individual Unit's Limited Common Element and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, sewers and/or drainage lines, wires, conduits and public utility lines servicing such other Units located in such Unit and/or an Individual Unit's Limited Common Elements. The Board of Managers shall have a right of access to each Unit and/or Individual Unit's Limited Common Elements for maintenance, repair or improvements to any mechanical equipment, pipes, sewers and/or drainage lines, wires, conduits and public utility lines and any other equipment or infrastructure located in any Unit and/or Individual Unit's Limited Common Elements and servicing the Building, the Condominium Property and/or any other Unit or causing damage or in imminent danger of causing damage to the Building, the Condominium Property and/or any other Unit or any Common Element, no matter how classified. The cost of such maintenance, replacement and/or repairs shall be a Common Expense unless any damage was the result of the negligence of a Unit Owner or tenant (if rentals are permitted), occupant, employee or other person a Unit Owner may be responsible for, in

which case the cost of such maintenance, replacement and/or repairs shall be the responsibility of the Unit Owner who is responsible or whose tenant (if rentals are permitted), occupant, employee or other person the Unit Owner is responsible for causing such damage. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair, replacement, inspection and/or improvement whether such Common Elements are restricted or not. All mechanical equipment, pipes, sewers and/or drainage lines and wires, conduits and public utility lines located within each Unit for the exclusive use of a Unit shall be maintained by such Unit Owner at the Unit Owner's sole cost and expense. Any portion of such mechanical equipment, pipes, sewers and/or drainage lines and wires, conduits and public utility lines located in the Common Elements or in an Individual Unit's Limited Common Elements that service two (2) or more Units will be a General Common Element and all maintenance, repairs, improvements and replacement thereto shall be a Common Expense and the responsibility of the Condominium.

The owner(s) of a Commercial Unit and any Units resulting from the subdivision and/or consolidation of a Commercial Unit shall have easements for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical lines and fixtures and equipment on the exterior walls, the roof and through the Common Elements of the Condominium, and in, through under and over any Commercial Unit and any Units resulting from the subdivision or consolidation of the Commercial Unit; (ii) access in and through the Common Elements of the Condominium for all required work to permit the subdivision or consolidation of a Commercial Unit; (iii) through the Common Elements of the Condominium for the use of any Commercial Limited Common Element including any storage area, outdoor area, cellar, and roof equipment and for access to any portion of the Building for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located in or on the Building that service a Commercial Unit including any roof equipment, outdoor equipment, cellar equipment, and any storage area, provided, however, that except in the case of an emergency, the right of access for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located in or on the Building that service a Commercial Unit may be exercised only on weekdays between the hours of 8:00 AM to 6:00 PM. A Commercial Unit and any Units resulting from the subdivision or consolidation of a Commercial Unit shall be subject to easements in favor of any other Unit(s) and any Unit resulting from the subdivision or consolidation of a Commercial Unit for the installation, maintenance, repair and replacement of gas, electricity, heating, air-conditioning, ventilating and water and other mechanical lines and fixtures and equipment serving a Commercial Unit and any Units resulting from the subdivision or consolidation of a Commercial Unit. The owner and tenants of a Commercial Unit shall have the right at their sole expense to install separate heating and cooling systems for a Commercial Unit and any Units resulting from the subdivision of a Commercial Unit and an easement is herewith granted in, over, under and through the applicable portions of the entire Building for (i) the installation, maintenance, repair and replacement of the heating and cooling systems and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith if such right is exercised; (ii) for access to any equipment that

services a Commercial Unit and which is located in the Residential Area of the Condominium or the General Residential Units' Limited Common Elements and (iii) to erect, maintain and replace one or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Condominium. During the Sponsor Control Periods, and thereafter, no sign may be erected or maintained by the Commercial Unit Owner without the prior written consent of the Sponsor and/or Board of Managers, as applicable. See Section IX of the Offering Plan.

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

Each utility and cable company servicing any mechanical equipment, water pipes, sewer lines, sewer pipes, drainage lines or pipes, gas pipes, electric lines, electric wires, cable lines, cable towers, conduits or any other facility the utility or cable company services in or on the Property of the Condominium, shall have a right of access in, under, over and through the Property of the Condominium (including all Common Elements, no matter how classified and the individual Units) for maintenance, repair, inspections or improvements to any mechanical equipment, water pipes, sewer lines, sewer pipes, drainage lines or pipes, gas pipes, electric lines, electric wires, cable lines, cable towers, conduits or any other facility the utility or cable company services in or on the Property of the Condominium. Access in, under, over and through the Property of the Condominium shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants (if rentals are permitted) or occupants unless access is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the safety of Condominium residents or other persons or required to avoid the suspension of any necessary service to the Condominium.

The Board of Managers shall have the right to grant such additional electric, gas, water, sewer, drainage or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Managers shall deem

necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes unless required by law. Access in, under, over and through the Property of the Condominium shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants (if rentals are permitted) or occupants unless access is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

The Board of Managers shall have an easement in, through, under and over the Units and/or Individual Unit's Limited Common Elements for access, installation, inspection, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical equipment, lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Condominium.

Declarant shall have and each Unit Owner shall be deemed to grant a right of access in, under, over and through the Unit and/or Individual Unit's Limited Common Elements to Declarant or its designee, assignee or successor and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, inspection, replacement, or change being performed or to be performed by or on behalf of Declarant with respect to the Common Elements, no matter how classified, and/or the Units.

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

The Board of Managers will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements and Individual Unit's Limited Common Elements that have been delegated to and are the obligation of the Condominium to repair, maintain and replace, located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain, repair and/or replace any encroachment on any Unit or Common Elements, no matter how designated, resulting from the repair, alteration, rebuilding, restoration and/or replacement of the General Common Elements or Individual Unit's Limited Common Elements.

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

easement of support and necessity in favor of all other Units and the Common Elements, no matter how designated.

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

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

Each Unit Owner will have a right and easement to use its Unit and the Individual Unit's Limited Common Elements, subject to and in accordance with the terms and conditions of the Declaration and By-Laws.

All Unit Owners, residents, guests, tenants (if rentals are permitted) and anyone else needing access to a Unit shall have an easement of ingress and egress, in, through and over the Property of the Condominium, including the Common Elements regardless of how classified for access to their Unit.

The Board of Managers on behalf of the Condominium will have an easement and unlimited access to all Units and to any Individual Unit's Limited Common Elements for the purpose of making inspections, maintenance, repairs or rebuilding of the Condominium.

All emergency vehicles and personnel, including, but not limited to, police, fire and medical vehicles and personnel shall be granted an easement of ingress and egress over, upon and through all areas of the Property. This provision may not be amended by the Unit Owners in the Condominium.

IV. LOCATION AND AREA INFORMATION

The Condominium is situated at 1021 Bedford Avenue, Brooklyn, New York 11205.

Transportation

Public Transportation is convenient to all parts of New York City by subway or bus.

The MTA Subway Station (G train) at Bedford Avenue-Lafayette Place Station is located 0.1 mile away from the Condominium.

Emergency Services

Police Department

The New York City Police Department, 83rd Precinct is located at 480 Knickerbocker Avenue, Brooklyn, New York 11237, and is 2.4 miles away from the Condominium.

Fire Department

The FDNY Ladder 102 Fire Station is located at 850 Bedford Avenue, Brooklyn, NY11205 and is 2.3 miles away from the Condominium.

Gas

Gas service will be provided by National Grid for cooking in the Residential Units, space heating, outdoor barbeque for Residential Unit Owners, and domestic water. Separate National Grid gas utility meters will be provided.

Electric

Electric service will be provided by Consolidated Edison Company as described in the Description of Property Report in Part II of the Offering Plan. The electricity consumed for the Building will be metered by Consolidated Edison Company and paid for as part of the Common Charges. Each Unit will be individually metered for electric usage, and the cost thereof will be an individual expense of each Unit Owner.

Consolidated Edison Company is located at 30 Flatbush Avenue, Brooklyn, New York 11217 and is 1.7 miles from the Condominium.

Telephone

Local telephone service is provided by Telebroad. Each Unit Owner will be responsible for their own phone service and activation. Telebroad is located at 452 Broadway, Brooklyn, New York 11211 and is 1.7 miles from the Condominium.

Water and Sewage

Water supply and sewer servicing the Building will be provided by the City of New York as described in the Description of Property Report in Part II of the Offering Plan. Water will be metered through one main building water meter for domestic supply.

Water

The water utility company is located at 958 Grand Street, Brooklyn New York 11211 and is 2.6 miles from the Condominium.

Sewer

The Bedford Sewer Services is located at 478 17th Street, Brooklyn, New York 11215 and is 3.0 miles away from the Condominium.

Refuse Removal

Refuse removal will be provided by the New York City Department of Sanitation.

The Brooklyn Sanitation Department is located at 1755 Pacific Street, Brooklyn, New York 11213 and is 4.5 miles away from the Condominium.

Snow Removal

Snow removal and road maintenance for all public streets adjoining the Condominium is provided by the New York City Sanitation Department.

Medical, Educational and Religious Facilities

Hospitals

NYC Heath & Hospital Woodhull-General Hospital is located at 760 Broadway, Brooklyn, New York 11206 is 2.4 miles away from the Condominium.

Elementary, Middle and High Schools

Public schools located in the general vicinity are as follows:

Elementary:

The elementary school-public school is located at 700 Park Avenue, Brooklyn, New York 11206, and is 2.7 miles away from the Condominium.

Middle:

Williamsburg Collegiate Charter Middle School located at 157 Wilson Street, Brooklyn, New York 11211, and is 2.7 miles away from the Condominium.

High school:

The high school is located at 125 Stuyvesant Avenue, Brooklyn, New York 11221, and is 2.6 miles away from the Condominium.

Although the public schools referred to above will probably be the schools that the children of the Condominium will attend, no representation can be made as to the actual schools, nor whether the children will have school bus service provided.

The above listing is by no means inclusive. No representation is made that the children of Residential Unit Owners will be entitled to attend any particular school.

Religious Institutions

There are several houses of worship of the major faiths within the vicinity of the Condominium.

Religious Institutions located in the general vicinity are as follows:

The Institutional Church Of God In Christ Inc. Building is used for Christian Religious activities, particularly for Christian Worship Services and is located at 170 Adelphi Street, Brooklyn, New York, 4.0 miles away from the Condominium.

Zoning

The zoning classification of the property is C2-4/R7A which permits construction of the Building for mixed use.

All surrounding areas are fully developed.

Neither Sponsor nor any of its Principals have an option or right to acquire any of the adjoining areas. There are no projects by Sponsor within the immediate vicinity (i.e., one block radius) and no development projects by Sponsor that have been approved by the New York City Department of Buildings or authority having jurisdiction that will be adjacent to or directly across the street from the Condominium.

Any change in the above information regarding the surrounding area that occurs while sales are continuing must be disclosed in an amendment to the Offering Plan within a reasonable period of time after the information becomes known to the Sponsor.

Shopping

Atlantic Terminal Mall, a Multi-Level Center with a variety of stores, including big box chains, plus several dining options and parking, is located at 139 Flatbush Ave, Brooklyn, New York 11217, 4.2 miles away from the Condominium.

Gas Service Station

A Sunoco Gas Station is located at 337 Nostrand Avenue, Brooklyn, New York 11216 and is 3.0 miles away from the Condominium.

Parks

Commodore Battery Park, a compact recreation park with ball fields, playground and an outdoor pool is located at Flushing Avenue and N. Elliot Place, Brooklyn, New York 11201, and is 4.2 miles away from the Condominium.

Recreation

The New York City Parks Department Metropolitan Recreation Center is set in a historical building, and has an indoor pool and weight room, and is located at 261 Bedford Avenue, Brooklyn, New York 11211, 4.2 miles away from the Condominium.

SCHEDULE A

Estimated Individual Expenses For The First Full Year
For the Period of Jan 1, 2022 through Dec 31, 2022
The Stuyford Haus Condominium
1021 Bedford Avenue Brooklyn, NY 11205

Unit #	# OF BED AND BATH	INT. S.F. (APPROX.)	EXT. SF (APPROX.)	TOTAL SF	PERCENTAGE OF COMMON INTEREST	OFFERING PRICE	ESTIMATE OF MONTHLY COMMON CHARGES	Monthly Real Estate Taxes W/ OUT 421-A and ICAP**	Monthy Real Estate taxes WITH 421-A	Monthly combined Real Estate Taxes and Common Charges W/ OUT 421-A abatement and ICAP	Monthly combined Real Estate Taxes and Common Charges WITH 421-A abatement	Annual Taxes W / OUT 421-A and ICAP**	Annual Taxes WITH 421-A
*RS-1	0-1	996	68	1064	11.79	$ 900,000	$ 940.64	$ 686.08	N/A**	$ 1,626.72	N/A**	$8,233.00	N/A**
201	0-1	346	0	346	4.01	$ 415,000	$ 319.93	$ 267.67	$ 16.00	$ 587.60	$ 335.93	$3,212.00	$192.00
202	1-1	528	0	528	6.17	$ 615,000	$ 492.26	$ 411.83	$ 24.58	$ 904.09	$ 516.84	$4,942.00	$295.00
203	1-1	619	0	619	7.23	$ 715,000	$ 576.83	$ 482.58	$ 28.83	$ 1,059.41	$ 605.66	$5,791.00	$346.00
301	0-1	368	28	396	4.30	$ 445,000	$ 343.07	$ 287.00	$ 17.17	$ 630.07	$ 360.24	$3,444.00	$206.00
302	1-1	528	23	551	6.17	$ 635,000	$ 492.26	$ 411.83	$ 24.58	$ 904.09	$ 516.84	$4,942.00	$295.00
303	1-1	619	44	663	7.23	$ 735,000	$ 576.83	$ 482.58	$ 28.83	$ 1,059.41	$ 605.66	$5,791.00	$346.00
401	0-1	368	28	396	4.30	$ 455,000	$ 343.07	$ 287.00	$ 17.17	$ 630.07	$ 360.24	$3,444.00	$206.00
402	1-1	528	23	551	6.17	$ 645,000	$ 492.26	$ 411.83	$ 24.58	$ 904.09	$ 516.84	$4,942.00	$295.00
403	1-1	619	44	663	7.23	$ 745,000	$ 576.83	$ 482.58	$ 28.83	$ 1,059.41	$ 605.66	$5,791.00	$346.00
501	0-1	368	28	396	4.30	$ 465,000	$ 343.07	$ 287.00	$ 17.17	$ 630.07	$ 360.24	$3,444.00	$206.00
502	1-1	528	23	551	6.17	$ 655,000	$ 492.26	$ 411.83	$ 24.58	$ 904.09	$ 516.84	$4,942.00	$295.00
503	1-1	619	44	663	7.23	$ 755,000	$ 576.83	$ 482.58	$ 28.83	$ 1,059.41	$ 605.66	$5,791.00	$346.00
601	0-1	368	28	396	4.30	$ 475,000	$ 343.07	$ 287.00	$ 17.17	$ 630.07	$ 360.24	$3,444.00	$206.00
602	1-1	528	23	551	6.17	$ 665,000	$ 492.26	$ 411.83	$ 24.58	$ 904.09	$ 516.84	$4,942.00	$295.00
603	1-1	619	44	663	7.23	$ 765,000	$ 576.83	$ 482.58	$ 28.83	$ 1,059.41	$ 605.66	$5,791.00	$346.00
TOTAL		**8,549**	**448**	**8,997**	**100.00**	**$ 10,085,000.00**	**$ 7,978.30**	**$ 6,573.80**	**$ 351.73**	**$ 14,552.10**	**$ 7,389.39**	**$78,886.00**	**$4,221.00**
		INT. SF	**EXT. SF**	**TOTAL SF**	**COMMON % INTEREST**	**COMBINED ASKING PRICES FULL BLDG**	**TOTAL MONTHLTY COMMON CHARGES**						

*The Units contain uninhabitable space which includes terraces and patios. Same may not be legally used a bedroom/living space or a violation against the building could ensue.
**The ICAP exemption is only applied the July following receipt of the ICAP Certificate and thus the benefits may not be applied during the first year of Condominium operation.

It is estimated the assessed value of the residential portion upon completion of construction will be approximately $949,810. The real property tax liabilities will be divided based on the percentage of common interest for each condominium unit. As per Rules and Regulations set by the Department of Finance, multiple residential Class A units would be categorized as a tax Class 2, with a tax rate of 12.267% (i.e., $12.267 per $100 of assessed value). The estimated 2022/23 post-completion tax liability is $116,513., and is estimated to be $9,696 with 421-a benefits.

It is estimated that the assessed value of the commercial portion upon completion is estimated to be approximately $146,982. As per Rules and Regulations set by the Department of Finance, commercial units would be categorized as Class 4, with a tax rate of 10.694% (i.e., $10.694 per $100 of assessed value). The estimated 2022/23 post-completion tax liability is $15,718, and is estimated at $5187. With ICAP benefits.

As per the Tax Consultant's Opinion, it is anticipated that Units 202, 203, 302, 303, 402, 403, 502, 503, 602, and 603 will be assessed post-completion at a value exceeding $65,000; thus the tax abatement for said Units will be capped at an assessed value of $65,000 per the 421-a regulations.

See Tax Expert Opinion at Section XXIII

FOOTNOTES TO SCHEDULE A

1. No change in the sales prices will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sales prices below the Offering Plan prices without filing an amendment to the Plan at any time during the Offering where a reduction in sales price does not constitute a general offering but is rather the result of an individually negotiated Unit purchase. See Section X of the Offering Plan as to other terms of the offering which are negotiable. See Section XVI of the Offering Plan for estimated Closing Costs and Adjustments, which costs are in addition to the sale prices set forth herein.

2. Purchasers should refer to the floor plans in Schedule G-2 of Part II of the Plan for details of each type of Unit. The room count has been made in accordance with the standards set forth by the New York City Department of Buildings as reflected in the Description of Property Report set forth in Part II of this Plan. The approximate floor area, within reasonable tolerances, of each Unit consists of the area measured horizontally from the exterior side of the exterior wall (columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit is measured vertically from the top of the concrete floor slab to the underside of the finished ceiling. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual living area comprising the Unit may be significantly less than the area listed in Schedule A. The areas displayed in Schedule A consist of habitable and uninhabitable space. Any uninhabitable space appurtenant to a Unit may not be legally used as a bedroom or living room and to do so may result in the issuance of a building code violation by the New York City Department of Buildings. All Residential Units have a balcony or terrace appurtenant to their Residential Unit. The Residential Units on the second floor have Juliet Balconies. The balconies are Limited Common Elements of the respective Residential Unit. Purchasers should refer to the Description of Property Report and the floor plans of the various model types in Schedule G and G-2 respectively, as to the description and location of the balconies.

3. The Percentage of Common Interest of each Unit has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and overall dimensions of the particular Unit. Said method of determining the Percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i(1) (iv) of the Real Property Law of the State of New York. This Percentage of Common Interest determines the amount each of said Unit Owners will pay for their Common Charges, subject to the provisions of Section 339-m of the Real

Property Law of the State of New York as described in Special Risk No. 33. Based upon final specifications, construction conditions and/or "as-built" Plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of the Percentage of Common Interest may justify a minor increase or decrease in the aggregate of the Percentage of Common Interest appurtenant to Units. In such event, the Percentage of Common Interest appurtenant to each individual Unit would be adjusted pro rata. Sponsor expressly reserves the right, from time to time, prior to the first Closing, to effect such a change in the Percentage of Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Percentage of Common Interest of any Unit be increased or decreased as a result of any of the foregoing a material amount without the written consent of any Purchaser in contract for a Unit affected.

4. Common Charges have been estimated by the Sponsor and include fire and liability insurance for the Units and Common Elements and maintenance and operation of the General Common Elements and Individual Unit's Limited Common Elements that are the obligation of the Condominium to repair, maintain and replace, as necessary. Common Charges exclude repair and decoration to the inside of a Unit, utilities for each Unit and insurance for personal belongings. See Schedule C for estimated heating and electrical costs for the Units.

5. The projected real estate taxes for the first year of operation contained on Schedule A are based on an assessment of the Building before construction is complete. Purchasers are advised that real estate taxes may increase materially when the Building is reassessed after construction is complete. It is estimated the assessed value of the Residential Units upon completion of construction will be approximately $949,810. The real property tax liabilities will be divided based on the percentage of common interest for each Residential Condominium Unit. As per Rules and Regulations set by the Department of Finance, multiple residential Class A units would be categorized as a tax Class 2, with a tax rate of 12.267% (i.e., $12.267 per $100 of assessed value). The estimated 2022/23 post-completion tax liability for the Residential Units is $116,513, and is estimated to be $9,696 with 421-a benefits. It is estimated that the assessed value of the Commercial Unit upon completion is estimated to be approximately $146,982. As per Rules and Regulations set by the Department of Finance, commercial units would be categorized as Class 4, with a tax rate of 10.694% (i.e., $10.694 per $100 of assessed value). The estimated 2022/23 post-completion tax liability for the Commercial Unit is $15,718, and is estimated at $5,187 with ICAP benefits. See Sponsor's Tax Consultant's Opinion letter contained in Section XXIII of the Offering Plan.

6. The Board of Managers will apply for a partial tax abatement for real estate tax benefits under Section 421-a (16) of the Real Estate Tax Law of the State of New York ("421-a (16) Tax Abatement") from the Department of Housing Preservation and Development of the City of New York ("HPD") for the Residential Units. **PURSUANT TO THE REQUIREMENTS REGARDING THE 421-A (16) TAX**

ABATEMENT, APPLICATION TO HPD MUST BE SUBMITTED WITHIN ONE YEAR AFTER COMPLETION. ALL RESIDENTIAL UNIT CONTRACTS MUST THEREFORE BE ENTERED PRIOR TO ONE (1) YEAR FOLLOWING COMPLETION OF CONSTRUCTION. NOTE THAT THE 421-A RULES AND REGULATIONS DEFINE COMPLETION OF CONSTRUCTION AS FOLLOWS: '"COMPLETION OF CONSTRUCTION" SHALL MEAN THE DATE UPON WHICH EITHER A TEMPORARY CERTIFICATE OF OCCUPANCY IS ISSUED FOR ALL RESIDENTIAL AREAS IN THE MULTIPLE DWELLING OR A PERMANENT CERTIFICATE OF OCCUPANCY IS ISSUED FOR THE ENTIRE BUILDING. IN ADDITION, NO APPLICATION SHALL BE FILED BEFORE (1) THE FIRST ASSESSMENT FOLLOWING THE COMPLETION DATE, AND (2) THERE ARE EXECUTED AND RECORDED DEEDS FOR EACH RESIDENTIAL UNIT. THIS MAY CREATE A VERY LIMITED PERIOD TO FILE THE APPLICATION. The time frame HPD will take to review and issue a determination as to whether or not the Application will be granted once the Application is submitted by the Board cannot be estimated. In the event the Building obtains the 421-a (16) Tax Abatement, the partial tax exemption is expected to commence after HPD grants the 421-a (16) Tax Abatement Certificate of Eligibility. It will be incumbent upon the Board to use its best efforts to obtain the Section 421-a (16) Tax Abatement and file all necessary papers to secure final approval. **ALTHOUGH SPONSOR ANTICIPATES THAT THE SECTION 421-A (16) TAX ABATEMENT BENEFIT WILL BE GRANTED, SPONSOR MAKES NO GUARANTEE THAT THE SECTION 421-A (16) TAX ABATEMENT WILL BE GRANTED OR IF GRANTED WHEN THE CERTIFICATE OF ELIGIBILITY WILL BE ISSUED OR WHEN THE 421-A (16) TAX ABATEMENT WILL COMMENCE There is no guaranty that a 421-a tax abatement benefit will be available during the first year of Condominium operation inasmuch as the Application may only be filed by the Board after all of the Deeds to the Residential Units are fully executed and recorded. Furthermore, since every Residential Unit must be sold before the Board can apply for benefits, the Sponsor will no longer be involved. Therefore, as the Sponsor will have conveyed all of the Residential Units, the recent amendment requires each Purchaser of a Residential Unit to authorize an officer of the Board to submit the Application and to execute and record the 421-a(16) Restrictive Declaration on their behalf. AS A RESULT, PURCHASERS SHOULD BE PREPARED AND SHOULD BASE THEIR DECISION TO PURCHASE UPON PAYING REAL ESTATE TAXES WITHOUT THE 421-A (16) TAX ABATEMENT.** Schedule A of the Offering Plan reflects the estimated real estate taxes for each Residential Unit both with and without the Section 421-a (16) Tax Abatement. If approved the 421-a (16) Tax Abatement may not be reflected on a Residential Unit Owner's tax bill for a period of time from the date of approval. No guarantee or warranty is made that the actual assessed valuation or the assessed valuation for the Property with the 421-a (16) Tax Abatement benefits will be as projected herein, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation, or that real estate taxes will be allocated among

Residential Units as reflected in Schedule A. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their purchase in the event the 421-a (16) is not obtained or if the amount of such exemption and the resulting taxes differ from those projected.

Purchasers should note that if approved, the Department of Finance of the City of New York may make any 421-a (16) Tax Abatement benefits retroactive and a Unit Owner may therefore be entitled to either a reimbursement for the amount overpaid or a credit against future real estate taxes. Sponsor makes no representation that this policy will be applicable to this Condominium.

If granted, the 421-a (16) Tax Abatement will consist of a benefit period of twenty (20) years. There will be an assessed valuation cap (AV Cap) for some of the Condominium Units. This means that only a portion of a Unit's billable exempt assessed value is eligible for the tax exemption. The value of a Unit above this threshold ("AV Cap") is ineligible to receive benefits. The AV Cap is $65,000.

Without any tax abatements, the assessed valuation for the total Building for the first year of Condominium ownership is estimated to be approximately $652,976 (approximately $575,990 for the Residential Units) and the total real estate taxes applicable to the entire Building are estimated to be $78,890 (approximately $70,657 for the Residential Units). The assessed valuation of the Commercial Unit is estimated to be approximately $76,986 and the total real estate taxes applicable to the Commercial Unit are estimated to be $8,233.

With a 421-a (16) Tax Abatement, the assessed valuation for the first year of Condominium ownership for the Residential Units is estimated to be approximately $34,394 and the total real estate taxes applicable to the Residential Units are estimated to be $4,219.

Schedule A includes the estimated real estate taxes for each Residential Unit both with and without the 421-a (16) Tax Abatement. **There is no guaranty that a 421-a tax abatement benefit will be available during the first year of Condominium operation inasmuch as the Application may only be filed by the Board after all of the Deeds to the Residential Units are fully executed and recorded.**

The section 421-a (16) Tax Abatement program provides that while the taxes on the Property may not be less than those assessed in prior years, real estate taxes on newly constructed buildings are exempted 100% of the applicable portion subject to the AV Cap for the first fourteen (14) years of the 421-a (16) Tax Abatement and for years 15 through 20 on an increased amount based on the formula provided below. At the end of the twenty (20) year period, the Units will be subject to full real estate taxes in accordance with the rates and assessed valuation of the Units then if effect in the City of New York.

The Board will be required to keep all records required by HPD and will make them available to HPD whenever requested to do so. Purchasers should note that HPD routinely conducts audits, the result of which can be either the reduction or revocation of benefits if proper documentation is not provided. Upon Closing, Sponsor will make any tax benefit documents available to the Board of Managers for inspection and copying and for the life of the benefits. The Board will be required to file all applications and timely comply with all procedures required to properly process and maintain the tax benefits. Purchasers should further note the following regarding the 421-a (16) Tax Abatement:

(a) The Building is not located within the statute's geographic exclusion area.

(b) If eligible the Building will receive a 20-year partial tax exemption under Section 421-a (16) of the New York State Real Property Law.

(c) The Building is not required to provide affordable Residential Units because of its Condominium status.

(d) Building service employees do not need to be paid a prevailing wage as a result of the fact the Building contains less than 30 Residential Units.

(e) Upon the first assessment following completion, the building must have an average assessed value not exceeding $65,000 per unit, upon the first assessment following the Completion Date (the "Post-Completion Assessment Cap Requirement"). Based on the estimates of Sponsor's Tax Consultant (the "Tax Consultant") the average assessed value is expected to be approximately $63,321 and will not exceed $65,000. As a result, it is their opinion that the Condominium should qualify for 421-a (16) Tax Abatement if the Condominium meets all the other requirements of the 421-a (16) Tax Abatement program. However, should the Department of Finance issue the assessed value which is 2.65% or higher than estimated, the Building will not qualify for long-term tax benefits under 421-a(16). Neither the Sponsor, the Tax Consultant nor Sponsor's counsel can guarantee the average assessment in view of the fact the Condominium will be assessed by the NYC Department of Finance, Assessor's Residential Unit upon completion. **IF THE CONDOMINIUM UNITS ARE ASSESSED IN EXCESS OF AN AVERAGE OF $65,000, THE CONDOMINIUM WILL NOT QUALIFY FOR 421-A (16) TAX ABATEMENT AND EACH RESIDENTIAL UNIT OWNER WOULD BE OBLIGATED TO PAY THE FULL NON-EXEMPTED TAXES**. The 421-a AV Cap is a limit on the amount of real estate tax savings a Residential Unit can receive if 421-a benefits are received. The AV Cap is set at $65,000 of the assessed valuation of a Residential Unit. If a Residential Unit's assessment is higher than $65,000 in assessed valuation, the excess assessed valuation is fully taxed and does not get exempted. This excess amount would have to be paid by the Residential Unit Owner in addition to the real estate taxes subject to the exemption. As per the Tax Consultant's Opinion, it is anticipated that Units 202, 203, 302, 303, 402, 403, 502, 503, 602, and 603 will be assessed post-completion at a value exceeding $65,000; thus the tax abatement for said Units will be capped

at an assessed value of $65,000 per the 421-a regulations. The AV Cap should not be confused with the Post-Completion Assessment Cap Requirement as discussed in the Tax Consultant's Opinion Letter. A copy of Sponsor's Tax Consultant's Opinion Letter is contained in Section XXIII of the Offering Plan. Purchasers should refer to Schedule A which provides an estimate both with and without the 421-a (16) Tax Abatement.

(f) **EACH PURCHASER DURING THE BENEFIT PERIOD MUST AGREE IN WRITING TO MAINTAIN THE RESIDENTIAL UNIT AS PURCHASER'S PRIMARY RESIDENCE FOR AT LEAST THE FIRST FIVE (5) YEARS OF ACQUISITION OF A RESIDENTIAL UNIT ('PRIMARY RESIDENCE REQUIREMENT"). The Deed to each Residential Unit must also contain the Primary Residence Requirement**. Notwithstanding the foregoing, the minimum five (5) year period of occupancy necessary to establish whether such Residential Unit is an owner's primary residence shall not be deemed to be interrupted by any period during which such owner temporarily relocates because he or she: (i) is engaged in military duty; (ii) is enrolled as a full-time student; (iii) is not in residence at the Residential Unit pursuant to a court order not involving any terms or provisions of the occupancy agreement, and not involving any grounds specified in the New York State Real Property Actions and Proceedings Law; (iv) is engaged in employment requiring temporary relocation from such Residential Unit; (v) is hospitalized temporarily for medical treatment; or (vi) has other reasonable grounds that shall be determined by HPD.

(g) The Condominium Building meets the building size requirement ("Building Size Requirement") of Section 421-a (16) of the State Real Property Law that requires a minimum of six (6) Residential Units and a maximum of thirty-five (35) Residential Units to be eligible for the 421-a (16) Affordable New York Housing Program.

(h) The estimates are based on the current residential tax rate of 12.267% for a Class 2 property. The estimates will change to the extent that these rates increase.

(i) The estimates do not include (i) added value factors for location premiums or optional extras for which the taxes could increase to the extent of such premiums or extras and (ii) any exemptions other than the basic STAR that might be granted to individual Residential Unit Owners such as enhanced STAR, veterans, senior citizen, etc.

(j) A Restrictive Declaration must be executed by the Board of Managers and recorded against the Property before the 421-a (16) Tax Abatement Certificate of Eligibility can be approved. **EACH PURCHASER MUST AGREE IN WRITING TO AUTHORIZE AN OFFICER OF THE BOARD TO SUBMIT THE APPLICATION AND EXECUTE AND RECORD THE RESTRICTIVE DECLARATION ON PURCHASER'S BEHALF.** Said Restrictive Declaration cannot be recorded until HPD's review and approval is obtained. A copy of the proposed Restrictive Declaration is contained in Schedule O in Part II of the Offering Plan.

(k) No portion of the Condominium shall be operated as a Hotel or single room occupancy during the benefit period.

(l) The Sponsor intends that the Building will be exempt from the statutory obligation to register the Residential Units as rent-stabilized by reason of the fact this will be a condominium.

(m) In the event, prior to consummation of the Offering Plan, the Sponsor rents any Residential Unit (or portion thereof) to any person other than an interim lessee, the Sponsor will be obligated to abandon the Offering Plan.

(n) The 421-a statute states that: '(i) Replacement Ratio. If the land on which an eligible site is located contained any dwelling units three years prior to the commencement date of the first eligible multiple dwelling thereon, then such eligible site shall contain at least one affordable housing unit for each dwelling unit that existed on such date and was thereafter demolished, removed or reconfigured.' Since the Property was formerly operated as a garage with no residential units thereon, three years prior to the commencement date, the replacement ratio is not applicable and thus no affordable housing units must be provided in the eligible multiple dwelling. See the Tax Consultant's Opinion Letter in Section XXIII.

(o) As required by the HPD regulations, this Offering Plan discloses the Building Size Requirement, Primary Residence Requirement and Post-Completion Assessment Cap Requirement as stated above.

In the event it is reasonably apparent that all of the pre-conditions to the issuance of the tax abatement will not be achieved, Sponsor will submit an amendment to the Offering Plan disclosing that it does not appear that the tax benefits will be obtained and **PURCHASERS SHOULD NOT RELY ON OBTAINING THE TAX ABATEMENT IN THEIR DETERMINATION AS TO WHETHER OR NOT THEY PURCHASE A RESIDENTIAL UNIT, AND SHOULD ONLY PURCHASE A RESIDENTIAL UNIT BASED UPON THE ASSUMPTION THAT THE 421-A(16) TAX ABATEMENT BENEFITS WILL NOT BE GRANTED**.

See Schedule A, Section XX of the Offering Plan, and Paragraph 40(n) of the Purchase Agreement which set forth that the Purchaser agrees to maintain their Residential Unit as their primary residence and to authorize the Board of Managers to file the Application and execute and record the Restrictive Declaration on Purchaser's behalf.

Each Unit will be given a separate block and lot designation.

Since the construction of the project will not yet be completed by January 5, 2021, the assessed value for tax year 2021/22 will not reflect the full increase in valuation. Upon completion of construction, it is anticipated that the first tax year during which full valuation will be reflected will be tax year 2022/23. The Department of Finance has set the taxable assessed value for the project for tax year 2021/22 at $209,160, and accordingly, taxes for the first year of Condominium operation (prior to the ICAP and 421-a Abatement) is estimated to be as follows:

	Assessed Value
50% of year 2021/22	$104,580
50% of year 2022/23	$548,396
Total:	**$652,976**

The ICAP exemption is only applied the July following receipt of the ICAP Certificate and thus the benefits may not be applied during the first year of Condominium operation. There is no guaranty that a 421-a tax abatement benefit will be available during the first year of Condominium operation inasmuch as the Application may only be filed by the Board after all of the Deeds to the Residential Units are fully executed and recorded.

See the Tax Consultant's Opinion Letter in Section XXIII.

Although the aforesaid estimate of Actual Assessed Valuation is a good faith estimate, it is not possible to estimate the same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on interpretation of the administrative code and the applicable rules and regulations of the City of New York. The estimates are not intended and should not be construed as warranties as to future assessed valuations of the Property.

After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. In the opinion of counsel, a Unit Owner is presently entitled to deductions for federal income tax purposes for payments for state and local income taxes and real estate taxes applicable to their Unit to a maximum of $10,000 as is currently permitted by law under the Federal Tax Cuts and Jobs Act of 2017 (the "Tax Act"). In addition, provided the Residential Unit will be the Purchaser's principal residence, a Residential Unit Owner may also deduct the interest on a mortgage, up to a maximum mortgage of $750,000, they procure to finance the purchase of their Residential Unit for income tax purposes pursuant to the Tax Act. See Section XXII of the Offering Plan. Any projected tax deduction (where applicable) may vary in future years due to changes in the interest rate on the Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property.

See Section XXI for a full discussion of the real estate taxes applicable to the Units.

7. The Sponsor has applied for a partial tax abatement for real estate tax benefits under Section 489-bbbbbb of the New York Real Property Law for the Commercial Unit.

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.

The ICAP abatement is not available to reduce the real estate tax attributable to the land.

Commercial retail projects receive the exemption outlined above on the increase in assessed value attributable to the improvements made, for a period of 11 years, followed by 4 years of exemption declining 20 percent phase-out per year.

It is important to note that ICAP benefits are implemented only after taxable status date (January 5th of any given year) following completion of construction. Completion of construction is determined upon the issuance of a Final Certificate of Occupancy. The benefits will then be applied for the following tax year which starts on July 1.

Preliminary applications must be filed prior to the receipt of the first building permit. The Final Application must be filed within one year from the building permit issuance date.

There is a 5-year time limit in which to complete construction.

If all the requirements are met, the commercial portion of the building is expected to be eligible for the ICAP benefits pursuant to N.Y. RPT. LAW § 489-bbbbbb. The first year of the abatement shall be the tax year with the first taxable status date that follows the sooner of

(a) Completion of construction; or
(b) Four years from the date the first building permit was issued.

It is estimated that the first year of the ICAP abatement will be 2022/23 tax year.

Assuming the tax rate for tax class 4 properties remains at the current level of 10.694 % from assessed value, the total pre-abatement building tax on the Commercial Unit in 2022/23 tax year is estimated to be approximately $15,718.

Based on the foregoing, the total property tax in 2022/23 tax year for the commercial portion of the Building is estimated to be approximately $5,187 after the abatement amount of $10,531 is applied.

The estimated Commercial Tax Liability Without ICAP for the Assessed Value of the Commercial Unit for tax year 2022/23 is $146,982 and the estimated Tax Liability for the Commercial Unit is $15,718. The estimated ICAP Abatement Amount is $10,531 and the estimated Total Tax Liability for the Commercial Unit with ICAP is $5,187.

As per the Sponsor's Tax Consultant, we have been informed by the NYC Finance Department that the project is located in the special commercial abatement area. As such, the tax benefits should be granted for 15 years, with certain conditions. For years one through eleven, the abatement should be the amount of the abatement base, which is estimated to be $10,531. For years twelve through fifteen, the abatement shall decrease by twenty percent each year.

PURCHASERS SHOULD NOT RELY ON OBTAINING THE TAX ABATEMENT IN THEIR DETERMINATION AS TO WHETHER OR NOT THEY PURCHASE A COMMERCIAL UNIT, AND SHOULD ONLY PURCHASE A COMMERCIAL UNIT BASED UPON THE ASSUMPTION THAT THE ICAP TAX ABATEMENT BENEFITS WILL NOT BE GRANTED

8. The Sponsor is not offering and has not procured mortgage financing. As a result, the projected monthly carrying charges for financing have not been included in Schedule A. In the event a Purchaser obtains a mortgage, a Purchaser's monthly carrying charges will increase. Any Purchaser who applies for a mortgage from a lending institution should check with that institution as to the monthly mortgage costs as well as any Closing Costs that the Purchaser will be obligated to pay the lending institution.

VI. SCHEDULE B

Bedford Ave Condos, LLC
1021 Bedford Ave. Brooklyn, NY 11205

Schedule B
PROJECTED BUDGET FOR FIRST FISCAL YEAR
Commence January 1, 2022 through December 31, 2022

EXPENSES

1, Insurance	$	8,694.59
2. Electric	$	10,500
3. Water and Sewer	$	9,900
4. Heating and Gas	$	5,100
5. Elevator Maintenance	$	6,000
6. Sprinkler Maintenance	$	2,500
7. Fire Alarm Maintenance	$	2,400
8. Building Repairs, Maintenance and Supplies	$	2,000
9. Legal Fees	$	1,000
10. Accounting Fees	$	3,500
11. Fire Dept. Fees	$	750
12. Virtual Doorman	$	9,600
13. Management Fee	$	15,000
14. Part-Time Porter	$	10,000
15. Reserves	$	8,795
TOTAL	**$**	**95,739.59**

FOOTNOTES TO PROJECTED BUDGET

1. **INSURANCE**

The budget figure for insurance is based on an estimate provided by Rosenzweig Insurance Agency, Inc., 160 Herricks Road, P.O. Box 70, Mineola, New York 11051, as follows:

Property		
Building Replacement Cost No Co-Insurance Special Form Deductible $10,000 Limit: $5,000,000		$4,468.00
Commercial General Liability		
Inflation Guard		6%
Enhancement Plus Endorsement		$113.00
Ordinance of Law		$451.00
Demolition Cost and Broadened Increase Costs of Construction		$61.00
Equipment Breakdown		Included
Cyber Liability	$50,000	$46.00
Hired and Non-Owned Auto	$1,000,000	$44.00
Data Compromise		$107.00
Umbrella	$2,000,000	$650.00
New York Fire Insurance Fee (Tax)		$53.59
Business Income Actual Loss Sustained		Included
Liability (Comprehensive Form)		
	$1,000,000 Occurrence	$842.00
	$2,000,000 General Aggregate	Included
Directors and Officers Liability Limit $1,000,000		$1,500.00
Commercial Crime Employee Dishonesty Limit $250,000		$359.00
Total Annual Premium		$8,694.59

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

The insurance policies will provide that (i) each Unit Owner is an additional insured; (ii) there will be no cancellation without notice to the Condominium Board and/or their legal representatives; (iii) the right to subrogation against Unit Owners is waived; (iv) the defense of invalidity because of acts of defense of pro-rata reduction in liability if Unit Owners obtain additional coverage is waived; and (v) policy will follow perimeters set forth by Declaration and By-Laws of Condominium.

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

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

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

Purchasers will be required to pay their pro-rata portion of the Condominium insurance at Closing for the first year of operation. As a result, Sponsor will not make adjustments with the Board of Managers or utilize any funds from the Working Capital Fund for pre-paid insurance. See Section XVI of the Offering Plan.

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

2. **COMMON AREA ELECTRIC**

Based on the opinion of R&W Engineers, P.C., 380 Townline Road, Suite 150, Hauppauge, New York 11788:

Vestibule, Lobby, Cellar, Hallways and Stairways Lighting (LED): 0.25 Watt/sf x 4,025 sf x 24 hrs/day x 365 days x $0.21/KWH/1,000 x 1.065 = **$1,971.42/year.**

Exterior Lighting: 6 Fixtures (assumed) x 0.025 KW/fixture x 10 hrs/day x 365 days/yr x $0.21/KWH x 1.065 = **$122.45/year.**

Trash Compactor: 2 KW x 1 hr/day x 365 days/yr x $0.21/KWH x 1.065 = **$163.26/year**.

Exercise Equipment: 0.5 KW x 4 hrs/day x 365 days x $0.21/KWH x 1.065 = **$163.26/year.**

Elevator: 22 HP 0.746 KW/HP x 6 Hrs/Wk x 52 Wks/Yr x $0.21/KWH x 1.065 = **$1,145.20/year.**

Residential Terrace Area Lighting: 0.0015 KW/sf x 702 sf x 8 hrs/day x 180 days x $0.21/KWH x 1.065 = **$339.13/year.**

Roof Equipment Area Lighting: 0.0025 KW/sf x 100 sf x 2 hrs/wk x 52 wks/yr x $0.21/KWH x 1.065 = **$5.81/year**.

Water Booster Pump (assumed this will be needed): 5 HP 0.746 KW/HP x 8 hrs/day x 365 days/yr x $0.21/KWH x 1.065 = **$2,435.90/year**.

Lobby Heat Pump. 2.02 KW x 6 hrs/day x 210 days/yr x $0.21/KWH x 1.065 = **$569.23/year**.

Lobby Cooling (Heat Pump): 1.52 KW x 6 hrs/day x 120 days/yr x $0.21/KWH x 1.065 = **$244.76/year**.

Gym Heat Pump: 1.19 KW x 6 hrs/day x 210 days/yr x $0.21/KWH x 1.065 = **$335.34/year**.

Gym Cooling (Heat Pump): 0.88 KW x 8 hrs/day x 120 days/yr x $0.21/KWH x 1.065 = **$188.94/year**.

Lounge Heat Pump: 1.19 KW x 8 hrs/day x 210 days/yr x $0.21/KWH x 1.065 = **$447.12/year**.

Lounge Cooling (Heat Pump): 0.88 KW x 10 hrs/day x 120 days/yr x $0.21/KWH x 1.065 = **$236.17/year**.

Hallway Heating (assumed): 0.5 KW x 6 hrs/day x 210 days/yr x $0.21/KWH x 1.065 = **$140.90/year**.

Hallway Cooling: 10.37 KW x 6 hrs/day x 120 days/yr x $0.21/KWH x 1.065 = **$1,669.86/year**.

Ventilators: 3 x 0.5 KW x 6 hrs/day x 120 days/yr x $0.21/KWH x 1.065 = **$241.54/year.**

Fire Sprinkler System Booster Pump: 2.2 KW (assumed) x 3.5 hrs/wk x 52 wks/yr x $0.21/KWH x 1.065 = **$89.55/year**.

The budget is for the cost of the electricity in the common area only and does not include the cost for each Unit, which shall be separately metered and billed directly to each Unit Owner.

It is not possible to predict whether the budgeted figure will reflect the actual cost to be incurred during the first year of Condominium operation due to the level of consumption being an estimate. Many factors affect the cost of electricity, including a cost of oil used to generate electricity, which cost has been highly volatile and unpredictable. In recent years, electric rates have been increasing steadily.

A cost factor of 6.5% was added to each line item based on a utility tax rate of 4.5% (simplified average) and an inflation factor of 2.0% over the next year.

3. **COMMON WATER & SEWER**

Based on the opinion of R&W Engineers, P.C., 380 Townline Road, Suite 150, Hauppauge, New York 11788:

Water Consumption:
New York City charge = $3.99/100 cubic feet or $3.99/748 gallons

Water Use = 100 gpd/unit for Studio Units, 125 gpd/unit for One bedroom units +0.03 gpd/sf retail + 0.04 gpd/sf common use area

Approximate Area of Common Amenities = 2,255 sf

Non-Commercial Water Use = {(100 gpd/unit x 5 units) + (125 gpd/unit x 10 units) + (0.04 gpd/sf x 2,255 sf)} x 365 days/yr x $3.99/748 gal x 1.065 = $3815.74/year

Commercial Space Water Use = 0.03 gpd/sf x approximately 1,010 sf x 365 dys/yr x $3.99/748 gal x 1.065 = $62.83/year. The Commercial Unit will be separately metered for water usage.

Sewage Charge:
New York City charge = $6.34/100 cubic feet or $6.34/748 gallons

Sewage Charge 100 gpd/unit for Studio Units, 125 gpd/unit for One bedroom units +0.03 gpd/sf retail + 0.04 gpd/sf common use area

Non-Commercial Sewer Charge = {(100 gpd/unit x 5 unit) + (125 gpd/unit x 10 units) + (0.04 gpd/sf x 2,255 sf)} x 365 days/yr x $6.34/748 gal x 1.065 = **$6,063.11/year**

Commercial Sewer Charge = Non-Commercial Sewer Charge = (0.03 gpd/sf x approximately 1,010 sf x 365 days/yr x $6.34/748 gal x 1.065 = **$99.83/year**

The projected rates are not guaranteed, and it must be expected that these rates may increase with the passage of time and could be affected by many factors, which are beyond the control of the Sponsor. Actual consumption will be metered and will vary based on the personal needs of the occupants and weather conditions.

4. **HEATING & GAS**

Based upon the opinion of R&W Engineers, P.C., 380 Townline Road, Suite 150, Hauppauge, New York 11788:

Natural Gas Costs Common:

National Grid Gas costs are based on a rate of $1.26/Therm (Simplified Delivery & Supply)

Hot Water Heaters: 2 x 2.5 Therm/hr x 1.5 hrs/day/ea (assumed) x 365 days/yr x $1.26/Therm x 1.065 = **$3,673.45/year**

Hallway Heating: 0.8 Therm x 4 hrs/day x 210 days/yr x $1.26/Therm x 1.065 = **$901.75/year**

Bar-B-Que: Assume 6 Burners @ 15,000 BTU/Burner and used 12 Hours per week

Gas Usage = 6 x 15,000 BTU/Burner x 10 hrs/Wk x 40 wks/yr x 1 Therm/100,000 BTU x 1.26/Therm x 1.065 = **$483.08/year**

The budget is for the cost of the gas in the Common Elements only and does not include the cost for each individual Unit, which will be individually metered and billed directly to each Unit Owner. Purchasers should refer to Schedule C for individual utility costs to the individual Units.

It is not possible to predict whether the budgeted figure will reflect the actual cost to be incurred during the first year of the Condominium operation due to the level of consumption being an estimate. Many factors affect the cost of gas and in recent years, gas rates have been increasing steadily.

A cost factor of 6.5% was added to each line item based on a utility tax rate of 4.5% (simplified average) and an inflation factor of 2.0% over the next year.

5. **ELEVATOR MAINTENANCE**

This is an estimated based upon the Manhasset Management, LLC's handling of all necessary monthly/annual/bi-annual inspections with third party contract companies.

6. **SPRINKLER MAINTENANCE**

This is an estimated based upon the Manhasset Management, LLC's handling of all necessary monthly/annual/bi-annual inspections with third party contract companies.

7. **FIRE ALARM MAINTENANCE**

This is an estimated based upon the Manhasset Management, LLC's handling of all necessary monthly/annual/bi-annual inspections with third party contract companies.

8. **BUILDING REPAIRS, MAINTENANCE, AND SUPPLIES**

It is estimated that this sum will be sufficient for expenses in connection with general repairs and maintenance needed to maintain the Common Elements for the first year of Condominium operation, with the only foreseen expenses at this time consist of cleaning, painting of public halls and ceiling, waxing floors and polish.

The budgeted figure does not include improvements and repairs to, maintenance of, or supplies for individual Units. Each individual Unit Owner is responsible for improvements and repairs to, maintenance of, and supplies for their Unit and any Individual Unit's Limited Common Elements that are not the obligation of the Condominium, restricted to their use and subject to the requirements contained in the Declaration and By-Laws. This line item of the budget does not include the costs of repairs, hardware supplies, painting or extermination for the interior of Units, which are the sole responsibility of the Unit Owner.

9. **LEGAL FEES**

Legal Fees for any possible legal expenses for the first year of operation.

10. **ACCOUNTING FEES**

Based on an estimate provided by Liberta & Milo, LLP, Certified Public Accountants, 1044 Northern Boulevard, Suite 307, Roslyn, New York 11576, the preparation of audited financial statements and the applicable tax returns. Sponsor has not budgeted any expense for legal fees for the first year of operation. Unit Owners should expect that this will become an expense of the

Condominium in future years.

11. **NEW YORK CITY FIRE DEPARTMENT FEES**

Based upon the Fire Protection Agreement with Citywide Fire Sprinkler, 31-70 College Point Boulevard, Flushing, New York 11354, property coverage will include services for monthly inspections, quarterly testing and annual maintenance of a Wet Fire Sprinkler System, Fire Pump and Garbage Compactor, and will meet all standard requirements imposed by the NFPA-24, NYFD, NYS and Fire Insurance Policy for all inspections and testing, with any exclusions noted in the Protection Agreement.

12. **VIRTUAL DOORMAN**

The Condominium will not employ a full-time superintendent. Estimate from Virtual Doorman dated August 5, 2019 provides for Virtual Doorman to service the Condominium 24 hours a day, seven days a week at a rate of $800 per month plus applicable tax and part-time Porter for a yearly salary of $19,600. Payment of taxes on wages earned will be the responsibility of the independent contractor. Purchasers should note that pursuant to the Administrative Code of the City of New York Section 27-2053, in the event a Building has 9 or more multiple dwelling units there must either be (1) a full-time superintendent who resides in the building or within 200 feet of the building; or (2) a janitorial service approved by the Department of Buildings available 24 hours per day. In view of the fact this Building contains only fifteen (15) Residential Units, it is highly unlikely that all 15 Residential Units will be rented at the same time, and therefore the above requirement is unlikely to be necessary. Notwithstanding, in the event nine (9) Residential Units are rented at the same time, the Condominium will have to provide for one of the above alternatives. In such an event, the Plan will be promptly amended, and it can be expected that the Budget will be increased accordingly.

13. **MANAGEMENT FEE**

On or before the closing date of the first Unit, the Board of Managers will enter into an agreement with Manhasset Management, LLC, 37-36 75th Street, Jackson Heights, New York 11372 to act as the managing agent of the property. The agreement will be assigned to the Condominium upon the commencement of operation of the Condominium. The budgeted item reflects the anticipated fee to be paid during the first year of Condominium operations. Management services will include daily operations of answering phone calls and email responses from occupants for any building related issues, attendance and meeting minutes of annual board meetings; gathering of all yearly income and expenses and working with the Condominium's CPA for the annual preparation of income tax return and financial statements; handling of all necessary monthly/annual/bi-annual inspections with third party contracted companies (i.e., elevator, sprinkler, fire alarm); monitoring of virtual doorman and security

systems; daily accounting and bookkeeping services (i.e., collection of monthly common charges and issuing payments for all vendor accounts) to ensure the Condominium budget is not overspent and maintenance amounts are intact; handling and coordinating of all necessary repairs with contractors that the building may need; and clearing of all public agency violations and working with up-to-date regulations from DOB and other similar government entities.

Purchasers should note that Sponsor's principal is also a principal of the management company. The management fee is comparable/competitive to the management fee for similar type buildings.

14. PART-TIME PORTER

Based on estimate received from Manhasset Management, LLC, 37-36 75th Street, Jackson Heights, New York 11372 dated October 14, 2019, part time porter services will include the removal of garbage and recycling on all residential floors and cellar compactor room; daily maintenance (i.e.., sweeping/mopping and general cleaning of common areas such as lobby/storefront, residential hallways, stairwells, cellar amenity spaces and utility rooms, etc.); installation of elevator protection padding during occupant move-in; order of all janitorial cleaning supplies; and monitoring and setting up all HVAC controls in common areas. Includes all estimated state, federal and withholding taxes.

15. RESERVES

The Sponsor has estimated reserves for major capital improvements at almost approximately ten percent (10%) of the estimated operating budget. Said amount is sufficient to comply with Fannie Mae and FHA guidelines, but Sponsor makes no representation regarding the Condominium's compliance with any other requirement of Fannie Mae and/or FHA. It shall be the obligation of the Board of Managers to collect and utilize this Reserve fund strictly and solely for capital expenditures for the Common Elements of this Condominium regime. In view of the fact that this is a new construction project, it is not anticipated that there will be any major capital improvement(s) required during the first five (5) years of operation.

IN THE OPINION OF SCHIFFER MANAGEMENT GROUP, P.O. BOX 998, MELVILLE, NEW YORK 11747, (SET FORTH IN "CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET," IN PART II OF THIS PLAN), THE PROJECTED RECEIPTS APPEAR REASONABLE AND ADEQUATE BASED ON PRESENT PRICES (DOES NOT CONTAIN ANY PROMISE OR REPRESENTATION AS TO FUTURE WHICH IS BEYOND REASONABLE EXPECTATION AND UNWARRANTED BY EXISTING CIRCUMSTANCES) TO MEET THE ESTIMATED EXPENSES FOR THEIR FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE YEAR COMMENCING JANUARY 1, 2022. THE

FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A WARRANTY THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE CONDOMINIUM BOARD WILL BE AS SET FORTH IN SAID BUDGET. IT IS LIKELY THAT THE ACTUAL COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

16. **COMMON CHARGES**

The estimate of the Annual Common Charges to be collected during the first year of Condominium operation is based upon a projection of the total amount of Common Charges that will be levied against the Units and is based upon full occupancy of the Condominium.

VII. SCHEDULE C

The projected energy costs for the individual Residential Units have been provided by R&W Engineers, P.C. with offices located at 380 Townline Road, Suite 150, Hauppauge, New York 11788 as per the attached projections.

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

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

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

R & W / Engineers, P.C.
380 Townline Road – Suite 150
Hauppauge, New York 11788

Larry A. Rubinson, P.E.
Michael L. Williams, P.E.

(631) 969-8535
Fax: 969-8518

November 18, 2020

Bedford Ave Condos, LLC
37-36 75th Street
Jackson Heights, NY 11372

Attn: Bedford Ave Condos, LLC

Re: Stuyford Haus, 1021 Bedford Avenue, Brooklyn, NY
Updated Water, Sewer, Natural Gas and Electric Utility Budgets

Per our Agreement, we prepared the following updated annual individual unit and common utility consumption (electric, natural gas, sewer and water) estimates and anticipated present day costs. The cost factor of 6.5% added to each item is based on a utility tax rate of 4.5% (simplified average) and an inflation factor of 2.0% over the next year. Utility rates have been confirmed stable within the accuracy of the estimates since the original calculation preparation. The project Sponsor indicates that the New York City Water Board is the water purveyor, Consolidated Edison will provide electric, and National Grid will provide gas service. The building contains one commercial space and fifteen (15) residential units. Utility cost estimates for the residential units are categorized and calculated in three (3) categories. For the purposes of these estimates it is assumed that all residential units within a category equally consume utilities.

The building consists of a cellar and six (6) stories above grade. The cellar has utility rooms, storage, gym, lounge trash room and a toilet room. Each of the six above grade stories contains three residential units and common hallways and stairs. The roof contains a mechanical room. The residential units on the third through sixth floors have a balcony. There is a common courtyard at grade.

The residential units are a mix of the following unit types

Category 1	1 Bedroom, 1 Bathroom	619 square feet on 2-6 floors 3-6: 44 sf balconies	5 Units
Category 2	1 Bedroom, 1 Bathroom	528 square feet on 2-6 floors 3-6: 24 sf balconies	5 Unit
Category 3	Studio, 1 Bathroom	346 to 368 square feet on 2-6 floors 3-6: 30 sf balconies	5 Units

The commercial space is approximately 1,010 square feet containing one toilet room, hot water heater closet and refuse closet and assumed used for retail.

This report is based on information contained on building plans provided to us with a title block of T.F. Cusanelli & Filletti Architects, P.C. and a latest revision date of November 17, 2020. Appliances are assumed as typical for the construction type and the same for all residential units. Utility rates are based on those used in calculations in recent utility bills in simplified format.

It is our understanding, based on the architectural floor plans, that the utilities will be

metered as follow:

Electric:

Electricity is provided by Consolidated Edison Company. There will be a total of seventeen (17) electric meters. Each of the fifteen (15) residential units and the commercial unit will be separately metered for electricity. An electric meter will be provided for common area uses.

Natural Gas:

National Grid will provide gas to the building for cooking, domestic hot water and heating. There will be a total of three (3) gas meters. One meter will be for the two, 150 gallon roof top hot water heaters that will serve the residential units, a roof top common area unit for residential hallway heating and the courtyard bar-b-que. One gas meter will be for the commercial space and one gas meter will be for the fifteen (15) residential unit ranges. A separate natural gas meter will be provided for common area uses.

Water and Sewer:

The City of New York will provide water and sewer services to the building. Water and sewer charges will be commonly metered. The water to the commercial space will be privately sub-metered.

Water Consumption: (Does not include sewer charge)
New York City charge = $3.99/100 cubic feet or $3.99/748 gallons (Present day unit cost prior to adding tax and inflation factor)

Water Use = 100 gpd/unit for Studio Units, 125 gpd/unit for One bedroom units +0.03 gpd/sf retail + 0.04 gpd/sf common use area

Approximate Area of Common Amenities = 2,255 sf

Non-Commercial Water Use = {(100 gpd/unit x 5 units) + (125 gpd/unit x 10 units) + (0.04 gpd/sf x 2,255 sf)} x 365 dys/yr x $3.99/748 gal x 1.065 = **$3815.74/year**

Commercial Space Water Use = 0.03 gpd/sf x 1,010 sf x 365 dys/yr x $3.99/748 gal x 1.065 = **$62.83/year**

Sewage Charge:
New York City charge = $6.34/100 cubic feet or $6.34/748 gallons (Present day unit cost prior to adding tax and inflation factor)

Sewage Charge 100 gpd/unit for Studio Units, 125 gpd/unit for One bedroom units +0.03 gpd/sf retail + 0.04 gpd/sf common use area

Non-Commercial Sewer Charge = {(100 gpd/unit x 5 unit) + (125 gpd/unit x 10 units) + (0.04 gpd/sf x 2,255 sf)} x 365 dys/yr x $6.34/748 gal x 1.065 =

$6,063.11/year

Commercial Sewer Charge = Non-Commercial Sewer Charge = (0.03 gpd/sf x 1,010 sf x 365 dys/yr x $6.34/748 gal x 1.065 = **$99.83/year**

Electric Costs

Con Edison Electric costs are based on a rate of $0.21/KWH (Present day simplified delivery & supply unit cost prior to adding tax and inflation factor)

Category 1: One Bedroom, One Bathroom, 619 sf Residential Electric Costs: (5 Units)

Refrigerator (30"): 50 KWH/month x 12 months x $0.21/KWH x 1.065 = **$134.19/year/unit**
Dish Washer (24"): 21 KWH/month x 12 months x $0.21/KWH x 1.065 = **$56.36/year/unit**
Microwave: 1.8 KWH x 10 hrs/mo x 12 mo/yr x $0.21/KWH x 1.065 = **$48.31/year/unit**
Clothes Washer (24"): 0.35 KW x 4 hrs/week x 52 weeks/year x $0.21/KWH x 1.065 = **$16.28/year**
Electric Clothes Dryer (24"): 75 KWH/month x 12 months x $0.21/KWH x 1.065 = **$201.29/year/unit**
Small Appliances & Lighting: 0.35 KW/dy x 10 hrs/day x 365 days x $0.21/KWH x 1.065 = **$285.71/year/unit**
Bathroom Exhaust Fan: 75 W x 1.25 hr/day x 365 days x $0.21/KWH/1,000 x 1.065 = **$7.65/year**
Heat Pump: 2.02 KW x 6 Hrs/Day x 210 dys/yr x $0.21/KWH x 1.065 = **$569.23/year**
Cool (Heat Pump): 1.52 KW x 8 Hrs/Day x 120 dys/yr x $0.21/KWH x 1.065 = **$326.35/year**
Ventilation (assumed): 0.5 KW x 2 hrs/dy x 365 dys/yr x $0.21/KWH x 1.065 = **$81.63/year**

Category 2: One Bedroom, One Bathroom, 528 sf Residential Electric Costs: (5 Units)

Refrigerator (30"): 50 KWH/month x 12 months x $0.21/KWH x 1.065 = **$134.19/year/unit**
Dish Washer (24"): 21 KWH/month x 12 months x $0.21/KWH x 1.065 = **$56.36/year/unit**
Microwave: 1.8 KWH x 10 hrs/mo x 12 mo/yr x $0.21/KWH x 1.065 = **$48.31/year/unit**
Clothes Washer (24"): 0.35 KW x 4 hrs/week x 52 weeks/year x $0.21/KWH x 1.065 = **$16.28/year**
Electric Clothes Dryer (24"): 75 KWH/month x 12 months x $0.21/KWH x 1.065 = **$201.29/year/unit**
Small Appliances & Lighting: 0.30 KW/dy x 10 hrs/day x 365 days x $0.21/KWH x 1.065 = **$244.90/year/unit**
Bathroom Exhaust Fan: 75 W x 1.25 hr/day x 365 days x $0.21/KWH/1,000 x 1.065 = **$7.65/year**
Exterior Lights (Floors 3-6 only): 2 x 60 Watts (assumed) x 4 hours/day x 180 days/year x $0.21/KWH/1,000 x 1.065 = **$19.32/year/unit**
Heat Pump: 2.02 KW x 5.25 Hrs/Day x 210 dys/yr x $0.21/KWH x 1.065 = **$498.08/year**
Cooling (Heat Pump): 1.52 KW x 7 Hrs/Day x 120 dys/yr x $0.21/KWH x 1.065 = **$285.56/year**
Ventilation (assumed): 0.5 KW x 1.75 hrs/dy x 365 dys/yr x $0.21/KWH x 1.065 = **$71.43/year**

Category 3: Studio, One Bathroom, 346 to 368 sf Residential Electric Costs: (5 Units)

Refrigerator (30"): 50 KWH/month x 12 months x $0.21/KWH x 1.065 = **$134.19/year/unit**
Dish Washer (24"): 15 KWH/month x 12 months x $0.21/KWH x 1.065 = **$40.26/year/unit**
Microwave: 1.8 KWH x 8 hrs/mo x 12 mo/yr x $0.21/KWH x 1.065 = **$38.65/year/unit**
Clothes Washer (24"): 0.35 KW x 3 hrs/week x 52 weeks/year x $0.21/KWH x 1.065 = **$12.21/year**
Electric Clothes Dryer (24"): 50 KWH/month x 12 months x $0.21/KWH x 1.065 = **$134.19/year/unit**
Small Appliances & Lighting: 0.25 KW/dy x 10 hrs/day x 365 days x $0.21/KWH x 1.065 = **$204.08/year/unit**
Bathroom Exhaust Fan: 75 W x 1.0 hr/day x 365 days x $0.21/KWH/1,000 x 1.065 = **$6.12/year**
Heat Pump: 1.52 KW x 3.5 Hrs/Day x 210 dys/yr x $0.21/KWH x 1.065 = **$332.05/year**
Cooling (Heat Pump): 1.52 KW x 4.5 Hrs/Day x 120 dys/yr x $0.21/KWH x 1.065 = **$183.57/year**
Ventilation (assumed): 0.5 KW x 1.25 hrs/dy x 365 dys/yr x $0.21/KWH x 1.065 = **$51.02/year**

Commercial Space:

Refrigerator (small): 25 KWH/month x 12 months x $0.21/KWH x 1.065 = **$67.10/year/unit**
Microwave: 1.0 KWH x 10 hrs/mo x 12 mo/yr x $0.21/KWH x 1.065 = **$26.83/year/unit**
Lighting: 0.50 Watts/sf x 1,010 sf x 10 hrs/day x 310 days x $0.21/KWH/1,000 x 1.065 = **$350.12/year/unit**
Computers & Small Equipment: 0.75 KW x 10 hrs/dy x 310 days/yr x $0.21/KWH x 1.065 = **$519.99/year**
Bathroom Exhaust Fan: 75 W x 2 hr/day x 310 days/yr x $0.21/KWH/1,000 x 1.065 = **$10.40/year**
Courtyard Lighting: 2 x 60 Watts (assumed) x 4 hours/day x 365 days/year x $0.21/KWH/1,000 x 1.065 = **$39.18/year/unit**
Heat (assumed): 0.5 KW x 8 Hrs/Day x 210 dys/yr x $0.21/KWH x 1.065 = **$187.87/year**
Cooling: 10.37 KW x 6 Hrs/Day x 120 dys/yr x $0.21/KWH x 1.065 = **$1,669.86/year**
Water Heater: 1.65 KW x 3 hrs/dy x 365 dys/yr x $0.21/KWH x 1.065 = **$404.08/year**

Common Area Electric Costs:

Vestibule, Lobby, Cellar, Hallways & Stairways Lighting (LED): 0.25 Watt/sf x 4,025 sf x 24 hrs/day x 365 days x $0.21/KWH/1,000 x 1.065 = **$1,971.42/year**
Exterior Lighting: 6 Fixtures (assumed) x 0.025 KW/fixture x 10 hrs/dy x 365 dy/yr x $0.21/KWH x 1.065 = **$122.45/year**
Trash Compactor: 2 KW x 1 hr/dy x 365 dys/yr x $0.21/KWH x 1.065 = **$163.26/year**
Exercise Equipment: 0.5 KW x 4 hrs/day x 365 days x $0.21/KWH x 1.065 = **$163.26/year**
Elevator: 22 HP 0.746 KW/HP x 6 Hrs/Wk x 52 Wks/Yr x $0.21/KWH x 1.065 = **$1,145.20/year**
Residential Terrace Area Lighting: 0.0015 KW/sf x 702 sf x 8 hrs/day x 180 days x $0.21/KWH x 1.065 = **$339.13/year**
Roof Equipment Area Lighting: 0.0025 KW/sf x 100 sf x 2 hrs/wk x 52 wks/yr x

$0.21/KWH x 1.065 = **$5.81/year**

Water Booster Pump (assumed this will be needed): 5 HP 0.746 KW/HP x 8 Hrs/Dy x 365 Dys/Yr x $0.21/KWH x 1.065 = **$2,435.90/year**

Lobby Heat Pump: 2.02 KW x 6 Hrs/Day x 210 dys/yr x $0.21/KWH x 1.065 = **$569.23/year**

Lobby Cooling (Heat Pump): 1.52 KW x 6 Hrs/Day x 120 dys/yr x $0.21/KWH x 1.065 = **$244.76/year**

Gym Heat Pump: 1.19 KW x 6 Hrs/Day x 210 dys/yr x $0.21/KWH x 1.065 = **$335.34/year**

Gym Cooling (Heat Pump): 0.88 KW x 8 Hrs/Day x 120 dys/yr x $0.21/KWH x 1.065 = **$188.94/year**

Lounge Heat Pump: 1.19 KW x 8 Hrs/Day x 210 dys/yr x $0.21/KWH x 1.065 = **$447.12/year**

Lounge Cooling (Heat Pump): 0.88 KW x 10 Hrs/Day x 120 dys/yr x $0.21/KWH x 1.065 = **$236.17/year**

Hallway Heating (assumed): 0.5 KW x 6 Hrs/Day x 210 dys/yr x $0.21/KWH x 1.065 = **$140.90/year**

Hallway Cooling: 10.37 KW x 6 Hrs/Day x 120 dys/yr x $0.21/KWH x 1.065 = **$1,669.86/year**

Ventilators: 3 x 0.5 KW x 6 hrs/dy x 120 dys/yr x $0.21/KWH x 1.065 = **$241.54/year**

Fire Sprinkler System Booster Pump: 2.2 KW (assumed) x 3.5 Hrs/Wk x 52 Wks/yr x $0.21/KWH x 1.065 = **$89.55/year**

Natural Gas Costs:

National Grid costs are based on a rate of $1.26/therm (Present day simplified delivery & supply unit cost prior to adding tax and inflation factor)

Residential Unit Meters (15 Ranges)

Category 1: One Bedroom, One Bathroom, 619 sf Residential Gas Costs: (5 Units)

Range Top/Oven: 8 Therm/Mo x 12 Mo/Day x $1.26/Therm x 1.065 = $128.82/year

Category 2: One Bedroom, One Bathroom, 528 sf Residential Gas Costs: (5 Units)

Range Top/Oven: 8 Therm/Mo x 12 Mo/Day x $1.26/Therm x 1.065 = $128.82/year

Category 3: Studio, One Bathroom, 346 to 368 sf Residential Gas Costs: (5 Units)

Range Top/Oven: 6 Therm/Mo x 12 Mo/Day x $1.26/Therm x 1.065 = $96.61/year

Total Residential Yearly Gas = (5 Units x $128.82) + (5 Units x $128.82) + (5 Units x $96.61) = **$1,771.25/year**

Commercial Space

Heating: 0.8 Therm x 6 Hrs/Day x 210 dys/yr x $1.26/Therm x 1.065 = **$1,352.63/year**

Common:
National Grid Gas costs are based on a rate of $1.26/therm (Simplified Delivery & Supply)

Hot Water Heaters: 2 x 2.5 Therm/hr x 1.5 hrs/dy/ea (assumed) x 365 dys/yr x $1.26/therm x 1.065 = **$3,673.45/year**

Hallway Heating: 0.8 Therm x 4 Hrs/Day x 210 dys/yr x $1.26/Therm x 1.065 = **$901.75/year**

Bar-B-Que: Assume 6 Burners @ 15,000 BTU/Burner and used 12 Hours per week

Gas Usage = 6 x 15,000 BTU/Burner x 10 Hrs/Wk x 40 Wks/Yr x 1 Therm/100,000 BTU x 1.26/Therm x 1.065 = **$483.08/year**

Combined utility purveyor commodity and delivery costs with several averaging assumptions were applied to derive at the single unit cost for each utility. The calculations include many assumptions on the amount of appliances and common rooms use. It is not possible to predict how closely the estimated costs will reflect the actual costs for providing water, sewer, electricity and natural gas to the individual and common spaces during the first year of operation, in part because such costs will vary with the levels of consumption, the unit price for water, electric and natural gas, weather and any conservation measures adopted by the owners, residents and staff. It is believed that the projected figures should be sufficient to cover the cost of water, sewer, electricity and gas during the first year of operation. However, the unit prices for water, natural gas and electricity have been highly volatile and unpredictable. No budgeted item is warranted.

Should you have any questions, please call my office. Trusting that the above is as requested, I remain

Very truly yours,
R & W / Engineers, P.C.

Larry A. Rubinson, P.E.
President

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VIII. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

June 2, 2021

State of New York
Department of Law
28 Liberty Street
New York, New York 10005

Re: **The Stuyford Haus Condominium**

Gentlepeople:

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

Our experience includes the preparation of hundreds of Condominium Offering Plans and legal representation of numerous Condominium Boards of Managers in the State of New York for over thirty (30) years.

In reviewing said Schedule A, the Percentage of Common Interest for each Unit as contained therein has been determined based upon the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York.

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

Very truly yours,

CERTILMAN BALIN ADLER & HYMAN, LLP

By: Donna-Marie Korth
Donna-Marie Korth, Partner

IX. COMMERCIAL UNIT

The Condominium will initially contain one (1) Commercial Unit subject to the rights of a Commercial Unit Owner to subdivide and/or merge a Commercial Unit if subdivided.

The Commercial Unit shall be for any use permitted by applicable zoning requirements of the City of New York.

The Sponsor and/or Owner(s) of a Commercial Unit shall have the right, without the written consent of the Board of Managers, other Unit Owners or the holders of mortgages on Units, whether before or after the recording of the Declaration of Condominium, to (a) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary into and upon a Commercial Unit; (b) alter or improve any Limited Common Elements applicable to a Commercial Unit; provided, however, that in each instance the Commercial Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom.

The Owner of a Commercial Unit shall have easements for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical lines and fixtures and equipment on the exterior walls, the roof and through the General Common Elements of the Condominium, and in, through, under and over a Commercial Unit; (ii) through the General Common Elements and General Residential Units' Limited Common Elements of the Condominium for access to any part of the Condominium for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located in or on the Condominium servicing the applicable Commercial Unit, provided, however, that except in the case of an emergency, the right of access may be exercised only after prior notice to the Board of Managers; (iii) for access to any equipment that services a Commercial Unit and which are located in the residential portion of the Condominium or the General Residential Units' Limited Common Elements. The Commercial Unit shall also be subject to easements in favor of any other Units for the installation, maintenance, repair and replacement of gas, electricity, heating, air-conditioning, ventilating and water and other mechanical lines and fixtures and equipment serving a Commercial Unit. The Owner and tenants of a Commercial Unit shall have the right, at their sole expense, to install separate heating systems for a Commercial Unit and an easement is granted in, over, under and through any part of the Condominium for the installation, maintenance, repair and replacement of the heating systems and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith if such right is exercised.

The Commercial Unit Owner and/or their tenants will have an easement to erect, maintain and replace one (1) or more signs on the property as permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building. During the Sponsor Control Period and thereafter, no sign

may be erected or maintained by the Commercial Unit Owner without the prior written consent of the Sponsor or Board of Managers, as applicable. See Article VIII of By-Laws.

At the request of a Commercial Unit Owner, the Board will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair of a Commercial Unit or the operation thereof. The Commercial Unit Owner shall indemnify and hold the Board and the Residential Unit Owners harmless from any liability resulting therefrom.

The Commercial Unit Owner shall have the right, without the payment of any fees or charges to the Board, to sell or lease the Commercial Unit without the Board having any right of first refusal to sell or lease, or to procure a third party to sell or lease, the same, and all sale or rental proceeds shall belong solely to the Commercial Unit Owner.

The Owner of a Commercial Unit shall be responsible for payment of the Common Charges to the Condominium allocated to the Commercial Unit and all real estate taxes allocated against, and interest and amortization on all mortgages affecting said Commercial Unit and the entire cost of maintaining, repairing and replacing the Limited Common Elements applicable to the Commercial Unit. No bond or other security will be posted for this obligation and the Commercial Unit Owner's ability to perform will depend upon its financial condition at the time it may be called upon. If the Commercial Unit Owner fails to pay the Common Charges and expenses, allocated against their Commercial Unit, the Board of Managers will have the same rights and remedies against it as against any other defaulting Unit Owner. In addition, the Owner(s) of a Commercial Unit(s) shall be responsible for their pro rata share of the Common Expenses of the Condominium based upon their percentage of common interest as reflected in Schedule A. Pursuant to the opinion of Sponsor's expert contained in the Certification of Adequacy of the Common Charges of the Commercial Unit contained in Part II of the Plan, the Common Charges payable by the Commercial Unit Owner are sufficient to cover the expenses fairly attributable to such Unit.

Except to the extent prohibited by law, the Sponsor, its successor, assignee or designee and a Commercial Unit Owner shall have the right, without the vote or written consent of the Board of Managers to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon a Commercial Unit; (b) change the layout of, or number of rooms in a Commercial Unit from time to time; (c) change the size and/or number by subdividing one or more Commercial Unit into two or more separate Commercial Units, combining separate Commercial Units (including those resulting from such subdivision or otherwise) into one or more Commercial Units, altering the boundary walls between any Commercial Units, or otherwise; (d) if appropriate, reapportion among a Commercial Unit affected by such change in size or number pursuant to the preceding clause their percentages of interest in the Common Elements; provided, however, that the percentage of interest in the Common Elements of any other Commercial Unit(s) shall not be changed by reason thereof unless the owners of such Commercial Unit(s) shall consent thereto and, provided further, that the Sponsor, its successor, assignee or

designee and the Commercial Unit Owner(s) shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Commercial Unit Owner(s) harmless from any liability arising therefrom.

The Board of Managers will not have any right to restrict or limit the method of operation, use or appearance of any Commercial Unit which are permitted by law. No rules affecting the operation of a Commercial Unit may be adopted or modified by the Board of Managers without the written consent of the Commercial Unit Owner representative on the Board of Managers. All or any part of a Commercial Unit may be leased or subleased by the respective Commercial Unit Owner. The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of the Commercial Unit.

No representation is made by the Sponsor with respect to who the tenants or occupants of any portion of the Commercial Unit may be, at any time, or as to the uses to which any portion of the Commercial Unit may be put at any time and no assurance is given that such tenants, occupants or uses will not be objectionable to Residential Unit Owners or other parties.

The Owner(s) of a Commercial Unit will be obligated to pay a share of all the Common Expenses of the Condominium Common Elements reflected in Schedule B based on their percentage of common interest in the Condominium. The Commercial Unit Owner will also be responsible for the entire cost of the maintenance and operation of the Commercial Unit's Limited Common Elements.

The Residential Unit Owners shall have an easement through the Commercial Unit and Commercial Unit's Limited Common Elements for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing the General Residential Units' Limited Common Elements, Individual Residential Unit's Limited Common Elements, the Residential Units and/or the entire Building.

Allocation of Common Interest

The Common Interest of the Condominium establishes the Unit Owners' percentage of ownership in the Common Elements and percentage of liability for the payment of Common Charges subject to the provisions of Section 339-m. See Special Risk No. 33. Each Unit Owner has the Percentage of Common Interest in the Condominium set forth on Schedule A. The Percentage of Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act, based on floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. See Special Risk No. 33 as to Sponsor's right to adjust the Percentage of Common Interest a de minimis amount so that the Percentage of Common Interest equals 100%.

Recreational Facilities

The Condominium will include a lounge, gym, and bicycle storage area located in the cellar for use by the Residential Unit Owners that will be accessed by the residential elevator in the Building. There will also be a rear yard courtyard with a gas barbeque for use of the Residential Unit Owners. Any furnishings and/or equipment will be at the sole cost of the Condominium and not the Sponsor.

X. CHANGES IN PRICES OF RESIDENTIAL UNITS

The prices for these Condominium interests may be changed from those set forth in this Offering Plan so that Purchasers may pay different prices for similar interests. No such change will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sales prices below the Offering Plan prices without filing an amendment to the Plan at any time during the offering where a reduction in sales prices does not constitute a general offering but is rather the result of an individually negotiated Unit purchase. All changes in prices which are an across the board increase or decrease affecting one (1) or more lines of Units or models or is to be advertised or is a price increase for an individual Purchaser will be done by a duly filed amendment to the Offering Plan.

The Sponsor further reserves the right, but not the obligation, to negotiate with a Purchaser on an individual basis in connection with all aspects of the purchase price, including but not limited to: credits or allowances for fixtures or equipment; treatment of reduced and/or split Deposit; payment of all or part of a Purchaser's acquisition or financing costs such as, but not limited to: origination fees and commitment fees; any and all other costs relating to the cost of acquiring title to a Unit; the resale prohibition; mortgage contingency; maintenance subsidies, rebates or other costs associated with maintaining a Unit as a credit against the purchase price or payable on a periodic basis or any other manner as is negotiated between the parties; promotional gifts on purchase of a Unit and application of rent toward the purchase price. As a result, a Purchaser may receive different terms as other Purchasers for a similar Unit. The Sponsor is not offering any financing. As a result, in no event will the Sponsor be obligated to return a Purchaser's Deposit in the event a Purchaser is unable to obtain a mortgage. Furthermore, the Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms or at its sole option to expand the applicability of such negotiable terms to some or all Purchasers pursuant to Section 352-e of the General Business Law. In such an event Sponsor will amend the terms of the Offering Plan.

Sponsor will not make any changes in the size or number of Units and/or their respective Percentage 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 to the Declaration of Condominium (if the Declaration was filed prior to such change). Sponsor reserves the right to change the model mix of the Units as long as the percentage of Common Interest for the Units is not affected, there is no Purchase Agreement in effect for said Unit, as long as the Sponsor does not change the total number of Units being offered for sale or the total number of Buildings in the Condominium.

Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or Percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit.

The Percentage of Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act, based on floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Based upon final specifications, construction conditions and/or "as-built" Plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation the Percentage of Common Interest may justify a minor increase or decrease in the aggregate Percentage of Common Interest appurtenant to Units. In such event, the Percentage of Common Interest appurtenant to each individual Unit would be adjusted pro rata. Sponsor expressly reserves the right, from time to time, prior to the first Closing, to effect such a change in the Percentage of Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Percentage of Common Interest of any Unit be increased or decreased as a result of any of the foregoing a material amount. See Section XX of the Offering Plan.

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.

XI. INTERIM LEASES

The Sponsor will not enter into interim leases with Purchasers for Units prior to Closing. In no event shall Purchaser take possession of the Unit prior to the time of the delivery of the deed, nor shall Purchaser enter the Unit or have the Unit Owner's contractors or agents enter the Unit to perform work prior to Closing without the written authorization of the Sponsor. Should the Purchaser violate this provision, Sponsor will have the right to remove Purchaser from the Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default of the Purchase Agreement and Sponsor may retain as liquidated damages the funds being held in escrow as to a maximum of ten (10%) percent of the sales price plus the cost of Extras paid for by Purchaser which Extras have been installed by Sponsor, paid for but not installed by Sponsor or which have been ordered but not installed by Sponsor and for which Sponsor is obligated to pay for such Extras unless the Offering Plan has been abandoned. Purchasers should refer to Paragraph 13 of the Purchase Agreement. Sponsor reserves the right to enter into interim leases with a Purchaser of a Commercial Unit. Purchasers should refer to Special Risk No. 4 regarding Sponsor's right to rent unsold Units. In the event the Offering Plan is abandoned the Purchaser shall be entitled to receive all funds paid to the Sponsor for such Extras.

XII. PROCEDURE TO PURCHASE

The Sponsor hereby offers for sale the Units in the Condominium for occupancy in accordance with applicable municipal zoning regulations. Occupancy of the Units or portion of a Unit by a lessee or lessees of the Unit Owner for the purposes set forth in this paragraph conform with the zoning regulations permitting construction of this Condominium.

The sales prices at which the Units are being offered for sale are shown in detail in Schedule A. The Sponsor reserves the right to lower the sales prices and to negotiate other terms on an individual basis. All changes in prices which are an across the board increase or decrease affecting one or more lines of Units or models or are to be advertised or is a price increase for an individual Purchaser will be done by a duly filed amendment to the Offering Plan. See Section X of the Offering Plan. Any such change will not affect the common interest of the Unit; however, some Purchasers may pay less or more for the same model Unit or receive different terms.

Any person may accept Sponsor's offer to sell a Unit by entering into a Purchase Agreement with the Sponsor. The Agreement provides that the Purchaser will purchase from the Sponsor a designated Unit in the Condominium as described in the Declaration creating such Condominium. A Purchaser will be afforded a minimum of three (3) business days to review the Offering Plan and all filed amendments prior to executing a Purchase Agreement. Any conflict between the Offering Plan and the Purchase Agreement shall be resolved in favor of the Offering Plan.

Purchaser and Sponsor shall execute four (4) originals of the Purchase Agreement. Upon signing the Purchase Agreement, the Purchaser shall make a Deposit of up to ten percent (10%) of the purchase price of a Unit but not less than $1,000, plus the cost of any Extras ordered by the Purchaser. Upon full payment of the balance of the purchase price and the balance of the cost of any Extras ordered and payable at the Closing, in cash or by mortgage proceeds, Purchaser will receive a bargain and sale deed with covenant against grantor's acts and containing the provisions set forth in Section 13 Subdivision 5 of the Lien Law, which will convey good and marketable title to the ownership of fee ownership in the Unit and such Percentage of Common Interest in the Common Elements as is set forth on Schedule A, free and clear of all liens and encumbrances other than those set forth in Section XV of the Offering Plan. The Purchase Agreement may be modified with the written consent of Purchaser and Sponsor in a manner not inconsistent with law, subject to the terms of this Offering Plan. After Purchaser delivers a fully executed Purchase Agreement with the required Deposit Sponsor must either return a fully executed Purchase Agreement within thirty (30) days to the Purchaser or reject the Purchase Agreement and refund the Deposit monies. In the event the Sponsor does not act within said thirty (30) day period the Purchase Agreement will be deemed accepted by the Sponsor.

The Power of Attorney attached to the Purchase Agreement must be executed by Purchaser at the Closing of Title. Failure to execute the Power of Attorney will result in a default under the Purchase Agreement.

In the event of a failure by the Sponsor to convey title as set forth in the Purchase Agreement to any Unit on or before twelve (12) months (eighteen (18) months if closing is delayed by acts of God, strikes or other causes beyond the control of Sponsor as specified in paragraph 5 of the Purchase Agreement) after the date of delivery of title set forth in the respective Purchase Agreement, except for Purchaser's default, the Purchaser will have the option of rescinding his Purchase Agreement and to have all monies refunded by the Sponsor. In addition, the Sponsor anticipates that the Closing of the first Unit will occur by January 1, 2022. Purchasers will be offered a separate right of rescission if the actual date of Closing of Title to the first Unit occurs later than January 1, 2023, twelve (12) months after the projected closing date for the first Closing contained in this Offering Plan. However, if the Plan is amended to provide for a later projected closing date for the first Unit closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than twelve (12) months beyond that amended, later date. However if the first Unit Closing occurs before January 1, 2022, the Sponsor may schedule the Closings of Title to the other Units significantly later than such date. Notwithstanding such fact, this will not impact the outside closing date set forth in each individual Purchase Agreement. See Section XII for full details and required timing for notices.

After the Offering Plan is declared effective, the Sponsor will give each Purchaser who enters into a Purchase Agreement not less than thirty (30) days' prior written notice of the date, time and place for the transfer of title to the Unit unless a Purchaser waives such thirty (30) day notice. A form for such waiver is contained as Schedule D-3 to the Offering Plan.

The Purchase Agreement may not be assigned by Purchaser without the written consent of Sponsor.

The risk of loss or damage to a Unit, if part of the purchase, by fire or any other cause until the delivery of the deed is assumed by the Sponsor. In the event of damage to a Unit prior to a Purchaser taking occupancy the Sponsor will notify the Purchaser within ten (10) days of the damage taking place to advise the Purchaser as to whether or not it will repair the damage from a casualty or other cause and if to be repaired the estimated time frame of the repair. Seller agrees to notify Purchaser of Seller's decision within ten (10) business days of the date of such casualty. In the event Seller elects to restore the Unit, then the Closing Date and any other applicable date or deadline will be extended in a reasonable manner by Sponsor. In the event the Sponsor elects not to do the repair, the Purchase Agreement will terminate, and Sponsor will return Purchaser's Deposit and any Extras to the Purchaser. Subsequent to the Closing of Title to a Unit the Purchaser assumes all risk of loss to the Unit.

A Purchaser will inspect Purchaser's Unit with a representative of the Sponsor during normal business hours approximately three (3) days prior to the Closing Date and will sign and deliver to Seller on or before the Closing Date a Pre-Title Inspection Statement supplied by Sponsor, acknowledging the condition in which Purchaser has received Purchaser's Unit. Sponsor shall agree to complete any open items within six (6) months after Closing, weather and circumstances permitting.

The Purchase Agreement may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating Sponsor's obligations under the Offering Plan or under Article 23-A of the General Business Law. Any conflict between the Purchase Agreement and the Plan will be resolved in favor of the Plan. The Purchase Agreement and Plan comply with Section 71.a(3) of the New York Lien Law. Said statute provides that the initial advance of the Purchase Agreement be deposited in an escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in New York State. The escrow and trust fund provisions disclosed below complies with said statute.

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

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

The Sponsor does not wish to sell Residential Units to Purchasers who intend to purchase the Residential Unit as a short-term resale investment. As such, and in the event the Condominium does not qualify for 421-a Tax Abatement, the Purchase Agreement provides that in the event a Purchaser elects to sell their Residential Unit to a third-party purchaser within eighteen (18) months of the Closing Date, Purchasers shall be required to pay (at or before such resale closing) to Sponsor the lesser of (a) the net proceeds of such resale of the Residential Unit (which shall be computed based on the gross sales price less the amounts owed under any third-party unaffiliated mortgage lender and less all closing costs payable by Purchaser in connection with such resale) and (b) ten percent (10%) of difference between (i) the gross purchase price paid by such third-party purchaser to Purchaser (without deduction for closing and other transaction costs) and (ii) the Purchase Price. This provision only applies to the initial Purchaser of a Residential Unit from Sponsor and not to subsequent re-sales and does not apply if the Residential Unit Owner or spouse dies within the eighteen (18) month period or if all the Residential Units have been titled by Sponsor before the eighteen (18)

month period. In addition, it does not apply to any mortgagee who forecloses or accepts a deed in lieu of foreclosure for a default under a first mortgage. See Paragraph 14 of the Purchase Agreement.

Purchasers should note that the Financial Crimes Enforcement Network ("FinCEN"), of the U.S. Department of the Treasury issued a revised Geographic Targeting Order ("GTO") dated November 15, 2018 requiring U.S. title insurance companies to collect and report information about certain persons involved in certain real estate transactions. Pursuant to the GTO U.S. title insurance companies are now required to collect and report information regarding purchasers in transactions where: (1) the Purchaser is a legal entity as defined in the GTO (a corporation, limited liability company, partnership or other similar business entity, whether formed under the laws of a state or of the Residential United States or a foreign jurisdiction); (2) the Purchaser purchases residential real property located in the Boroughs of the Bronx, Brooklyn, Queens, Manhattan and Staten Island; (3) the total purchase price is in the amount of $300,000 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form, a funds transfer or virtual currency. The GTO affects all residential real property closings occurring on or after November 17, 2018 and as long as the GTO remains in effect. Further information regarding the revised Geographical Targeting Order is available at the following web address: https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf.

The Offering Plan and the Purchase Agreement provide that any conflict between the Offering Plan and the Purchase Agreement will be resolved in favor of the Offering Plan.

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

ESCROW AND TRUST FUND PROVISIONS

The Sponsor will comply with the escrow and trust fund requirements of General Business Law ("GBL") Sections 352-e(2-b) and 352-(h) and the Attorney General's regulations promulgated pursuant thereto as amended on November 14, 2012 as follows:

The Escrow Agent:

Lewis P. Kamin, Esq., 42-40 Bell Boulevard, Suite 206, Bayside, New York 11361, telephone number (718) 225-9223, e-mail kmanesq@aol.com, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Mr. Kamin is the sole signatory on the account. Mr. Kamin is admitted to practice law in the State of New York. Neither the Escrow Agent nor authorized signatory on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account:

The Escrow Agent has established the escrow account at Signature Bank, 78-27 37th Avenue, Jackson Heights, New York 11372 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Lewis P. Kamin, Esq., Attorney Trust Account NY IOLA" ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per Deposit. The maximum deposit insurance amount will be $250,000. Any Deposit in excess of $250,000 will not be insured. It is a Special Risk of this Offering Plan that if an individual makes a Deposit in excess of said amount for the purchase of a Residential Unit; the excess amount will not be federally insured. Purchasers should also note that if the Purchaser has any accounts in the Bank where the funds are being held, the funds in those accounts will count towards the $250,000 FDIC insurance limit. The Escrow Agent and all authorized signatories hereby will 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 or release of the Deposit from escrow.

All Deposits received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Lewis P. Kamin, Esq., as Escrow Agent.

Any Deposits made for Extras shall initially be deposited into the Escrow Account and released in accordance to the terms of a written agreement between Purchaser and Sponsor as provided for in Paragraph 13 of the Purchase Agreement.

The Escrow Account is an Interest-on-Lawyer Account ("IOLA") account consistent with Section 487 of the Judiciary Law of the State of New York. Pursuant to said law, all interest earned on the IOLA account will be paid to the State of New York.

The Purchase Agreement:

The Purchase Agreement is attached hereto as Schedule D in Part II of the Plan. The relevant escrow trust fund provisions are included in Paragraph 28 of the Purchase Agreement, which must be executed by the Escrow Agent.

Notification to Purchaser:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Purchaser shall be required to complete the Tender of Escrow Agreement contained as Schedule D-5 in Part II of the Offering Plan upon execution of the Purchase Agreement. With ten (10) business days of the placing of the Deposit in the Escrow Account, the Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number of the account. Any Deposits made for Extras shall be initially deposited into the Escrow Account and released in accordance to the terms of a written agreement between Purchaser and Sponsor as provided in Paragraph 13 of the Purchase Agreement.

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such Deposit within fifteen (15) business days after tender of the Deposit, Purchaser may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to the 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, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

Release of Funds:

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

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until consummation of the Plan as defined in Section 20.1 (c) (6) of the Department of Law regulations which defines consummation of the Plan, as the filing of the Declaration of Condominium and the first transfer of title to a Unit to at least one Purchaser under the Offering Plan following a declaration of effectiveness by the Sponsor and acceptance of the amendment of the declaration of effectiveness by the Attorney General's Office. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

The Escrow Agent shall release the Deposit Funds in escrow if so directed:

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

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

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

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

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

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

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

Purchasers should note that it shall be an express condition of Closing of Title that the Purchaser sign the form contained in Part II as Schedule D-2 which will enable the Escrow Agent to release the escrow funds, if not previously released as provided above.

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

Waiver Void:

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit 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 provision in the Purchase Agreement, Offering Plan or any amendments.

General:

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

The Escrow Agent shall maintain all records concerning their Escrow Account for seven (7) years after release of the funds.

Upon the dissolution of the law firm which was the Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of the Escrow Account records by one of them or by the successor firm and shall notify the Department of Law of such transfer.

XIII. FINANCING FOR QUALIFIED PURCHASERS

THIS PLAN DOES NOT CONTAIN ANY FINANCING ARRANGEMENTS FOR PURCHASERS. PROSPECTIVE PURCHASERS WHO ARE INTERESTED IN SUCH

FINANCING SHOULD CONTACT LENDING INSTITUTIONS, SUCH AS MUTUAL SAVINGS BANKS AND COMMERCIAL BANKS, MANY OF WHICH HAVE ADVERTISED THAT THEY OFFER FINANCING TO PURCHASERS OF CONDOMINIUM RESIDENTIAL UNITS.

Any applications for such financing with lending institutions must be done on an individual basis by prospective Purchasers and will involve negotiations exclusively between the lending institution and the applicant. The Sponsor should not be construed hereunder as offering any such financing or representing the availability or terms of such financing.

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

NO REPRESENTATION IS MADE BY THE SPONSOR AS TO WHETHER ANY PURCHASER WILL QUALIFY FOR FINANCING OR AS TO THE TERMS, COST OR AVAILABILITY OF SUCH FINANCING. THE SPONSOR SHALL HAVE NO LIABILITY OR RESPONSIBILITY TO ANY APPLICANT IF THEIR APPLICATION FOR FINANCING IS NOT ACCEPTED.

XIV. EFFECTIVE DATE OF THE PLAN

Sponsor's offer to sell the Units is contingent upon the Plan being declared effective and no Closing to a Unit will be held until the Plan is declared effective. This Offering Plan will not become effective until bona fide Purchasers, including investors, have executed Purchase Agreements which have been accepted by Sponsor for at least fifteen (15%) percent in number of the Units offered for sale under the Plan excluding Units of an ancillary nature (15% x 16 Units = 2 Residential Units). The Sponsor will declare the Plan effective by personal service of notice on every Purchaser or commencement of service by mail stating that the plan has been declared effective. Sponsor will, within five (5) business days of said notice, submit for filing an amendment to the Plan disclosing the Plan's effectiveness and will file an affidavit of service of the notice on all Purchasers. Sponsor will not close title to the first Unit until the amendment disclosing the effectiveness of the Condominium has been accepted for filing by the

Attorney General. In the event all Purchase Agreements are either rescinded or terminated prior to the date of the closing of title to the first Unit, regardless of whether the Declaration of Condominium has been recorded, the Sponsor must re-declare the Offering Plan effective prior to closing title to a Unit. The Plan will not be declared effective based on Purchase Agreements:

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

(ii) based on Purchase Agreements where the Purchaser has not had at least three (3) business days to review the Offering Plan and all filed amendments; or

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

Further, prior to declaring the Plan effective, the Sponsor has the option not to close title to the Units and to abandon the Plan at any time, if less than eighty (80%) percent in number of Units offered hereby are sold and title to any Unit has not been conveyed (80% x 16 Units being offered for sale = 2 Units). In the event Sponsor exercises such option, it shall forthwith return to the Purchaser all monies paid with interest, if any, within ten (10) days of the abandonment of the Plan. When Purchase Agreements for eighty (80%) percent of the Units have been entered into the Sponsor must declare the Plan effective.

Once the Plan has been declared effective, it may not be abandoned except for (i) a defect in title which cannot be cured for less than one-half percent (½%) of the total amount of the offering or (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half percent (½%) of the total offering, or (iii) the taking of any material portion of the property by condemnation or eminent domain. Any stated dollar amount relied upon as basis for abandonment after effectiveness will exclude all attorneys' fees as well as any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record. In addition, said amount will exclude any judgments and liens against the property resulting from acts of the Sponsor or any of its Principals which are known to the Sponsor on the acceptance date of the Plan. In the event Sponsor abandons the Plan, it shall do so by means of a filed amendment to the Plan. All monies advanced by Purchasers will be returned to them within ten (10) days of the abandonment of the Plan. If Sponsor decides to abandon the Plan before declaring the Plan effective, Sponsor will

file an amendment disclosing such abandonment and file a RS-3 Form with the Department of Law. In such event, Sponsor shall return any Deposit paid by Purchaser within five (5) days of acceptance of the amendment abandoning the Offering Plan.

XV. TERMS OF SALE

After the Plan has been declared effective the Sponsor will fix a date for the Closing of Title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first Closing and setting such Purchaser's Closing Date. Notice will be sent to all Purchasers who have executed and delivered Purchase Agreements to the Sponsor and whose Purchase Agreements are then in effect by (i) personal delivery; or (ii) mailing by regular mail or registered or certified mail with or without return receipt requested, addressed to the Purchasers at the last known residence of such Purchaser or, if the Purchaser has provided written information of an alternative address for notices, addressed to the Purchaser at the alternative address. If Sponsor has no information of the last known residence address but has written information of the place of business or employment of such Purchaser, the mailing shall be addressed to such last business or employment address. Said notice will also include notice of the obligation to pay the balance of the purchase price.

Such notice will be served no less than thirty (30) days before the date set for the Closing of the Units for those Purchasers who entered into a Purchase Agreement before the Plan was declared effective. Sponsor may permit Purchasers to waive the thirty (30) day provision by a written waiver. Any Purchaser who enters into a Purchase Agreement after the Plan is declared effective will also receive not less than thirty (30) days written notice of the date, time and place for the Closing of Title to Purchaser's Unit, unless Purchaser gives a written waiver of such thirty (30) day notice. A form for such waiver of the thirty (30) day notice is contained as Schedule D-3 to the Offering Plan.

On the Closing Date, fee title to the Unit that is included in the purchase, will be conveyed to the Purchaser together with the Unit's undivided Percentage of Common Interest in the Common Elements. The Closing of Title to the first Unit is expected to commence by approximately January 1, 2022. Such Closing, however, will only take place after or simultaneously with the happening of the following events:

1. The delivery to the Unit Owner of a Bargain and Sale Deed with covenants against grantor's acts. A copy of the Deed is set forth as Schedule F in Part II of the Plan.

2. The Sponsor's repair of any damage from a casualty or other cause that occurs before the Closing of Purchaser's Unit.

3. The issuance of a temporary or permanent Certificate of Occupancy to the Unit or Building in which the Unit is located and any other necessary permits.

4. Title to each Unit and its appurtenant Percentage of Common Interest in the Common Elements will be conveyed at the Closing free and clear of all liens, encumbrances and title exceptions other than those described in the Offering Plan and the proposed Unit Deed. Purchasers have the right to obtain title insurance from any title company of their choice that is authorized to do business in the State of New York.

5. The Sponsor has utilized Madison Avenue Abstracts, Inc., ("Madison Avenue Abstracts)", a title company authorized to do business in the State of New York, 1111 Route 110, Ste. #224, Farmingdale, New York 11735, (631) 328-5000, Attn: Sheila Perrino, President, for title insurance. The New York State Department of Insurance does not permit the Sponsor to dictate the title company to be used or to infer that a given company should be selected because of a discount or bulk rate and Purchaser is free to use a title or abstract company of their choosing without incurring a penalty. The insurance rates and fees for recording documents are uniform and will be the same regardless of the title company used.

6. All personal property located within the Unit on the date the Purchase Agreement is signed or located within the Common Elements on the date the Declaration is filed, that is owned by the Sponsor or the owner of the property, is included in the conveyance unless specifically excepted in the Offering Plan.

7. The Declaration, By-Laws, floor plans and engineers and tax authority certification required by Section 339-p of Article 9-B of the Real Property Law of the State of New York shall be recorded or filed as required by law in the New York City Registrar's Office.

8. The Unit and its undivided Percentage of Common Interest in the Common Elements shall not be subject to the lien of any mortgage at the time of Closing except any mortgage requested by the Purchaser at the time of Closing representing a purchase money mortgage or mortgages taken by the Purchaser.

9. Title to each Unit and its appurtenant interest in the Common Elements will be conveyed to a Purchaser at the Closing free and clear of all liens, encumbrances and title exceptions other than those described in the Offering Plan and the proposed Unit deed.

10. The Sponsor will give each Purchaser who entered into a Purchase Agreement before the Plan was declared effective not less than thirty (30) days' prior written notice of the date, time and place for the transfer of title to Purchaser's Unit unless a Purchaser waives such thirty (30) days' notice. Any Purchaser who enters into a Purchase Agreement after the Plan is declared effective will also receive not less than thirty (30) days' written notice of the date, time and place for the transfer of title to Purchaser's Unit, unless Purchaser waives such thirty (30) day notice. A form for such

waiver of the thirty (30) day notice is contained as Schedule D-3 to the Plan.

11. The filing of an amendment to the Offering Plan disclosing that the Plan has been declared effective and that the terms of this Section XV will be met, that the Units to be closed have been constructed in accordance with the plans and specifications filed with the Building Department of the City of New York and that the Sponsor has complied with the requirements of this Section.

12. Purchaser shall receive any manufacturers' warranty certificates with respect to equipment and appliances installed in the Unit and Sponsor shall assign any warranties with respect to equipment and appliances installed in Common Elements to the Board of Managers.

13. The Purchaser shall execute an instrument in the form annexed to the Purchase Agreement designating the Board of Managers as Purchaser's attorneys-in-fact, coupled with an interest for the sole purpose of managing, selling, mortgaging, leasing, subleasing, voting or otherwise dealing with any Units acquired by the Board of Managers in accordance with any of the provisions of the By-Laws and designating the Sponsor as their attorney-in-fact to file an amendment to the Declaration of Condominium permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Fourteenth, Section 2 of the Declaration of Condominium.

14. Purchasers should note that the Financial Crimes Enforcement Network ("FinCEN"), of the U.S. Department of the Treasury issued a revised Geographic Targeting Order ("GTO") dated November 15, 2018 requiring U.S. title insurance companies to collect and report information about certain persons involved in certain real estate transactions. Pursuant to the GTO U.S. title insurance companies are now required to collect and report information regarding purchasers in transactions where: (1) the Purchaser is a legal entity as defined in the GTO (a corporation, limited liability company, partnership or other similar business entity, whether formed under the laws of a state or of the Residential United States or a foreign jurisdiction); (2) the Purchaser purchases residential real property located in the Boroughs of the Bronx, Brooklyn, Queens, Manhattan and Staten Island; (3) the total purchase price is in the amount of $300,000 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form, a funds

transfer or virtual currency. The GTO affects all residential real property closings occurring on or after November 17, 2018 and as long as the GTO remains in effect. Further information regarding the revised Geographical Targeting Order is available at the following web address: https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf. See Section XII of Part I of the Offering Plan.

Title to the Unit will be subject to the following:

1. State of facts of the property as shown on a survey to be made prior to the Closing of Title provided such facts would not render title unmarketable and any state of facts which an accurate survey of the Building would show provided such state of facts would not render title unmarketable.

2. Any sewer, water, gas, electric, drainage, telephone, cable television or utility easements granted or to be granted hereafter.

3. All of the terms, covenants and conditions of the Declaration, the By-Laws of the Condominium and the Building Plans, as they are subsequently filed or recorded, the Offering Plan and any amendment thereto.

4. All easements set forth in the By-Laws and Declaration of the Condominium as they are subsequently recorded in the Offering Plan and Purchase Agreement, including:

   (a) Easements in favor of the Unit Owners of other Units to use the pipes, wires, conduits, cable television, and public utility lines located in the Common Elements or in the Unit itself servicing such other Units and/or the Common Elements.

   (b) Easements in favor of the Board of Managers, its agents, contractors or employees to have a right of access to any Unit and to the Common Elements to inspect, maintain or repair or to make repairs to any Unit to prevent damage to the Common Elements or any other Units, to make repairs to the Common Elements, to any wires, pipes, conduits or cable television system servicing any of the Units or to make repairs to any other Unit, regardless of the nature of the Common Element.

   (c) Easements in favor of those Units having restricted use to portions of the Common Elements.

   (d) Easements for the continuance of encroachments on any Unit and on the Common Elements by other Units or portions of the Common Elements, now existing by reason of the construction of the Units, or hereafter occurring by reason of the settling or shifting of the Units, or by reason of the repair and/or restoration by the Board of Managers of the Units or such other Units or such Common

Elements, after damage by fire or other casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration to the Common Elements made by the Board of Managers, so that any such encroachments may remain as long as the Units stand.

(e) Easements in favor of a Commercial Unit Owner and/or its tenants to erect, maintain and replace one (1) or more signs on the property permitted by law and as permitted during the Sponsor Control Period, and thereafter, by the Board of Managers, for the purpose of advertising the operation of any business conducted therein.

(f) Easements in favor of a Commercial Unit Owner for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical lines and fixtures and equipment on the exterior walls, the roof and through the Common Elements of the Building, and in through under and over the Commercial Unit; (ii) through the Common Elements of the Building for access to the roof for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located on the roof, provided, however, that except in the case of an emergency, the right of access may be exercised only after prior notice to the Board of Managers. The Commercial Unit shall be subject to easements in favor of any other Commercial Unit as a result of the right to subdivide the Commercial Unit as provided in Section IX of the Plan, for the installation, maintenance, repair and replacement of gas, electricity, heating, air-conditioning, ventilating and water and other mechanical lines and fixtures and equipment serving a Commercial Unit. The Owner and tenants of a Commercial Unit shall have the right, at their sole expense, to install separate heating systems for a Commercial Unit and an easement is granted in, over, under and through the Building for the installation, maintenance, repair and replacement of the heating systems and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith if such right is exercised and (iii) for access to any equipment that services a Commercial Unit and which is located in the Residential Area or portion of the Building or any of the Limited Common Elements for the exclusive use of Unit(s) or exclusive use of any portion of the Building.

(g) Easements in favor of the Residential Unit Owners for access through Commercial Unit(s) and any other part of the Building for the purpose of access, installation, maintenance, repair and replacement of any flues, vents, gas, air-conditioning, heating, ventilation, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters

servicing the Residential Area of the Building, the Residential Units and/or the entire Building.

(h) Easements for the continuance of encroachments on any Unit and on the Common Elements by other Units or portions of the Common Elements, now existing by reason of the construction of the Units, or hereafter occurring by reason of the settling or shifting of the Units, or by reason of the repair and/or restoration by the Board of Managers of the Units or such other Units or such Common Elements, after damage by fire or other casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration to the Common Elements made by the Board of Managers, so that any such encroachments may remain as long as the Units stand.

(i) The following Covenants, Restrictions and Easements:

1. $1.00 Award Clause in Reel 698 page 1771 (affects lot 5);
2. $1.00 Award Clause in Reel 2026 page 387;
3. Covenants and Restrictions in Liber 10 page 56;
4. Permanent Access Easement in CRFN 2018000409659;
5. Zoning Lot Certificate in CRFN 2019000089832; and
6. Zoning Lot Description in CRFN 2019000089833.

(j) Any additional declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of the Residential Unit as a one (1) family residence or do not prevent use of a Commercial Unit for any use permitted by applicable law and the Common Elements for their intended use and purpose and do not constitute a lien against the Unit or any of the Common Elements.

If any existing mortgages or construction loans will not be satisfied at or prior to the Closing of the first Unit then at the time of conveyance of the first Residential Unit each mortgagee will either:

(i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold Condominium Units;

(ii) subordinate the lien of its mortgage to the Declaration of Condominium; or

(iii) release its lien on the Condominium Unit being conveyed and its interest in the Common Elements.

The Sponsor has been advised by its counsel that in counsel's opinion, none of the exceptions to title herein above set forth are contrary to the terms of the Purchase

Agreement nor will they interfere with the quiet use or enjoyment of the Purchaser's Unit or the Common Elements of the Condominium.

The risk of loss or damage to the Unit by fire or any other cause until delivery of the deed is assumed by the Sponsor. In the event a substantial portion of the Unit or Condominium shall be destroyed or damaged prior to Closing, Sponsor shall be entitled to cancel the Purchase Agreement by written notice to the Purchaser, together with a check in the amount of the Deposit paid by Purchaser, with interest, if any and any Extras paid by Purchaser. The parties shall thereafter be released from any further liability. In the event a Purchaser takes actual possession prior to Closing, said Purchaser will assume the risk of losses not covered by insurance upon production of the policy by the Sponsor to the Purchaser which provides that actions of interim lessees are not covered under the then existing policy. If Purchaser is or becomes the occupant or tenant (if rentals are permitted) of the Unit prior to Closing, then, as of the date of Purchaser's occupancy, Purchaser shall be responsible for any and all damage caused by any acts or omissions of Purchaser, or Purchaser's agents, employees, invitees or family members. If any part of the Unit is damaged or destroyed by any casualty prior to Closing, Sponsor will have the option to restore the Unit to its previous condition as soon as reasonably possible. The additional time required to restore a damaged Unit will not affect the outside date for the Closing of Title set forth in the Purchase Agreement without the written consent of the Purchaser. Sponsor agrees to notify Purchaser of Sponsor's decision within ten (10) business days of the date of such casualty. In the event Sponsor elects not to restore the Unit, then the Purchase Agreement will terminate, and the Purchaser will receive a full refund of all monies paid to Sponsor. The Purchaser and Seller shall thereafter be released from any further liability.

XVI. CLOSING COSTS AND ADJUSTMENTS

The estimated Closing Costs and expenses to be borne by each Purchaser are as follows:

1. Fee title insurance is available from Madison Avenue Abstracts, a title company authorized to do business in the State of New York. Sponsor has obtained its title insurance from Madison Avenue Abstracts. The estimated rate of fee title insurance is $10.06 per thousand for the first $50,000 of fee title insurance, approximately $5.43 for each additional $1,000 of insurance up to $100,000, approximately $4.36 per thousand for each additional $1,000 up to $500,000 and approximately $3.98 per thousand for each additional $1,000 up to $1,000,000.

2. Mortgage title insurance at the estimated rates of $8.56 per thousand for the first $50,000 of mortgage title insurance, approximately $4.54 for each additional $1,000 of mortgage title insurance up to $100,000, $3.64 per thousand for each additional $1,000 up to $500,000 and approximately $3.31 per thousand for each additional $1,000 up to $1,000,000.

3. Purchasers should anticipate additional fees for Endorsements to the Owner and Mortgage Title Insurance, as applicable, and fees for municipal and other searches. These fees can be estimated at approximately $1439.

4. Each Purchaser has the right to obtain title insurance from a title insurance company other than Madison Avenue Abstracts without incurring penalty. Sponsor makes no representation or warranty as to cost, terms or availability of such other title insurance. Sponsor is required to convey marketable title and cure defects regardless of the title company utilized by Purchaser.

5. Fees for the recording of the mortgage, deed, power of attorney and any affidavit required in connection with the mortgage tax credit available under RPL §339-ee which total approximately $725.

6. In the event the Purchaser shall obtain a purchase money first mortgage, Purchaser shall pay recording fees for the mortgage of approximately $100. For first mortgages in an amount less than $500,000, Purchaser shall pay mortgage tax of 2.05% of the amount of the mortgage less $25 and for first mortgages in an amount in excess of $500,000, Purchaser shall pay mortgage tax of 2.175% of the amount of the mortgage less $25. In addition, the Purchaser will be required to pay the lending institution's attorney's fees, any mortgage origination fees, bank credit an appraisal fees and other expenses that the lending institution may charge incident to the making of the permanent loan. If applicable, a portion of the mortgage recording tax set forth above will be computed in accordance with Section 339-ee subsection 2, of the New York Condominium Act, and shall be paid to the Sponsor in reimbursement of mortgage recording taxes which the Sponsor may have previously paid in connection with existing mortgage on the Condominium. There will be no mortgage closing costs pursuant to this paragraph 6 on Units which are not covered by mortgages.

7. New York State Transfer Tax of $2.00 per $500 of the purchase price and New York City Real Property Transfer Taxes of one (1%) percent of the Purchase Price where the consideration is less than $500,000 and 1.4259% where the consideration is $500,000 or greater. These taxes are normally an expense of the Sponsor; however, by contractual arrangement they will be paid by Purchaser. As a result, when a Purchaser assumes the obligation to pay these taxes, the amount of such taxes will be included in the consideration subject to tax. The steps to compute the tax are:

   (a) Multiply the purchase price by the State Tax Rate to compute a tentative tax.

   (b) Multiply the purchase price by the City Tax Rate to compute a tentative tax.

   (c) Add both tentative taxes to the purchase price.

(d) Multiply the total of "c" above by the State Rate.

(e) Multiply the total of "c" above by the City Rate.

8. Working capital equal to two (2) months' Common Charges to be paid to the Condominium. While Sponsor is in control of the Board of Managers, the working capital fund will not be used to reduce the Common Charges of the Condominium. If any portion of the working capital fund is used during this period to pay for items in the budget set forth, such amounts will be repaid to such fund out of Common Charges collected.

9. Any Units that are being offered for sale for $1,000,000 or more are also subject to the provisions of Section 1402-a of the Tax Law of the State of New York (Mansion Tax) which requires a New York State Tax of one (1%) percent of the Purchase Price. Pursuant to the provisions of the statute the obligation to pay the tax is the Purchasers.

10. Each Purchaser shall pay $2,000 to Sponsor's counsel, representing a fee for services in connection with preparing the Unit Deed, the Unit Owner's Power of Attorney and for coordinating and attending the Closing. Such fee shall be payable at or prior to the Closing by Purchaser's unendorsed, personal check made payable directly to the order of Sponsor's attorney.

11. Any mortgage tax credit received pursuant to Section 339-ee of the Real Property Law will inure to the benefit of Sponsor.

12. A pro-rata portion of the estimated then current year's Condominium insurance based on the Percentage of Common Interest of the Unit being purchased regardless of whether or not the first Board of Managers has commenced the collection of Common Charges.

As an example, a Purchaser of a Unit in which the purchase price is $415,000 who procures a first mortgage in the amount of $330,000 and who has a Percentage of Common Interest of 4.01% will pay the following approximated Closing Costs:

Owners Policy and Endorsements:		
Fee Title Insurance	$	1,734
Market Value Rider	$	173
Loan Policy and Endorsements:		
Mortgage Insurance(80% estimate)	$	1,417
Mortgage	$	50
TIRSA-8.1 Environmental Lien	$	50
Waiver of Arbitration	$	50
TIRSA-4 Condominium	$	50
Miscellaneous Charges:		
Municipals	$	395
Bankruptcy Search	$	100
Patriot Search	$	100

Escrow Service Fee	$	50
Estimated Sales Tax	$	52
State and Local Taxes:		
Mortgage Tax	$	5,910
New York State Transfer Tax	$	1,684
New York City Transfer Tax	$	4,208
Mansion Tax	$	N/A
Recording Fees:		
Mortgage Recording (up to 25 pgs + $5 per Additional page)	$	250
Deed Recording Fee (up to 3 pgs + $5 per Additional page)	$	275
Condominium POA	$	160
Assignment, if applicable	$	100
Additional Expenses		
Condominium Working Capital	$	640
Pro-Rata Insurance	$	350
Sponsor Attorney Fees for Preparation of Deed, Power of Attorney and other Closing documents:	$	2,000
421-a (16) non-refundable expense	$	3,000
Fee for completion of any Lender's Mortgage questionnaire	$	150
TOTAL:	**$**	**22,948.00**

In addition, if a Closing takes place, at the request of Purchaser, at any location other than Sponsor's attorney's office, Purchaser shall pay to Sponsor's attorney a travel fee in the sum of $750.

In addition, in the event the Sponsor's Attorney is required to prepare the New York City "ACRIS" transfer documents Purchaser shall be required to pay Sponsor's attorney an additional fee of $250. In the event the title company prepares the ACRIS, Purchaser shall pay the applicable fee of the title company.

In the event a Closing is adjourned with Sponsor's written consent, at the request of Purchaser or Purchaser's attorney within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $750.

In the event the Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the Units in the Condominium for the six (6) month period following the first Closing. Thereafter, at each Closing during said period, each Purchaser will reimburse the Sponsor for the pro-rata amount paid on behalf of said Unit. Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the unsold Units for such six (6)

month period and may collect at each Closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable. After the Units are separately assessed, the funder of the escrow account and the Unit Owner will be reimbursed for any overpayment of taxes or assessed for an underpayment.

Purchaser shall also pay, or reimburse to Sponsor, if Sponsor has already made payment, the following charges: (a) inspections and (b) appraisals.

If through no fault of Sponsor, Purchaser fails for any reason to Close Title after the date originally scheduled in Sponsor's Notice of Closing or such later date (if applicable) to which Sponsor in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of midnight of the day preceding (i) the date originally scheduled for Closing or (ii) Sponsor's adjourned Closing Date (as the case may be). In addition, Purchaser shall pay to Sponsor at or prior to the actual Closing an amount equal to .0438% per day (which equals an annual rate of 16%) of the purchase price for the Residential Unit for each day beyond such originally scheduled or Sponsor adjourned Closing Date, to and including the date of actual Closing, for reimbursement and defrayal of Sponsor's carrying costs and other charges.

The fee title policy premiums and the recording charges set forth above are estimates based on the rates in effect as of the date of this Offering Plan. If said premiums, charges or rates are subsequently revised by the title company, the State, or Municipality, each Purchaser shall be required to pay the title policy premiums, recording charges and Closing Costs in effect as of the date of the Closing of Title to their Unit.

The Sponsor anticipates that the only items which will be apportioned at the Closing of Title to the Units will be real estate taxes and sewer charges, if any, and Common Charges, if they have been declared by the Board of Managers. The adjustments will be made as of 11:59 P.M. on the day preceding the Closing Date. In the event there are any other items which are to be apportioned at closing, said items will be adjusted at the Closing. The Sponsor will advise the Purchaser of the Closing Date by giving Purchaser written notice at least thirty (30) days prior to the Closing Date

XVII. RIGHTS AND OBLIGATIONS OF THE SPONSOR

No bond or other security has been furnished to secure performance of the following obligations. All obligations pertaining to the Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners and not by the individual Unit Owners. During the time the principals of the Sponsor control the Board of Managers, it is within their sole power to enforce the obligations of the Sponsor pertaining to the Common Elements. The following shall pertain to the Sponsor:

1. As a result of the 421-a (16) requirement that in order to obtain the benefits of the tax abatement, executed Deeds for each Residential Unit must be included in the application and that the Purchasers are required to maintain their Residential Unit as Purchaser's primary residence, subject to the exemptions disclosed in Special Risk 4(f) for at least the first five (5) years of

acquisition of the Residential Unit, no rentals will be permitted during this period if the Sponsor obtains the 421-a (16) Tax Abatement and this requirement is not revised or held to be invalid. In the event the provision is revised or held invalid so as to permit rentals of one (1) or more Residential Units or if the other requirements of the 421-a (16) Tax Abatement are not met and the building does not obtain the 421-a (16) Tax Abatement, then although Sponsor will endeavor in good faith to sell the Residential Units in the Condominium, Sponsor will retain the unconditional right to rent rather than sell the Residential Units. Prior to renting any Residential Units, Sponsor will submit an amendment disclosing the fact that the Building will not then be receiving 421-a (16) tax benefits. In such an event, because Sponsor is retaining the unconditional right to rent rather than sell the Residential Units after the consummation of the Offering Plan, under such circumstances, then is such an event, this Plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors who are unrelated to the Sponsor and Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of the Offering Plan. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, under such circumstances, there would be no commitment to sell more Residential Units than the fifteen (15%) percent of the Residential Units being offered for sale excluding Residential Units of an ancillary nature (15% x 16 = 2 Units) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium, in such an event. Sponsor shall not rent a Residential Unit in the Condominium prior to Consummation of the Plan as defined in Title 13 NYCRR § 20.1(c)(6). See Section XIII of the Offering Plan.

2. The Sponsor has the obligation to defend any suits or proceedings arising out of Sponsor's acts or omissions under applicable law and regulations and the obligations in the Plan, and to indemnify the board of managers and the Unit Owners.

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

4. Until title to a Unit is passed to a Purchaser, the Sponsor will pay such Common Charges, Special Assessments and real estate taxes, as are assessed by the Board of Managers of the Condominium, and the City of New York on the Units to which title has not passed. Once title is passed to a Purchaser the Purchaser shall be solely responsible for all Common Charges, Special Assessments, real estate taxes and all other costs applicable to the Unit, as are assessed by the Board of Managers of the Condominium and the City of New York. No bond or other security has been posted to secure such obligations. Sponsor will fund its financial obligations to the Condominium from the income derived from the sale of the Units and

Sponsor's assets. Sponsor currently has the resources necessary to meet its obligations under the Offering Plan.

5. The Sponsor has the option to repair any damage from a casualty or other cause that occurs before the Closing of a Purchaser's Unit.

6. Sponsor will initially procure fire and casualty insurance for the Condominium on the terms set forth in the budget. The fire and casualty insurance will either be for an agreed amount replacement value or in an amount sufficient to avoid co-insurance. Each Purchaser will be required to pay a pro-rata portion of the first year Condominium insurance based on each Unit's percentage of common interest.

7. In the event of the dissolution or liquidation of the Sponsor or the transfer of ten (10) or more Units or twenty percent (20%) or more of the total number of Units in the Condominium, whichever is less, the Principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all the obligations of the Sponsor for those Units under the Offering Plan, applicable laws or regulations.

8. After the recording of the Declaration and before the closing of title to the first Unit, the Lender of any mortgage that encumbers the property at the time of conveyance of the first Unit will either: (i) consent to the formation of a Condominium and acknowledge that its lien will be limited to unsold Condominium Units; (ii) subordinate the lien of its mortgage to the Declaration of Condominium; or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements. In addition, before the closing of title to the first Unit all liens and mortgages affecting the Condominium shall be paid and satisfied on the Unit being conveyed and its appurtenant interest in the Common Elements shall be released therefrom by partial release duly recorded. Sponsor has obtained a loan from Maspeth Federal Savings and Loan Association with an address of 56-18 69th Street, Maspeth, New York 11378 ("Acquisition Lender") in connection with its acquisition of the Property ("Acquisition Loan"). The Sponsor shall be obligated to pay off and otherwise comply with the terms of the Acquisition Loan on the entire Condominium. Sponsor intends to pay off and satisfy the Acquisition Loan prior to the closing of title to the first Unit. However, in the event the Sponsor does not do so prior to the closing of title to the first Unit, the Sponsor shall endeavor to modify the terms of the Acquisition Loan and/or to refinance same in order to release each Unit from the Acquisition Loan at the time of Closing. In addition, the Sponsor and/or its affiliate, obtained loans which have been spread against the Property (and other parcels) from LPK Capital LLC ("Construction "Lender"), with an address at 14 Seward Drive, Woodbury, New York 11797, in the total amount of $4,100,000.00 to enable it to construct the Condominium ("Construction Loan"). Pursuant to correspondence from the Construction Lender, the Construction Loan does not provide for any minimum number or percentage of Units that must be under contract before the Offering Plan can

be declared effective. The Construction Loan does not have any limitation or requirement that have been imposed by the Construction Lender that require when the Sponsor may rent rather than sell under specified market conditions. The Units will be released from the Construction Loan upon a release payment of eighty-five percent (85%) of the sales price per Unit.

9. The Sponsor will diligently and expeditiously complete construction of the Condominium in accordance with the plans and specifications described herein and will diligently perform all of its obligations set forth in this Offering Plan and will deliver to the Board of Managers a copy of the "as built" plans filed with the recording of the Declaration or any amendment thereto and in addition will provide the Board of Managers with a full set of building plans filed with the City of New York together with any "field changes" made during the course of construction. Although the Sponsor intends to use the materials, fixtures, appliances and equipment described herein and in the building plans, the Sponsor reserves the right to substitute materials, fixtures, appliances and equipment of Equal or Better Quality or design for any of those set forth. Sponsor reserves the right to change the size, number and location of the improvements or Common Elements, provided such changes do not change or adversely affect the Percentage of Common Interest 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 Purchasers written consent to such a change. Sponsor further reserves the right to determine the ultimate Unit type mix to be constructed in the Building; determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, other Building wide equipment, mailboxes; and make any other changes required by the City of New York.

10. The Sponsor will obtain a permanent or temporary Certificate of Occupancy and any other certificate or permit required by law for the Building or Unit before the Closing of Title to a Unit and will, at its own cost, perform any work and supply any materials necessary to obtain the Certificates or permits. In the event a permanent Certificate of Occupancy is not issued as of the Date of Closing of a Unit, Sponsor anticipates obtaining the permanent Certificate of Occupancy within two (2) years of the Closing of the Unit. However, Sponsor and its principals make no representation or guarantee that the New York City Department of Buildings will issue the permanent Certificate of Occupancy within such two (2) year period. Sponsor will obtain the permanent Certificate of Occupancy prior to the expiration of any temporary Certificate of Occupancy unless the temporary Certificate of Occupancy is extended. Purchasers should refer to Special Risk No. 35 regarding Sponsor's right to Close Title with a temporary Certificate of Occupancy.

    In the event a permanent Certificate of Occupancy for the Building or an Individual Unit has not been issued as of the Date of Closing for said Unit, the Sponsor will continue to hold all Deposits and funds in the special escrow account required pursuant to Section 352-e (2-b) and 352-h as

described in Section XII of the Offering Plan unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy. Any sum of money exceeding the amount certified by the Sponsor's engineer or architect will be released to the Sponsor. Upon the issuance of the permanent Certificate of Occupancy, such escrow Deposit will be released to Sponsor without the consent of any other party. Alternatively, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount certified by Sponsor's engineer or architect. In such event, it will disclose such fact by duly filed amendment to the Plan.

Unit Owners will not be permitted to make any changes, additions or alterations to their Unit prior to the issuance of a permanent Certificate of Occupancy for the Unit and/or Building. Unit Owners are responsible for obtaining all necessary permits from the City of New York and any other required municipal agencies for any changes the Unit Owner makes to their Unit subsequent to the Closing of Title with the Sponsor. Sponsor will not be liable for nor responsible to a Unit Owner in the event an inspection by the Department of Buildings of the City of New York prevents the issuance of a renewal and/or extension of a temporary Certificate of Occupancy or permanent Certificate of Occupancy as a result of changes made to the Unit by a Unit Owner. In the event a Unit Owner makes any changes, additions or alterations to their Unit prior to the issuance of a Permanent Certificate of Occupancy for the Unit and/or Building, the Unit Owner shall reimburse Sponsor within ten (10) days following Sponsor's demand therefor, for any and all costs incurred by Sponsor with respect to Unit Owner's changes to the Unit that prevent the extension or renewal of a Temporary Certificate of Occupancy or the issuance of a final Certificate of Occupancy by the Department of Buildings of the City of New York.

11. At the Closing of Title, the Sponsor will deliver and assign the certificates and warranties delivered to it and transferable to Purchaser. Sponsor's liability pursuant to any manufacturers' warranties covering heating, appliances, electricity, plumbing and roofing are limited solely to the extent that such warranties are delivered to Sponsor, transferable to the Purchaser or to the Condominium Board of Managers and then only as against such manufacturer.

12. The acceptance of a deed by a Purchaser will be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan), and in General Business Law Section 352-e to survive delivery of the deed. The Purchaser of a Unit will inspect such Unit prior to the Closing Date and will execute at such time an inspection statement acknowledging

Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and the Purchaser in question will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor as provided in the Purchase Agreement. Sponsor will have no obligation to complete any work which is not specifically designated by the Purchaser on the inspection statement. A Purchaser will receive prior notice that a Unit is available for inspection pursuant to this Paragraph, as more particularly set forth in the Purchase Agreement in Part II of the Plan. A Purchaser who fails to inspect such Unit will be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. In the event Seller is required to make any repair or complete any item of work to be performed by Seller after Closing, the limit of Seller's liability shall be to make said repair and/or to complete such item. After Closing of Title to each Unit the Purchaser thereof must comply with the procedures established by the Managing Agent or the Board of Managers regarding such Purchaser's move in and out of the Unit. This may include "move in" and/or "move out" fees which will be refunded to the Purchaser unless the Purchaser or the Purchaser's agents cause damage to the Building during the move in or move out of the Unit. In such an event the move in or move out fees will be used to repair said damage. In the event the move in and move out fees paid are less than any damage caused, the Purchaser will be responsible for the additional amount of the damage. In the event the move in or move out fees paid are greater than the damage caused, the Purchaser will be refunded the excess amount.

13. In view of the fact the Condominium will consist of a Building containing more than five (5) stories the Housing Merchant Implied Warranty Law contained in Article 36-B of the General Business Law is not applicable. Notwithstanding said fact, the Sponsor will correct any defects in the construction or renovation of the Residential Unit or in the installation or operation of any mechanical equipment therein or for the exclusive use of the Residential Unit due to materials or improper workmanship substantially at variance with the plans and specifications, as may have been changed by Sponsor from time to time provided that it is notified of such defects in writing by certified mail within one (1) year from the date of Closing of Title to the Residential Unit in which the alleged defect exists ("Limited Warranty"). If a defect occurs in an item which is covered by this warranty, the Sponsor or Sponsor's contractors will (a) repair or (b) replace the defective item. The choice between repair or replacement is strictly the Sponsors.

    Purchaser should note that:

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

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

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

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

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

Regarding the Common Elements of the Condominium the Sponsor will correct any defects in the construction of the Common Elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material substantially at variance with this Offering Plan as may be changed by Sponsor from time to time provided and on condition that Sponsor is notified of or becomes aware of such defect(s) within twelve (12) months from the date of completion of the particular Common Element. In no event will Sponsor be liable for consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations under the Plan will be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), subject to the terms and conditions (and within the time limits) set forth in this paragraph. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications.

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

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

BE LIABLE TO ANY PURCHASER OR THE BOARD THEREOF. IF PURCHASERS OR ANY BOARD DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR.

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

Notwithstanding the above, 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.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of (i) any insubstantial variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in the Plan or (ii) variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in the Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such variations are of substantially similar or better quality than as set forth in the Plans and Specifications or description in this Plan as solely determined by Sponsor's architect. Any such variation affecting the Property which is material will be disclosed in a duly filed amendment to the Plan.

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

The Limited Warranty does not apply to a Commercial Unit.

14. The Sponsor will deliver to the Purchaser and/or the Board of Managers upon the recording of the Declaration all manufacturers' and sub-contractors heating, electrical, plumbing, roofing and appliance warranties and bonds relating to the Purchaser's Unit or the Common Elements respectively, if any, to the extent made by such manufacturers and subcontractors and to the extent such warranties and bonds are assignable.

15. The Sponsor will pay all contractors, subcontractors and material men and all others involved in the construction of the Condominium for work performed and fixtures, material and equipment supplied or installed in the construction of the Condominium and will cause all mechanics' liens arising

out of the construction of the Condominium or the furnishing or installation of fixtures or equipment, to be discharged or bonded promptly after the liens are filed.

16. The Sponsor will pay all expenses incurred prior to the establishment of the Condominium and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium whenever such costs or expenses are incurred or in connection with the sale of all of the Units held or owned by the Sponsor and will pay all selling expenses including, but not limited to, advertising and printing costs, architect fees, and costs of filing this Offering Plan and amendments thereto.

17. No bond or other security has been posted to secure Sponsor's obligations.

18. Sponsor has the financial resources to complete the Condominium and its obligations under the Plan.

19. The Sponsor reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements of the Condominium for the purpose of completing its construction and sale or rental of Units and facilities in the Condominium and, towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities and for any other materials or services necessary for the completion of the work. Sponsor also reserves the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the Common Elements. Sponsor will be obligated to pay for the cost of any utilities it uses as a result of its use of the easements, licenses, rights and privileges of a right-of-way. Finally, the Sponsor reserves the right to continue to use the Common Elements and any facilities, sales offices, model or unsold units and signs located on the Common Elements, in its efforts to market or lease (if rentals are permitted) the Units in the Condominium. Sponsor will be obligated to repair any damage to the Common Elements and Units caused as a result of its use of the easements, licenses, rights and privileges of a right-of-way to complete the construction of the Condominium. Upon reasonable notice to a Unit Owner, Sponsor shall have a right of access to any Unit for the purpose of carrying out any of the above easements, licenses, rights and privileges. During the construction period some obstructions, detours, storage of materials and equipment will likely be necessary.

20. Pursuant to Section 352-e (9) of the General Business Law, copies of all documents mentioned in this Offering Plan, including without limitation the following, are and will be kept on file at the office of Sponsor set forth on the cover page of this Offering Plan for six (6) years from the date the Declaration is recorded for examination by any person who has purchased a

condominium interest offered by this Plan or otherwise has participated in this offering: This Offering Plan; the proposed Declaration and By-Laws of the Condominium; public liability, fire and casualty policy, and Schedules submitted to the Department of Law in conjunction with this Plan. A copy of the form of Unit Owner's Purchase Agreement is submitted with this Offering Plan as Schedule D in Part II of the Offering Plan.

21. In accordance with Section 339-p of the Real Property Law, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the floor plans filed with the recording of the Declaration are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings.

22. The Condominium By-Laws provide that the Board of Managers has the right to act as an agent for one (1) or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Property Law. In such event, the Board of Managers on behalf of the Condominium could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit. The Board of Managers on behalf of the Condominium is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners.

XVIII. CONTROL BY THE SPONSOR

Prior to the First Annual Meeting, the Initial Board of Managers will consist of three (3) Sponsor's appointed Members. At the First Annual Meeting of the Unit Owners and thereafter, the Board of Managers shall consist of a total of three (3) elected and/or Sponsor designated Members to the Board of Managers. The Sponsor, as the owner of Unsold Units, will be entitled to designate all of the Members of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to Residential Unit Owners other than the Sponsor, its Principals, successors, assignees and/or designees ("Sponsor Control Period"). All Board members, including those affiliated with and/or appointed by Sponsor, have a fiduciary duty to act within the best interests of the Unit Owners, and failure to do so could result in liability therefor. There is no limit on the period of time it may take Sponsor to convey all the Units in the Condominium and as a result the Sponsor may control the board indefinitely. The First Annual Meeting will be held to elect the new Members of the Board of Managers unrelated to Sponsor within a reasonable period of time after the expiration of the Sponsor Control Period. Notwithstanding, the Sponsor shall have the right but not the obligation to voluntarily relinquish control before said date.

As a result of the above the Sponsor will have voting control of the Board of Managers during the Sponsor Control Period. As a result of the fact Sponsor may

designate all of the Members of the Board of Managers during the Sponsor Control Period, purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Offering Plan. Purchasers individually, or as a group, may take legal or administrative action to enforce the Sponsor's obligations to the Condominium. However, they will be unable to do so in the name of the Condominium. In addition, the funds utilized for such actions will either have to be obtained by a Special Assessment of all Unit Owners excluding the Sponsor or obtained through independent funds of the Unit Owners. The Sponsor will also, during this indeterminate period, have control of maintenance, facilities and services to be provided to the Condominium and will determine the Common Expenses to be paid by all Unit Owners, including the Sponsor and will also be responsible for the enforcement of the Sponsor's obligations through the Board of Managers. In view of the 421-a (16) requirement that in order to obtain the benefits of the tax abatement Purchasers are required to maintain their Residential Unit as Purchaser's primary residence, subject to the exemptions disclosed in Special Risk 4(f) , for at least the first five (5) years after acquisition of the Residential Unit, no rentals will be permitted during said period if the Sponsor obtains the 421-a (16) Tax Abatement and this requirement is not revised or held invalid. In the event the provision is revised or held invalid so as to permit rentals of one (1) or more Units or if the other requirements of the 421-a (16) Tax Abatement are not met and the Building does not obtain the 421-a (16) Tax Abatement, then Purchasers should further note that the By-Laws do not contain any provision that provides that after the Sponsor relinquishes control of the Board, a majority of the Members of the Board of Managers must be owner occupants who are unrelated to the Sponsor or its principals. Prior to renting any Units, Sponsor will submit an amendment disclosing the fact that the Building will not then be receiving 421-a (16) tax benefits. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed as a result of their different reasons for purchasing, i.e. purchasing as a Unit to live in as opposed to purchasing as an investment.

In addition, in the event the Condominium does not receive 421-a (16) Tax Abatement, there are certain restrictions on initial re-sales of the Residential Units. See Special Risk 5 for details.

The initial Members of the Board of Managers of the Condominium will consist of Edgardo Kramer, Jonathan Kramer, and Lewis P. Kamin, Esq. Edgardo Kramer is the sole member of Sponsor. The Sponsor shall retain the right to substitute other persons in the place of the above-named individuals until the resignation of the first Board as set forth below. Thereafter the Sponsor shall have the right to substitute Members of the Board it has appointed as Sponsor so determines. The First Annual Meeting will be held within a reasonable period of time after the Sponsor Control Period which may occur later than one (1) year after the date of the Closing of Title to the first Unit in the Condominium. At the First Annual Meeting, the Unit Owners will elect and Sponsor, if entitled, will designate a new Board of Managers. Said Board will consist of three (3) Members from the Residential Units and one (1) Member from the Commercial Unit. The Commercial Unit (or Units if subdivided) shall have the permanent right to one (1) seat on the Board, which Member shall be elected by the then Commercial Unit Owner(s). The Commercial Unit Member shall serve until such time as the Member resigns or is replaced by the Commercial Unit Owner(s) at an Annual Meeting. Until

such time as the Sponsor relinquishes control of the Board of Managers, the Sponsor shall appoint the three (3) Members of the Board of Managers for one (1) year terms and shall continue to appoint the three (3) members of the Board of Managers until the Sponsor is required to hold the First Annual Meeting.

At such time as all of the Residential Units are Closed, Sponsor will not be entitled to any representation of the Residential Members on the Board of Managers. Upon the election and designation of the new Board of Managers at the First Annual Meeting, the Members of the first Board will resign. Members of the Board of Managers, other than Sponsor designees, may be removed for cause by an affirmative vote of sixty- six and two thirds percent (66⅔rds) of the Unit Owners. Sponsor designees can only be removed by the Sponsor. As long as the Sponsor retains ownership of one (1) Commercial Unit, the Sponsor shall have the right to remove or appoint the Commercial Unit(s)' Member to the Board of Managers. Thereafter the Commercial Member representative of the Board of Managers of the Condominium may only be removed with or without cause by an affirmative vote of the then Commercial Unit Owner(s) and no special meeting for such purpose is necessary. Officers of the Condominium may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. Officers of the Condominium may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers.

As long as the Sponsor retains at least one (1) Unsold Residential Unit in the Condominium, the Board of Managers may not, without the Sponsor's prior written consent (i) make any additions, alterations or improvements to the General Common Elements, Individual Unit's Limited Common Elements of the Condominium that is not a Unit Owner's obligation and/or to any Unit costing cumulatively more than $50,000, the foregoing not to include necessary repairs and maintenance work; or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of the reserve for contingencies provided in Schedule B; or (iii) hire any employee in addition to the employees referred to in the Plan; or (iv) enter into any contracts not in existence on the date of the first Closing of Title to a Unit; or (v) borrow money on behalf of the Condominium; or (vi) reduce the services or maintenance set forth in Schedule B; (vii) charge any Special Assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium; or (viii) increase the Common Charges of the Condominium more than ten (10%) from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Condominium funds or assess the Sponsor for the purpose of commencing a lawsuit against the Sponsor or any of its principals.

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

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

(ii) to remedy any notice of violation; or

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

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

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

The detailed provisions for the management of the Condominium are set forth in the attached By-Laws. The By-Laws contain provisions, among others, dealing with the election of the Board of Managers, and Condominium officers, powers of the Board of Managers, voting rights of Unit Owners, assessment of Common Charges, foreclosure of liens for non-payment of Common Charges, management of the Condominium and the use of the Units. The By-Laws provide that the Condominium shall be governed by the Board of Managers, but that the Board of Managers shall have the right to designate Committees or a Managing Agent to carry out such function.

Members and officers of the Board of Managers serve without compensation.

XIX. BOARD OF MANAGERS

The form of the Declaration of Condominium and the By-Laws referred to in the Plan appear in Part II as Schedules I and J.

The following is a summary of certain provisions of the By-Laws and Declaration.

Board of Managers

The affairs of the Condominium shall be governed by a Board of Managers. The initial Board of Managers shall consist of three (3) Members designated by the Sponsor ("First Board of Managers") who shall hold office and exercise all powers of the Board of Managers until the First Annual Meeting of the Unit Owners which shall be held within a reasonable period of time after the Sponsor Control Period (the "First Annual Meeting"). The initial Members of the Board of Managers of the Condominium will consist of Edgardo Kramer, Jonathan Kramer, and Lewis P. Kamin, Esq. Edgardo Kramer is the Sole Proprietor of Sponsor. The Sponsor shall retain the right to substitute other persons in the place of the above-named individuals until the resignation of the first Board as set forth below. Thereafter the Sponsor shall have the right to substitute Members of the Board it has appointed as Sponsor so determines. Until succeeded by the Members elected at the First Annual Meeting of Unit Owners, Members need not be Unit Owners; thereafter, all Members, other than designees or nominees of the Sponsor,

shall be Unit Owners. The Members shall be elected or designated at the annual meeting of the Unit Owners.

Each Unit owner shall have one vote for each Unit Owner for all voting purposes at any meeting of the Unit Owners.

At the First Annual Meeting of Unit Owners a total of three (3) Members shall be elected or designated and one (1) Member from the Commercial Unit shall be elected or designated. All Members, other than those the Sponsor can designate, shall be elected by the Unit Owners. The term of office of one (1) of the Members shall be fixed for three (3) years, the term of office of one (1) of the Members shall be fixed at two (2) years, and the term of office of one (1) of the Members shall be fixed at one (1) year.

The one (1) Residential Unit owner receiving the highest number of votes shall be elected to the three (3) year term, the one (1) Residential Unit owner receiving the next highest number of votes shall be elected to a two (2) year term and the one (1) Residential Unit Owner receiving the next highest number of votes shall be elected to a one (1) year term. Each Unit Owner shall be entitled to cast one vote for each Member to be elected to the Board of Managers. At the expiration of the initial term of office of each respective Member, their successor shall be elected to serve a term of three (3) years. The Members shall hold office until their successors have been elected and hold their first meeting.

The Commercial Unit Member appointed and/or elected to the Board of Managers shall serve until such time as the Member resigns or is replaced by the Commercial Unit Owner(s) at an Annual Meeting.

Any Unit Owner in default of the payment of Common Charges, Special Assessments, late fees, interest and/or penalties shall be ineligible to be elected to the Board of Managers and/or vote at any general, annual or special meeting.

The Sponsor shall have the right to designate the Members of the Board of Managers until the closing of title to all Residential Units in the Condominium. This Section may not be amended without the written consent of Sponsor.

In addition to the Members designated by the Sponsor, as long as Sponsor retains an unsold Residential Unit in the Condominium, Sponsor may vote as Sponsor so determines for any other Members, so long as the Members are not on Sponsor's slate of Members for the Board of Managers, Sponsor's payroll or as long as they did not receive other financial backing from the Sponsor other than any mortgage that may be held by the Sponsor or affiliated entity of the Sponsor, if applicable.

Sponsor is entitled to designate the initial Members to the Board of Managers and shall be entitled to retain control of the Board of Managers until the closing of title to all of the Residential Units in the Condominium. Sponsor Members shall be appointed for a one (1) year term. At the expiration of the Sponsor Member terms, if Sponsor is still entitled to designate Residential Members to the Board of Managers, the Sponsor Members shall thereafter continue to be appointed as Residential Members for one (1) year terms until the Sponsor is required to relinquish the position or Sponsor voluntarily

resigns the position. When the designated Residential Members of the Sponsor are required to relinquish their position on the Board of Managers, the Sponsor will call for the First Annual Meeting of the Unit Owners within a reasonable period of time thereafter. In the event the Sponsor voluntarily relinquishes a position on the Board of Managers, the Board of Managers will either (a) call for a special meeting of the Residential Unit Owners pursuant to the provisions of Article II, Section 10 of the By-Laws to elect a Residential Unit Owner for the balance of the Sponsor Member term or (b) the remaining Residential Members of the Board of Managers will appoint a Unit Owner to the Board of Managers for the balance of the Sponsor Member term. At the expiration of the term the Residential Unit Owners shall have a meeting to elect a Residential Unit Owner to a three (3) year term. Notwithstanding the aforementioned, in the event the Sponsor voluntarily relinquishes a position on the Board of Mangers before the Sponsor is obligated to do so, upon notice from the Sponsor to the Board of Managers that the Sponsor desires to reclaim said position the Member appointed or elected to said position shall resign and the Sponsor shall reappoint a Member to the Board.

The Commercial Unit Owners' representative to the Board of Managers shall be designated by the Sponsor, its successor, assignee or designee as long as the Sponsor retains ownership of at least one (1) Commercial Unit. At such time as the Sponsor no longer retains ownership of any Commercial Unit the Commercial Unit Owners' representative to the Board of Managers shall be elected by the then Commercial Unit Owners. The Commercial Unit Owners' Member appointed or elected to the Board of Managers shall serve until such time as the Member resigns or is replaced by the then Commercial Unit Owner(s) at an annual meeting.

Removal of Members of the Board of Managers

Residential Members of the Board of Managers, other than Sponsor designees, may be removed with or without cause by an affirmative vote of sixty-six and two-thirds percent (66⅔rds) in number of the Residential Unit Owners entitled to vote at a special meeting called pursuant to Article II, Section 10 of the By-Laws. Residential Members designated by the Sponsor may only be removed by the Sponsor. No Member other than a Member designated by the Sponsor shall continue to serve on the Board of Managers if, during their term of office, they shall cease to be a Unit Owner. In the event a Sponsor designee Member is removed, the Sponsor shall have the sole right to designate the Sponsor Member replacement.

As long as the Sponsor retains ownership of one (1) of the Commercial Units the Sponsor shall have the right to remove or appoint the Commercial Units' Member to the Board of Managers. Thereafter the Commercial Member representative of the Board of Managers of the Condominium may only be removed with or without cause by an affirmative vote of the then Commercial Unit Owner(s) and no special meeting for such purpose is necessary. The Commercial Unit Member of the Board does not need to be a Commercial Unit Owner.

Any Member of the Board of Managers in default of the payment of Common Charges, Special Assessments, late fees, penalties and/or interest shall be suspended

from the Board of Managers until such time as all Common Charges, Special Assessments, late fees, penalties and/or interest are paid in full to the Condominium.

Powers and Duties of Board of Managers

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration or by the By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

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

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

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

4. Collect, use, and expend the Common Charges collected to maintain, care for and preserve the General Common Elements, General Residential Units' Limited Common Elements, and Individual Units' Limited Common Elements that have been designated to the Condominium to repair, replace and maintain and any other Common Expenses of the Condominium.

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

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

suspension of any necessary service to the Condominium. Any repairs required as the result of negligence of a Unit Owner will be at the expense of the Unit Owner.

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

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

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

10. The Residential Members of the Board of Managers shall be empowered to make reasonable Rules and Regulations applicable to the Residential Units and the Residential Unit Owners and to amend the same from time to time, and such Rules and Regulations and amendments shall be binding upon the Residential Unit Owners when the Residential Members of the Board have approved them in writing. A copy of such Rules and Regulations and all amendments thereto shall be delivered to each Residential Unit. The Board of Managers shall not be able to pass or adopt any Rule or Regulation affecting a Commercial Unit without the written consent of the Commercial Unit Member of the Board of Managers.

11. The entire Board of Managers shall be empowered to make reasonable Rules and Regulations applicable to all Units and all Unit Owners and to amend the same from time to time, and such Rules and Regulations and amendments shall be binding upon all the Unit Owners when the Board has approved them in writing. A copy of such Rules and Regulations and all amendments shall be delivered to each Unit Owner. In no event however, may any Rule or Regulation prevent a Commercial Unit Owner from engaging in the practice or operation of their business unless such practice is a violation of the law or applicable zoning. Further, the Board of Managers may not pass any Rule or Regulation which interferes with or affects the operation of a Commercial Unit or a Commercial Unit Limited Common Elements, without the Commercial Unit Owner's written consent, unless it affects the General Common Elements, General Residential Units' Limited Common Elements, the structural integrity of the Building and/or is a violation of any municipal or state code or statute.

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

13. Bring and defend actions by or against one (1) or more Unit Owners that are pertinent to the operation of the Condominium and to levy Special Assessments to pay for the cost of such litigation, subject to the provisions regarding the Sponsor as contained in Article III, section 8(c) of the By-Laws.

14. Acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner subject to any restrictions contained in the By-Laws, offer such Unit for sale or lease (if rentals are permitted) or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers.

15. The Residential Members of the Board shall be empowered to make additions, alterations, or improvements to the General Residential Units' Limited Common Elements. Any addition, alteration or improvement to the General Residential Units' Limited Common Elements shall be paid for solely by the Residential Unit Owners based upon their Residential Unit's square footage as reflected in Schedule B of the Declaration in relation to the total square footage of all the Residential Units as reflected in Schedule B of the Declaration.

16. Borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, or for capital expenditures such as repair or replacement of Building components or systems or to remedy a major Building defect, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owners of said Unit.

17. The Residential Members of the Board of Managers shall be empowered to borrow money on behalf of the Condominium when required in connection with any addition, alteration, improvement and for the operation, care, upkeep and maintenance of the General Residential Units' Limited Common Elements, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owners of said Unit. Monies borrowed pursuant to this section for the General Residential Units' Limited Common Elements shall be paid back solely by the Residential Unit Owners based upon their Residential Unit's square footage as reflected in Schedule B of the Declaration in relation to the total square footage of all the Residential Units as reflected in Schedule B of the Declaration.

18. Act as an agent for one (1) or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners

who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such an event, the Board of Managers could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro-rata share of expenses, disbursements and legal fees, based upon the Unit's Percentage of Common Interest as reflected in Schedule B of the Declaration of Condominium, the payment for which would be secured by a lien on each Unit. The Board of Managers is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners it will perform such service for.

19. Determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and/or Special Assessments and in violation of the Rules and Regulations. The Board of Managers shall have the right to revise the amount of such fees as the Board of Managers so determines.

20. Enter into contracts, settlement agreements and/or other matters on behalf of the Condominium.

21. Enter into revocable license agreements for the use of space within the Common Elements so long as the license agreement does not hinder or encroach upon the rights of Unit Owners to use the General Common Elements, and/or Individual Unit's Limited Common Elements.

22. Grant utility or other easements over or to the Common Elements that are required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the written consent of all such affected Unit Owners shall be required in writing before such easement shall be granted);

(b) The Board of Managers may, by resolution or resolutions passed by a majority of the whole Board of Managers, designate one or more committees, each of such committees to consist of at least one (1) Member of the Board of Managers, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business affairs of the Condominium and may have power to sign all papers which may be required, provided said resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board of Managers as required.

(c) As long as the Sponsor retains at least one (1) Unsold Unit in the Condominium, the Board of Managers may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the General Common Elements, or individual Unit's Common Elements and/or to any Unit, costing cumulatively more than $50,000, the foregoing not to include necessary repairs and maintenance work, (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, (iii) hire any employee in addition to the employees referred to in the Budget for the first year of operation of the Condominium, (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the first Closing, (v) borrow money on behalf of the Condominium, (vi) reduce the services or maintenance set forth in the Condominium budget for the first year of operation, (vii) charge any Special Assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium, (viii) increase the Common Charges of the Condominium more than ten (10%) percent from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates, evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Condominium funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals. The provisions of this paragraph may not be amended without the written consent of the Sponsor.

(d) Notwithstanding Article III, Section 8(d) of the By-Laws Sponsor may not exercise veto power over expenses described in the proposed first year budget, as described in the Offering Plan, or over expenses required:

1. to comply with applicable laws or regulations; or

2. to remedy any notice of violation; or

3. to remedy any work order by an insurer, or

4. necessary for the preservation or safety of the Building or for the safety of occupants of the Building or required to avoid the suspension of any necessary service to the Building.

(e) Sponsor may exercise veto power over expenses described herein, other than those described in Article III, Section 8(e) of the By-Laws, for a period ending not more than five (5) years after the Closing of the first Residential Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the common interest, whichever is sooner.

The provisions of this paragraph may not be amended without the written consent of Sponsor.

Liability and Indemnification of Board of Managers, Officers and Unit Owners

No Member of the Board of Managers or Officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in the Member's capacity as a Member of the Board of Managers or Officer of the Condominium, provided that this provision does not eliminate or limit the liability of a Member of the Board of Managers or Officer of the Condominium if a judgment or other final adjudication adverse to the Member establishes (a) that the Member's or Officer's acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that the Member or Officer personally gained in fact a financial profit or other advantage to which the Member was not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board of Managers or Officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that the Member, the Officer, the Member's or Officer's testator, was a Member of the Board of Managers, Officer of the Condominium or officer of the joint venture, trust, employee benefit plan or other enterprise in any capacity; provided that no indemnification may be made to or on behalf of any Member of the Board of Managers or Officer of the Condominium if a judgment establishes that the Member's or Officer's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that the Member or Officer personally gained in fact a financial profit or the advantage to which the Member or Officer was not legally entitled.

The Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers and Officers of the Condominium against all contractual liability to others arising out of contracts made by the Board of Managers or Officers of the Condominium on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of the By-Laws. It is intended that the Members of the Board of Managers and Officers of the Condominium shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the Board of Managers or Officer of the Condominium, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers, or Officer of the Condominium or out of the aforesaid indemnity in favor of the Member of the Board of Managers or Officer of the Condominium shall be limited to such proportion of the total liability thereunder as the Unit Owner's Percentage of Common Interest in the Common Elements bears to the Percentage of Common Interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers, a managing agent, by a Member of the Board of Managers or Officer of the Condominium on behalf

of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the Member, or Officer of the Condominium as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners).

Each Unit Owner's liability pursuant to this Section shall be limited to such proportion of the total liability there under as the Unit Owner's Percentage of Common Interest in the Common Elements bears to the Percentage of Common Interest of all Unit Owners in the Common Elements.

Officers

The Officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one or more Assistant Secretaries and Assistant Treasurers and such other Officers as in their judgment may be necessary. All Officers must be Unit Owners or Members of the Board of Managers except any Assistant Secretaries or Assistant Treasurers. In addition, the President must be both a Unit Owner and a Member of the Board of Managers. Two (2) or more offices may be held by the same person, except the President, who can only hold the office of President.

The President shall be the Chief Executive Officer of the Condominium, shall preside at all meetings, shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect.

The Vice President shall take the place of the President and perform the duties of the President whenever the President is unable to do so.

The Secretary shall record all votes and the minutes of all proceedings in a book.

The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Repairs, Alterations and Improvements to Common Elements

All maintenance, painting, repairs and replacement to the General Common Elements including but not limited to exterior walls, roof and roof members of the Building, as well as painting, repair and/or maintenance of the exterior surfaces, roof, windows and doors which open from the Building, as well as all maintenance, repairs

and replacements of foyers and stairways of the Building, and of any pipes, wires, conduits and utility lines, or any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and utility lines as are located in the General Common Elements shall be the responsibility of the Board of Managers and the cost thereof shall be a Common Expense except if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid for by the applicable Unit Owner.

All maintenance and repair to the interior portion of the Units, other than to any General Common Elements, contained therein, are the responsibility of the respective Unit Owners at their sole expense. All maintenance and repairs to the interior portion of the window area and doors which open from a Unit are the responsibility of the Unit Owner who owns the applicable Unit. All maintenance, repair and any replacement to the external portion of the window area, the actual window and external portion of the doors (including painting if necessary) which open from a Unit will be the responsibility of the Condominium and the cost thereof shall be a Common Expense of the Condominium and paid for by all Unit Owners as provided in Article VI of the By-Laws. Notwithstanding the above, should the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from a Unit be caused as a direct result of the negligence or act of a Unit Owner, occupant, tenant (if rentals are permitted), guest or any other person residing, visiting or doing work in the Unit, the Condominium will repair or replace the external portion of the window, the window or the external portion of the doors which open from a Unit and the cost of such repair or replacement shall be charged to the Unit Owner as an additional Common Charge or Special Assessment.

All structural repairs and replacements to any balcony and/or terrace area that is an Individual Unit's Limited Common Element will be the responsibility of the Condominium and a Common Expense of the Condominium. All general maintenance and repairs of a balcony and/or terrace that is an Individual Unit's Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, (including the repair of leaks, the replacement of pavers and the repair or replacement of the surface of the balcony and/or terrace), shall be the responsibility of the Unit Owner whose balcony or terrace is appurtenant to their Unit and is an Individual Unit's Limited Common Element of their Unit. The Board of Managers shall have the right to designate or approve a contractor or contractors to do any work to the balcony and/or terrace that is the Unit Owner's responsibility at the Unit Owner's sole cost.

All structural repairs of the Storage Spaces shall be the responsibility of the Condominium and a General Expense of the Condominium. All general maintenance and repairs of the Storage Spaces shall be the responsibility of the Residential Unit Owner to which the Storage Space is assigned as an Individual Residential Unit's Limited Common Element.

Storage Spaces are to be used for storage of general household items. The Residential Unit Owners will not be permitted to store any combustible material or other

items in a Storage Space that may be illegal or cause the Condominium insurance to be increased or is not in compliance with the building code of the City of New York.

Balconies and/or terraces are not permitted to be used for storage, not permitted to be enclosed and are not permitted to be used for any type of occupancy including but not limited to dining, sleeping, living room, recreation, office or similar use. No boxes, hanging structures or items or antennas may be placed on the balconies, which are limited to outdoor furniture only. Drains located on a balcony or terrace must always be kept open to prevent flooding. Unit Owners will not be permitted to store any combustible material or other items in or on a balcony and/or terrace. Neither the Condominium nor any Unit Owner will be permitted to enclose or make any structural changes to a balcony and/or terrace except as required for repair or replacement.

All repairs, maintenance and any replacement and all costs associated therewith of any hot water tank, gas boiler, air conditioning compressor and/or condenser, air handler or any other heating, cooling or other mechanical system servicing an individual Unit that is located in the Unit or is an Individual Unit's Limited Common Element located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Unit exclusively shall be the responsibility of the applicable Unit Owner for such equipment, services, etc.

All repairs and replacement of windows, and any snow removal from the General Common Elements shall be contracted for by the Board of Managers and the cost thereof shall be a Common Expense of the Condominium payable by all Unit Owners based on their percentage of Common Interest except that the cost of any maintenance or repairs necessitated due to the negligence, misuse or neglect of a Unit Owner or prior alteration of a Unit shall be assessed to and paid by the applicable Unit Owner.

The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements and the cost thereof shall be a Common Expense payable by all the Unit Owners as provided in Article III of the By-Laws. Notwithstanding, the cost of any maintenance or repairs necessitated due to the negligence, misuse or neglect by a Unit Owner, occupant, tenant (if rentals are permitted), guest or any other person residing in, visiting or doing work in a Unit, or caused by any prior alteration of a Unit, shall be assessed to and paid by the applicable Unit Owner.

All snow removal and cleaning of any sidewalks and entranceways that abut the Condominium that is not the responsibility of the City of New York shall be the responsibility of the Condominium and a Common Expense of all the Units in the Condominium.

The Board of Managers and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or any other Common Element, no matter how classified, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with

any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of Managers, to the doors, windows, or the exterior surface of the Building or to any generally visible portion of the General Common Elements or Individual Unit's Limited Common Elements shall be carried out in such a manner as to conform to the materials, style and color initially provided by the Sponsor, unless varied by the Board of Managers.

All repairs, replacement, modification or maintenance of a lot line window shall be the responsibility of the Unit Owner if part of a Unit or Individual Unit's Limited Common Elements or the responsibility of the Condominium's if part of the General Common Elements. The Condominium shall approve all work and shall have the right to designate or approve the contractor doing the work.

In the event that a Unit Owner fails to maintain, repair or replace its Unit or any Individual Unit's Limited Common Element for the Unit Owner's exclusive use, which maintenance, repair or replacement is necessary to protect any of the General Common Elements, or any other portions of the Building or any other Unit or other Individual Unit's Limited Common Element, the Board of Managers shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) of the Unit or Limited Common Elements for a Unit's exclusive use and to charge said Unit Owner for the cost of all such repairs and/or maintenance and/or replacement. In the event that the Board of Managers charges a Unit Owner for repairs, maintenance and/or replacement to their Unit or for repairs to any Common Elements restricted in use to such Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

The Board of Managers shall have the right to designate or approve a contractor to do any such work required by a Unit Owner at the Unit Owner's sole expense.

Restoration or Reconstruction After Fire or Other Casualty

In the event of damage to or destruction of the Building as a result of fire or other casualty (unless seventy-five [75%] percent or more of the Units are destroyed or substantially damaged and seventy-five [75%] percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers

shall arrange for the prompt repair and restoration of the Building (including any damaged Unit, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to the respective Percentage of Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his or her Unit, in the order of the priority of such liens.

Insurance

The Board of Managers shall be required to obtain and maintain, to the extent obtainable from generally acceptable insurance carriers, the following insurance: blanket property insurance, liability insurance as provided below, flood insurance (if applicable), fidelity bond coverage and worker's compensation, insuring all of the Common Elements, no matter how classified and the Units in the Building of the Condominium (except land, foundations, excavation and other items normally excluded from coverage) including fixtures, to the extent they are part of the Common Elements of the Condominium, building service equipment and supplies and other common personal property belonging to the Condominium. In addition, any fixtures, equipment or other property within the Units which are to be financed by a mortgage (regardless of whether or not such property is part of the Common Elements, but not including wall, ceiling or floor decoration, furniture, furnishings or other personal property supplied or installed by the Unit Owners, contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building, exclusive of land, foundation, excavation and other items normally excluded from coverage. Each of such policies shall be in favor of the Condominium, and shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, there under shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee as defined below, hereinafter set forth; and such other insurance as the Board of

Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee, and that the net proceeds thereof, if $40,000 or less, shall be payable to the Board of Managers, and if more than $40,000 shall be payable to the Insurance Trustee. Each Unit Owner and each Unit Owner's mortgagee, if any, shall be beneficiaries of the policy in the Percentage of Common Interest applicable to said Unit.

The blanket property insurance as provided above will commence with the Closing of Title to the first Unit.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of a Unit. Duplicate originals of all policies of physical damage insurance and of all renewals thereof together with proof of payment of premiums, shall be delivered to all mortgagees of a Unit at least ten (10) days prior to expiration of the current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all the Common Elements appurtenant thereto to determine the amount of fire insurance to be affected pursuant to this Section.

All policies must also provide for the following: recognition of any, Insurance Trust Agreement; a waiver of the right of subrogation against Unit Owners individually; that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Unit Owners collectively; and that the policy is primary in the event the Unit Owner has other insurance covering the same loss. All policies shall include the standard form of a "Special Condominium Endorsement" or its equivalent. All policies shall include an "Agreed Amount Endorsement" and, if available, an "Inflation Guard Endorsement".

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering the Common Elements, each Member and Officer of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall be a minimum of $1,000,000 covering all claims for bodily injury, deaths and property damage arising out of one occurrence in connection with the operation, maintenance or use of the Common Elements, and legal liability arising out of lawsuits related to employment contracts of the Condominium. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Condominium and to each holder of a first mortgage on any Unit in the Condominium which is listed as a scheduled holder of a first mortgage in the insurance policy. Such coverage may also include protection against such other risks as are customarily covered with respect to

condominiums similar in construction, location and use, including, but not limited to, host liquor liability, employer's liability insurance, contractual and all-written contract insurance, and comprehensive automobile liability insurance. Such public liability insurance shall commence on the closing of title to the first Unit.

In addition to the above, blanket fidelity bonds shall be required to be maintained by the Condominium for all officers, directors and employees of the Condominium and all other persons handling or responsible for, funds of or administered by the Condominium. In the event a management agent has the responsibility for handling or administering funds of the Condominium, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Condominium. Such fidelity bonds shall name the Condominium as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Condominium or the management agent, as the case may be, at any given time during the term of each bond. In no event may the aggregate amount of such bonds be less than a sum equal to *3* months aggregate assessments on all Units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Condominium as a Common Expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Condominium or Insurance Trustee. Such bonds shall also provide that, if applicable, the Federal National Mortgage Association, ("Fannie Mae") Servicers on behalf of Fannie Mae, also receive such notice of cancellation or modification.

Unit Owner Insurance

Each Unit Owner is required to carry insurance covering their contents, fixtures, personal property and improvements and betterments (collectively "Contents") and liability insurance covering their Units and extended to include the Board of Managers, the Condominium, any Managing Agent and other Homeowners as additional insured's. Such insurance is subject to the approval of the Board of Managers in advance of the purchase of a Unit, in the Board of Manager's sole discretion. The policy shall be extended to include any additional insured including but not limited to the Sponsor, other Unit Owners and any Mortgagees. All such insurance must be provided by a carrier that is recognized as a licensed admitted carrier in the State of New York with a rating equal to a Best Rating Guide of AV or better. The Board of Managers reserves the right to alter or increase the coverage required hereunder at any time and from time to time. In addition to the foregoing, Unit Owners are instructed to carry coverage for loss of rents, water damage, sewer and drain back up and such other coverage for their contents as they may determine to be in their best interests. The Board of Managers shall have the right to require that a Unit Owner provide evidence to the Board of Managers of the insurance required herein as requested by the Board of Managers.

Reports to Unit Owners

All Unit Owners will receive within four (4) months of the end of each fiscal year, copies of an annual report of the Condominium including a balance sheet and profit and loss statement prepared by an independent public accountant, a statement regarding any taxable income attributable to the Unit Owners, and a notice of the holding of the annual Unit Owners meeting. During such time as the Sponsor retains a majority of the Board of Managers, the Board of Managers shall provide a certified annual statement at the cost of the Condominium.

As and to the extent required by Section 727 of New York's Business Corporation Law, at least once per year (i) every member of the Board shall be required to review Section 713 of the Business Corporation Law, concerning interested managers/directors; and (ii) the Board shall submit an annual report to the Unit Owners, which shall be signed by each member of the Board, containing information on any contracts made, entered into, or otherwise voted on by the Board, where one or more of the members of the Board was an interested manager/director pursuant to Section 713 of the Business Corporation Law. Such annual report shall, at a minimum, include: (1) a list of all contracts voted on by the Board, including information on the contract recipient, contract amount, and the purpose of entering into the contract; (2) the record of each meeting including Board member attendance, voting records for contracts, and how each member of the Board voted on such contracts; and (3) the date of each vote on each contract, and the date the contract would be and remain valid. In the event that, during the applicable period, no contract was made, entered into, or otherwise voted on by the Board, where one or more of the members of the Board was an interested manager/director pursuant to Section 713 of the Business Corporation Law, the Board shall instead submit to the Unit Owners a document, signed by each member of the Board, indicating: "No actions taken by the Board were subject to the annual report required pursuant to Section 727 of the Business Corporation Law".

Amendments

The provisions of the Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number held at a duly-called meeting of the Unit Owners, provided however, that:

(i) No amendment altering a Unit Owner's Percentage of Common Interest shall be made without the written consent of all Unit Owners affected.

(ii) No amendment shall be passed which shall affect, impair or prejudice the validity, interest, rights and priorities of mortgagees.

(iii) No amendment, modification, addition or deletion of, to or from the Declaration shall be effective in any way against Sponsor or its designee, assignee or successor or any Unsold Unit, as long as the Sponsor, its designee, assignee or successor owns an Unsold Unit in the Condominium unless Sponsor, its designee, assignee or successor has given its prior written consent thereto. This provision is not subject to amendment.

(iv) Notwithstanding any provision contained herein to the contrary, an Amendment to the Declaration which solely affects the Residential Unit(s) may only be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of only the Residential Unit Owners.

(v) No amendment to the Declaration which shall affect the General Residential Units' Limited Common Elements may be adopted without the written consent of at least sixty-six and two-thirds (66⅔%) percent in number of the Residential Unit Owners.

(vi) As long as the Sponsor, its successor, assignee or designee retains at least one (1) Commercial Unit, no amendment to the Declaration which solely affects the Commercial Unit(s) may be adopted without the written consent of Sponsor, its successor, assignee or designee. Thereafter no amendment to the Declaration which solely affects a Commercial Unit may be adopted without the written consent of at least sixty six and two thirds (66⅔%) percent in number of the then Commercial Unit Owner(s).

(vii) The Board of Managers and the Sponsor, as long as the Sponsor owns an Unsold Unit in the Condominium, shall have the right to amend the Declaration without the vote or consent of the Unit Owners or the holders of any Unit mortgages and to execute and record in the New York City Registrar's Office such amendment as may be required to reflect (i) changes in the Declaration (including Schedule B), As-Built Floor Plans and Condominium or Unit Designation Map that are corrective in nature or (ii) to resolve or clarify any inconsistency or which is patently a mistake or a scrivener's error, or (iii) technical corrections, or (iv) to comply with any federal, state or city law or regulation that may affect the Condominium. In connection therewith, each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest to the Board of Managers of the Condominium and to the Sponsor to amend the Declaration of Condominium for said purposes.

(viii) A Purchaser or Unit Owner who purchases or owns two (2) adjoining Units and is desirous of consolidating the two (2) Units into one (1) Unit may do so subject to obtaining all approvals required by the New York City Department of Buildings, New York City Department of Finance and any other required municipal approvals and obtaining whatever insurance and/or surety is required by the Board of Managers to do whatever work is necessary to consolidate the two (2) Units. The Board of Managers shall be required to cooperate with the Purchaser in amending Schedule B to the Declaration to reflect the consolidation and to change the appurtenant Percentage of Common Interest so long as the new Percentage of Common Interest equals the Percentage of Common Interest of the Units that were consolidated and the Board of Managers shall have the right to amend said Schedule B without the vote or approval of the Unit Owners. All approvals, revisions, amendments to Schedule B of the Declaration

and any other requirements including any legal, engineering, architectural or otherwise necessary to consolidate the Units shall be at the Purchaser's or Unit Owner's sole cost and expense.

(ix) In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of Common Elements; responsibility for maintenance and repairs; reallocation of interests in the General Common Elements or Individual Unit's Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI of the By-Laws; imposition of any restrictions on a Unit Owner's right to sell or transfer the Unit Owner's Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the Declaration shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

(x) There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

Amendments to By-Laws

The By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (a) that the notice of the meeting shall contain a full statement of the proposed amendment; (b) that the amendment shall be approved by not less than sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number and Percentage of Common Interest and (c) said amendment shall be set forth in a duly recorded amendment to the Declaration. In addition, the following shall apply to amendments to the By-Laws:

(i) No amendment shall be passed which will affect or impair the validity of the Unit Owners' interest in a Unit.

(ii) No amendment, modification, addition or deletion of, to or from the By-Laws or any Rules and Regulations shall be effective in any way against Sponsor or its designee, assignee or successor or any Unsold Unit, as long as the Sponsor, its designee, assignee or successor owns an Unsold Unit in the Condominium unless Sponsor, its designee, assignee or successor has given its prior written consent thereto. This provision is not subject to amendment.

(iii) Notwithstanding any provision contained herein to the contrary, an Amendment to the By-Laws which solely affects the Residential Unit(s) or the Individual Unit's Limited Common Elements, may only be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of only the Residential Unit Owners.

(iv) No amendment to the By-Laws which shall affect the General Residential Units' Limited Common Elements may be adopted without the written consent of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of the Residential Unit Owners.

(v) As long as the Sponsor, its successor, assignee or designee retains at least one (1) Commercial Unit, no amendment to the Declaration or any provision hereof which solely affects the Commercial Unit(s) may be adopted without the written consent of Sponsor, its successor, assignee or designee. Thereafter no amendment to the Declaration or any provision hereof which solely affects a Commercial Unit may be adopted without the written consent of at least sixty six and two thirds (66⅔%) percent in number of the then Commercial Unit Owner(s).

(vi) The Board of Managers shall have the right to amend the By-Laws without the consent of the Unit Owners to make corrections to the By-Laws that are patent errors, inconsistencies, scrivener's errors and technical errors. In connection therewith, each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Board of Managers to amend the By-Laws for said purposes.

(vii) No amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights and priorities of a mortgagee.

(viii) The Sponsor shall have the right to amend the By-Laws without the consent of the Unit Owners or the Board of Managers to (a) make corrections that are patent errors, inconsistencies, scrivener's errors and technical errors, to conform to other documents, or (b) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the

Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies, or (c) to reduce the Sponsor control period of the Board of Managers, or (d) to comply with any federal, state or local law or regulation that may affect the Condominium. In connection therewith, each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Sponsor, its successors, assigns and purchasers of undeveloped or unsold Units to amend the By-Laws for said purposes.

(x) In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; method of assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of Common Elements; responsibility for maintenance and repairs; reallocation of interests in the General or Individual Unit's Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI of the By-Laws; imposition of any restrictions on a Unit Owner's right to sell or transfer the Unit Owner's Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or in the event condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the By-Laws shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

Units Acquired by the Board of Managers

All Units which are acquired by the Board of Managers, or its designee as a result of foreclosure of a lien for non-payment of Common Charges shall be held by the Board of Managers on behalf of all Unit Owners. The Percentage of Common Interest acquired by the Board of Managers shall remain as designated in Schedule B of the Declaration of Condominium and the Board of Managers shall be responsible for paying all Common Charges appurtenant to said Unit. The Board of Managers shall be entitled to cast all votes that are appurtenant to the Unit at any Unit Owners meeting for all purposes except for the election of Members to the Board of Managers.

Termination of Condominium

The Property shall not be withdrawn from the provisions of Article 9-B of the Real Property Law unless at least eighty percent (80%) of the Unit Owners entitled to vote in number and Percentage of Common Interest and the first mortgagees, if any, of these same Units agree to the withdrawal of this Property from the provisions of such Article. The Sponsor or its nominee will not cast any of its votes for withdrawal unless eighty percent (80%) of Unit Owners other than Sponsor so vote.

Covenant Against Partition of Common Elements

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

XX. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

Sale or Lease of Units

Any Unit may be conveyed subject to local zoning ordinances, by its Unit Owner free of any restrictions except that no Unit Owner shall convey, mortgage, pledge, hypothecate or sell their Unit unless and until all unpaid Common Charges, Special Assessments and any other fees or charges owed the Condominium that have been assessed against the Unit Owner's Unit shall have been paid to the Board of Managers of the Condominium. However, such unpaid Common Charges can be paid out of the proceeds of the sale of a Unit.

The sale or lease of a Unit is not subject to any right of first refusal by the Board of Managers.

Any Unit Owner may convey the Unit Owner's Unit and Percentage of Common Interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners free of any cost to the Board of Managers or the Unit Owners and upon such conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit.

In view of the 421-a (16) requirement that in order to obtain the benefits of the tax abatement Purchasers are required to maintain their Residential Unit as Purchaser's primary residence, subject to the exemptions disclosed in Special Risk 4(f), for at least the first five (5) years of acquisition of the Residential Unit, no rentals will be permitted during said period if the Sponsor obtains the 421-a (16) Tax Abatement and this requirement is not revised or held invalid. In the event the provision is revised or held invalid so as to permit rentals of one (1) or more Residential Units or if the other requirements of the 421-a (16) Tax Abatement are not met and the Building does not obtain the 421-a (16) Tax Abatement, then any Residential Unit may be leased subject to the leasing requirements contained in Section 2 of Article XI of the By-Laws. In such an event, any Residential Unit Owner who wishes to enter into a lease for the Residential

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

The above provisions contained herein shall not apply to the Commercial Unit or to the acquisition or sale of a Unit by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any purchaser from such mortgagees.

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

Whenever the term "Unit" is referred to in this section, it shall include the Unit, the Unit Owners' undivided Percentage of Common Interest in the Common Elements and the Unit Owners' interest in any Units acquired by the Board of Managers.

Any sale or lease (if rentals are permitted) of any Unit in violation of this section shall be voidable at the election of the Board of Managers.

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

(a) A copy of the lease must be provided to the Board of Managers at least thirty (30) days prior to occupancy of a tenant;
(b) the lease must be in writing;
(c) the lease must be for the entire Unit;
(d) the lease must be for a minimum of a one (1) year term. Renewals shall also be for a minimum of a one (1) year term;
(e) the form of the lease and any renewal lease is subject to the review and approval of the Board of Managers and must contain a provision that the tenant agrees to be subject to the Declaration, the By-Laws and Rules and Regulations of the Condominium and agrees to accept the power of attorney of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the Rules and Regulations of the Condominium.
(f) payment of management fee of $225 per lease agreement (including each renewal thereof) to Manhasset Management, LLC for as long as it is the Managing Agent, and thereafter to the Board of Managers.
(g) the use of the premises is subject to the Declaration and the By-Laws of the Condominium and the Rules and Regulations of the entire Condominium;

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

(i) within forty-five (45) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent to the Board of Managers of the Condominium for review;

(j) the Unit cannot be used as a motel or hotel or otherwise for transient rental or such services such as Airbnb;

(k) the lease must contain the Smoking Policy provisions contained in Article VIII, Section 5 of the By-Laws; and

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

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

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

In the event rentals of the Residential Units are permitted, each tenant will be bound by the Declaration, the By-Laws and the other Rules and Regulations of the Condominium and recognizes and accepts the right and the power of the Condominium

to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the other Rules and Regulations of the Condominium.

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

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

A Commercial Unit Owner shall have the right, without the payment of any fees or charges to the Board of Managers, to sell or lease their Commercial Unit without the Board of Managers having any right of first refusal to sell or lease, or to procure a third party to sell or lease, the same, and all sale or rental proceeds shall belong solely to the applicable Commercial Unit Owner.

Real Property Law Section 339-kk

If rentals of the Residential Units are permitted, and for any rental of the Commercial Unit, then, pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York, any non-occupying Unit Owner who rents any Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants shall thereafter be directly payable to the condominium association. The provisions of Section 339-kk of the Real Property Law shall control any dispute pursuant to the applicable provision of the By-Laws. A complete copy of Section 339-kk of the Real Property Law is contained in Part II of the Plan as Schedule N.

Restrictions on Occupancy and Use

There is no restriction upon ownership of a Unit. Occupancy of a Residential Unit Owner, however, may only be for residential purposes in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium and the requirements of the 421-a (16) Tax Abatement requirements.

The Commercial Unit shall be for any use permitted by applicable zoning requirements of the City of New York.

The By-Laws of the Condominium contain the following use restrictions regarding the Units: No immoral, improper, offensive or unlawful use shall be made of the Condominium nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Unit Owners, their families, employees, guests and any permitted pets shall not use or permit the use of the Units and Common Elements in any manner that would be illegal, disturbing or a nuisance to other Unit Owners. No resident shall put any advertisement, poster, or signs, including for-sale signs of any kind in or on a Residential Unit or the Common Elements without the written consent of the Board of Managers

It is prohibited to use any of the Common Elements for storage except as may be provided in the Condominium. No Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Unit. All Unit Owners must maintain their thermostat at a minimum of 60 degrees Fahrenheit to avoid pipes from freezing. Any Unit Owner failing to adhere to this provision shall be responsible for any and all damage to the Condominium or any other Unit as a result thereof. Any improvements beyond the interior walls of a Unit will require the approval of the Board of Managers.

All vendors, contractors, sub-contractors and other personal transporting any equipment, appliances, furniture, plants or other fixtures to a Residential Unit must utilize the elevator at times designated for such purpose by the Board of Managers. All Residential Unit Owners, tenants (if rentals are permitted) or other residents of the Building moving in or out or transporting any equipment, appliances, furniture or plants or other fixtures must utilize the elevator at times designated for such purpose by the Board of Managers. Unit Owners should refer to Article VIII of the By-Laws as to the Rules and Regulations applicable to the Unit Owners.

Restrictions on Pets

Unit Owners will be permitted to keep indoor dogs or cats in their Unit subject to the provisions of this regulation. The foregoing notwithstanding, no breed or mix of dog, including American Pit Bulls, Terrier or Rottweiler, deemed to be dangerous to the safety of the residents of the Condominium shall be permitted to be kept or harbored in the Condominium or any Unit. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium and unless the dog is a qualified service dog under the American Disabilities Act required for a qualified resident, tenant (if rentals are permitted) and/or guest. No animals may be kept or maintained in a Residential Unit for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance, or noise shall be permanently removed from the Property upon fifteen (15) days written notice from the Board of Managers. All Unit Owners shall advise the Board of Managers of any household pet intended to be kept in their Unit prior to the household pet residing therein. In addition to the above restrictions, the Board of Managers shall have the right to further adopt additional rules and regulations regarding pets including, but not limited to limiting the number, size and type of pet including but not limited to the type of breed of such pet permitted to be kept in a Unit. In no event shall any animal be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash and in compliance with the local and municipal

rules and regulations regarding pets. All Unit Owners shall be responsible for picking up and disposing of their pet's waste and for any damage caused by their pets to any Common Elements of the Condominium.

Smoking Policy

1. The Smoke-Free Air Act of New York City prohibits Smoking and using E-cigarettes of any kind in indoor common areas, including but not limited to, lobbies, hallways, stairwells, mailrooms, fitness areas in any building with three or more residential units. NYC Admin. Code, § 17-505. Effective as of August 28, 2018, Local Law 147 of the City of New York became effective. Local Law 147 amends the Administrative Code of the City of New York to require that all class A multiple dwellings (i.e. buildings with 3 or more residential dwelling units) adopt a written smoking policy (the "Smoking Policy"). In compliance with Local Law 147 the following is the smoking policy that will apply to this Condominium:

(a) Definitions:

(i) Smoking: Inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designated for people to use to inhale smoke.

(ii) Electronic Cigarette (E-cigarette): A battery-operated device that heats a liquid, gel, herb or other substance and produces a vapor for people to inhale.

(b) Policy:

(i) All types of Smoking and use of Electronic Cigarettes as defined above are prohibited from all Common Elements and common areas of the Condominium, including but not limited to any lobby, hallway, stairwell, mailroom, fitness room or other recreational facility, meeting room, storage area, mechanical room, equipment room, cellar, basement, elevator, rooftop, play areas, shared balconies, shared courtyards, shared patios, shared porches, shared yards and/or any outdoor common area within 15 feet of entrances, exits, windows, and air intake units on property grounds.

(ii) All types of Smoking and Electronic Cigarette use are prohibited from any patio, balcony and/or terrace or any space designated as an Individual Residential Unit's Limited Common Element appurtenant to the Residential Unit.

(iii) All legal Smoking and Electronic Cigarette use is permitted within the interior area of a Residential Unit.

(iv) The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, customers, patients, clients, licensees, employees and all persons that may be in or on any portion of the Condominium.

(v) Any Unit Owner who leases their Unit (if permitted) shall incorporate the provisions of the Smoking Policy into the lease with the Unit Owner's tenant.

(c) Complaints:

Complaints about smoke drifting into a Unit or common area should be made promptly to the Managing Agent, if applicable, or Board of Managers. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location where smoke was observed, building address, description of incident and apparent source of smoke.

The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, customers, patients, clients, licensees, employees and all persons that may be in or on any portion of the Property and any Building located thereon constituting the Condominium. Pursuant to the requirements of Local Law 147 all tenants in the Building are required to receive a copy of the Building's Smoking Policy and the Smoking Policy must be incorporated into all leases or interim leases. The provisions of Local Law 147 of the City of New York shall take precedent in the event of any conflict with the Smoking Policy contained herein. The Smoking Policy is contained in Article VIII (the "Rules and Regulations"), Section 5 of the By-Laws. Purchasers should also refer to Section XX of the Offering Plan.

Mortgage of Units by Unit Owners

A Unit Owner may mortgage the Unit Owner's Unit at any time after the Unit Owner acquires title to the Unit in whatever amount and under whatever terms the Unit Owner can obtain provided the Unit Owner first notifies the Board of Managers. Any Unit Owner may, upon the resale of their Unit, grant a purchase money mortgage to a purchaser of their Unit. A Unit Owner may mortgage their Unit only if all arrears for Common Charges, if any, are provided for at the closing of the mortgage.

Common Charges Assessment and Collection

The Board of Managers shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the budget and supplement to the budget to every Unit Owner. The Board of Managers shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the General Common Elements, Individual Unit's Limited Common Elements that are the obligation of the Condominium and other Common Expenses including but not limited to the Common Expenses provided in

Article VI, Section 3 of the By-Laws, as well as charges to cover any deficits from prior years.

The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the provisions of Section 9 of Article VI of the By-Laws.

Said assessments shall be payable monthly or in such other manner as determined by the Board of Managers and shall be referred to as Common Charges.

The Board of Managers may also charge additional assessments in excess of the Common Charges for expenses not contemplated, foreseen or which exceed the amount budgeted. Said assessments shall be known as Special Assessments. The Board of Managers shall be entitled to charge a Special Assessment as a single sum or over a period of time as it may determine. Unit Owners shall pay their portion of any Special Assessments in accordance with Section 9 of Article VI of the By-Laws.

The Unit Owner agrees to pay promptly when due the monthly Common Charges and all Special Assessments assessed against the Unit. In the event any Unit Owner fails to make payment of the Unit Owner's Common Charge payment, the Unit Owner who owns such Unit shall be obligated to pay (a) a "late fee" of $.15 for each $1.00 of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) all expenses, including, without limitation, attorneys' fees paid or incurred by the Board of Managers or by any Managing Agent in any proceeding brought to collect such unpaid Common Charges and/or Special Assessments or in an action to foreclose the lien on such Unit Owner's Unit arising from said unpaid Common Charges and/or Special Assessments in the manner permitted by applicable law. All such "late fees," interest and expenses shall be cumulative and shall be added to and shall constitute Common Charges payable by such Unit Owner.

In addition, in the event of a default in payment of Common Charges by any Unit Owner, the Board of Managers, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board of Managers shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make the late payment.

The Board of Managers may place a lien and take action to collect any past due Common Charges from any Unit Owner which remains unpaid as provided in Article IX of the By-Laws from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339-aa of the Real Property Law or otherwise.

No Unit Owner shall be liable for any Common Charges, Special Assessments or other charges against a Unit which accrue against the Unit Owner's Unit subsequent to a sale, transfer or other conveyance of the Unit Owner in accordance with the By-Laws and the Declaration. A Unit Owner shall be liable for the payment of all Common

Charges. Special Assessments or other charges assessed by the Board of Managers against the Unit after acquiring title to the Unit, as well as any unpaid Common Charges, Special Assessments or other charges assessed against the Unit by the Board of Managers at the time the Unit is conveyed by means of a deed or other legal means of the conveyance, except for a mortgagee of an Institutional Mortgage who shall be exempt for a portion of the Common Charges as provided below.

Notwithstanding any other provision in the Declaration or the By-Laws any mortgagee of an Institutional Mortgage as defined in the Declaration of Condominium who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid Common Charges accrued before acquisition of the title to the Unit by the mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges and/or Special Assessments, the mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges and/or Special Assessments. The unpaid balance of such Common Charges and/or Special Assessments that may be waived will be charged to all other Unit Owners as a Common Expense. Upon acquisition of title the Institutional Mortgagee shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable.

The estimate of Condominium expenditures in Schedules A and B were made by the Sponsor and passed upon by Schiffer Management Group, with an address of P.O. Box 998, Melville, New York 11747. Although the Sponsor is of the opinion that such estimates are accurate and reasonable, they are not intended and cannot be construed as an assurance of the actual expenses and are merely based upon information available at this time. Actual costs may be lesser or greater than as set forth herein.

It is presently anticipated that the Common Charges are to be used primarily to pay for the expenses detailed in Schedule B of the Offering Plan. The Common Charges and Common Expenses do not include maintenance, repairs or decoration of interior of the Units or portions thereof, payments required pursuant to the terms of Unit Owners' mortgages or real estate taxes covering the individual Units.

The Common Charges which may be collected monthly by the Board of Managers and other costs of maintenance of the Units are set forth on Schedule A. However, additional services which the Unit Owners may desire, or other factors can increase these charges. See Schedule C for estimated utility costs applicable to an individual Unit.

As long as the Sponsor retains control of the Board of Managers, the Board of Managers retains the right to delay the commencement of the collection of Common Charges. During any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders. Upon the commencement of the collection of Common Charges, there will be no assessment of Unit Owners for prior expenses of the budget during the period Sponsor was paying the Common Expenses of the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided

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

Where a Unit is damaged by casualty and the proceeds of insurance are not sufficient to cover the repair of the damage, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Units will be a Common Charge to all Unit Owners. In order to protect the Unit Owner against the possibility of such Common Charges, the Board of Managers determines the amount of blanket casualty insurance covering all Units (the cost of such insurance is part of the Common Charges) and reviews the amount of such coverage annually.

Once title has passed to a Purchaser, the Purchaser will be responsible for all costs, including all Common Charges, in the event the collection of Common Charges has commenced, and all individual expenses associated with the Unit, as well as any costs associated with Individual Unit's Limited Common Elements that are the Unit Owner's responsibility and pertain to the Purchaser's Unit.

Liens for the Non-Payment of Common Charges

Under Section 339-z of the Real Property Law of the State of New York, the Board of Managers shall have a lien against each Unit for its unpaid Common Charges and legal interest thereon prior to all other liens except liens for the payment of taxes and all sums unpaid on a first mortgage of record. The lien shall continue in force even after resale of a Unit except that the Board of Managers shall, in accordance with the Declaration, release the lien and right to collect unpaid Common Charges against any Purchaser of a Unit where such purchase arises out of a foreclosure of a first institutional mortgage when the Board of Managers has been made a party to the foreclosure action.

The Board of Managers may foreclose the lien in the same manner as a mortgage on real property or bring a separate action to collect the unpaid Common Charges and Special Assessments and in doing so shall be entitled to recover all costs incurred including reasonable attorney's fees. The liability of each Unit Owner for the payment of Common Charges and Special Assessments thereafter assessed against the Unit Owner's Unit shall terminate upon a sale, transfer or conveyance of such Unit in accordance with the provisions of the Condominium Declaration and By-Laws. Further, any Unit Owner may convey their Unit to the Board of Managers or its nominee, on behalf of all other Unit Owners, without any compensation and in accordance with the Declaration and By-Laws, and in such event the Unit Owner shall be exempt from any Common Charges and Special Assessments thereafter assessed, but not relieved of their obligation to pay the Unit Owner's mortgage. However, a Unit Owner may not be exempt from liability for the Unit Owner's Common Charges and Special Assessments by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Unit Owner's Unit.

Upon a resale, the Purchaser of a Unit shall be liable for the payment of unpaid Common Charges and Special Assessments assessed against such Unit prior to the acquisition of such Unit by the Purchaser. Notwithstanding any other provision in the Declaration or the By-Laws any mortgagee of an Institutional Mortgage who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid Common Charges accrued before acquisition of the title to the Unit by the mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges the mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges. The unpaid balance of such Common Charges and/or Special Assessments that may be waived will be charged to all other Unit Owners as a Common Expense. Upon acquisition of title the Institutional Mortgagee shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable.

During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges and Special Assessments.

Repairs, Alterations and Improvements to the Units

Except as hereinafter provided, all maintenance, painting, repairs and replacement of the General Common Elements and General Residential Units' Limited Common Elements including but not limited to exterior walls, roof and roof members of the Building, as well as painting, repair and/or maintenance of the exterior surfaces, roof, windows and doors which open from the Building, as well as all maintenance, repairs and replacements of foyers and stairways of the Building, and of any pipes, wires, conduits and utility lines, or any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and utility lines as are located in the General Common Elements or General Residential Units' Limited Common Elements but serve two (2) or more Units shall be contracted for by and be the responsibility of the Board of Managers and the cost thereof shall be a General Common Expense except if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner.

All maintenance and repairs to the interior portion of Units, other than to any Common Elements contained therein, are the responsibility of the respective Unit Owners at their sole expense.

All maintenance (including electrical repairs and plumbing stoppages and repairs in the Residential Units and Commercial Units, cleaning of interior of windows and painting and decorating of the interior of the Residential Units and Commercial Unit), repairs and replacements to the Residential Units and Commercial Unit including doors which open from a Residential Unit and Commercial Unit on which painting is performed by the Board of Managers, and repairs to pipes, wires and conduits located in and servicing an individual Residential Unit or Commercial Unit, other than as set forth above

shall be made by the respective Residential or Commercial Unit Owner at their own expense. This would include but not be limited to all painting and decorating to the interior of the Residential and Commercial Units, individual appliances, individual heating and cooling for the Residential and Commercial Units and the interior side of all entrance doors.

All maintenance and repair to the interior portion of the Units other than to any Common Elements contained therein, are the responsibility of the respective Unit Owners at the sole expense. All maintenance and repairs to the interior portion of the window area and doors which open from a Unit are the responsibility of the Unit Owner. All maintenance, repair and any replacement to the external portion of the window area, the actual window and external portion of the doors which open from a Unit will be the responsibility of the Condominium, unless the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from a Unit are caused as a direct result of the negligence or act of a Unit Owner. In such an event it shall be the Condominium's responsibility to repair or replace the external portion of the window, the window or the external portion of the doors which open from a Unit and the cost of such repair or replacement shall be charged to the Unit Owner as an additional Common Charge.

All structural repairs and replacements to any balcony and/or terrace area that is an Individual Residential Unit's Limited Common Element will be the responsibility of the Condominium and a Common Expense of the Condominium. All general maintenance and repairs of a balcony and/or terrace that is an Individual Unit's Limited Common Element, including cleaning, snow removal and all repairs not structural in nature (including the repair of leaks and the repair or replacement of the surface of the balcony and/or terrace), shall be the responsibility of the Residential Unit Owner whose balcony and/or terrace is appurtenant to their Unit and is an Individual Unit's Limited Common Element of their Unit. The Board of Managers shall have the right to designate or approve a contractor or contractors to do any work to the balcony and/or terrace that is the Unit Owner's responsibility at the Residential Unit Owner's sole cost.

All structural repairs of the Storage Spaces shall be the responsibility of the Condominium and a General Expense of the Condominium. All general maintenance and repairs of the Storage Spaces shall be the responsibility of the Residential Unit Owner to which the Storage Space is assigned as an Individual Residential Unit's Limited Common Element.

Storage Spaces are to be used for storage of general items. The Residential Unit Owners will not be permitted to store any combustible material or other items in a Storage Space that may be illegal or cause the Condominium insurance to be increased or is not in compliance with the building code of the City of New York.

All repairs, maintenance and any replacement and all costs associated therewith of any hot water tank, boiler, heat pumps, fireplaces, air conditioning condenser or any other heating, cooling or other mechanical system servicing an individual Unit that is located in the Unit or is an individual Residential Unit or Commercial Unit Limited Common Element located in or on the Common Elements and/or all apparatus,

installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit a Unit exclusively shall be the responsibility of the Unit Owner for such equipment, services, etc.

The balconies and terraces are not permitted to be used for storage and are not permitted to be enclosed. No boxes, hanging appurtenances or antennas may be placed on the balconies. Only outdoor furniture may be placed on the balconies. All drains located on a balcony or terrace must be kept open at all times.

All repairs and replacement of windows, and any snow removal from the General Common Elements and General Residential Units' Limited Common Elements shall be contracted for by the Board of Managers and the cost thereof shall be a Common Expense of the Condominium payable by all Unit Owner's based on their percentage of Common Interest except that the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of a Unit Owner or prior alteration of a Unit shall be assessed to and paid by the applicable Unit Owner.

The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements and General Residential Units' Limited Common Elements and the cost thereof shall be a Common Expense of the Condominium except that the cost of any damage to the Common Elements and any maintenance or repairs thereto caused by or necessitated due to the negligence, misuse or neglect of a Unit Owner shall be assessed to and paid by the applicable Unit Owner.

All maintenance, repairs and replacements to a Commercial Unit and Commercial Unit's Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, will be made by the respective Commercial Unit Owner at its/their sole expense.

All snow removal and cleaning of any sidewalks and entranceways that abut the Condominium and the Commercial Unit that is not done by the City of New York shall be the responsibility of the Condominium and a Common Expense of all the Units in the Condominium.

The Board of Managers and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or any other Common Element, no matter how classified, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property,

or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of Managers, to the doors, windows, or the exterior surface of the Building or to any generally visible portion of the General Common Elements or General Residential Units' Limited Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor, unless varied by the Board of Managers.

In the event that a Unit Owner fails to maintain, repair or replace its Unit or any Limited Common Element for the Residential or Commercial Unit Owner's exclusive use, which maintenance, repair or replacement is necessary to protect any of the General Common Elements, General Residential Units' Limited Common Elements, any other portions of the Building or any other Unit or other Limited Common Element, the Board of Managers shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Residential or Commercial Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) of the Unit or Individual Limited Common Elements for a Unit's exclusive use and to charge said Residential or Commercial Unit Owner for the cost of all such repairs and/or maintenance and/or replacement. In the event that the Board of Managers charges a Residential or Commercial Unit Owner for repairs, maintenance and/or replacement to their Residential or Commercial Unit or for repairs to any Common Elements restricted in use to such Residential or Commercial Unit Owner, and the Residential Unit or Commercial Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Residential or Commercial Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

All maintenance, repairs and replacements to a Commercial Unit and Commercial Unit's Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, will be made by the respective Commercial Unit Owner at its/their sole expense.

In the event it becomes necessary for the Board of Managers to bring any lawsuit or other proceeding to enforce its right to make such repair or correct such condition or to collect any sum due on account thereof, the Board of Managers shall also be entitled to collect reasonable attorney's fees in connection with such suit or proceeding.

Commercial Unit

As long as the Sponsor, its successor, assignee or designee retains ownership of a Commercial Unit the Sponsor, its successor, assignee or designee shall have the right to make any changes, structural or non-structural to a Commercial Unit without approval of the Board of Managers. In the event the Sponsor sells a Commercial Unit each Commercial Unit Owner shall be permitted to make a structural addition, alteration or improvement (of either a temporary or permanent nature) in or to the Commercial Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. In addition any Commercial Unit Owner other than the

Sponsor, its successor, assignee or designee must notify the Board of Managers at least forty-five (45) days prior to any such structural addition, alteration or improvement and no Commercial Unit Owner shall make any structural addition, alteration or improvement in or to the Commercial Unit or any Limited Common Element for its exclusive use without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its Members and Officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Unit Owner shall pay the charges of such architect or engineer. The respective Commercial Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Commercial Unit or Limited Common Element for its exclusive use shall be completed by the Commercial Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

At the request of a Commercial Unit Owner, the Board will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair of the Commercial Unit or the operation thereof. The respective Commercial Unit Owner shall indemnify and hold the Board and the Unit Owners harmless from any liability resulting therefrom.

The Board of Managers will not have any right to restrict or limit the method of operation, use or appearance of any Commercial Unit which are permitted by law. No rules affecting the operation of a Commercial Unit maybe adopted or modified by the Board of Managers without the written consent of the respective Commercial Unit Owner.

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

Insurance

Purchasers should refer to Section VI of the Offering Plan and the footnotes to the budget for a complete description of the insurance applicable to the Condominium.

THE CONDOMINIUM INSURANCE COVERAGE DOES NOT COVER FIRE AND LIABILITY INSURANCE FOR THE PURCHASER'S PERSONAL EFFECTS AND INTERIOR OF THE UNIT. PURCHASERS ARE ADVISED TO SECURE SUCH COVERAGE.

Access by Board of Managers

The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under the Declaration and By-Laws.

Compliance with terms of the Declaration, By-Laws and Rules and Regulations

Ownership of a Unit in the Condominium subjects the Unit Owner to compliance with the provisions of the Declaration and By-Laws as well as the Rules and Regulations contained in the Declaration or By-Laws or established by the Condominium in accordance therewith. The Rules and Regulations set forth in the Declaration and By-Laws can be found in Part II of the Plan in Schedule J, Article VIII of the By-Laws. The Board of Managers can institute legal actions to enforce compliance with the provisions of the Declaration and By-Laws as well as the Rules and Regulations established therewith.

The provisions of the By-Laws which requires Members of the Board of Managers to be Unit Owners will not apply to the first Board of Managers or any Sponsor designees to the Board of Managers.

Easements

Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all mechanical equipment, pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in other Units and/or an Individual Unit's Limited Common Element and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, sewers and/or drainage lines, wires, conduits and public utility lines servicing such other Units located in such Unit and/or an Individual Unit's Limited Common Elements. The Board of Managers shall have a right of access to each Unit and/or Individual Unit's Limited Common Elements for maintenance, repair or improvements to any mechanical equipment, pipes, sewers and/or drainage lines, wires, conduits and public utility lines and any other equipment or infrastructure located in any Unit and/or Individual Unit's Limited Common Elements and servicing the Building, the Condominium Property and/or any other Unit or causing damage or in imminent danger of causing damage to the Building, the Condominium Property and/or any other Unit or any

Common Element, no matter how classified. The cost of such maintenance, replacement and/or repairs shall be a Common Expense unless any damage was the result of the negligence of a Unit Owner or tenant (if rentals are permitted), occupant, employee or other person a Unit Owner may be responsible for, in which case the cost of such maintenance, replacement and/or repairs shall be the responsibility of the Unit Owner who is responsible or whose tenant (if rentals are permitted), occupant, employee or other person the Unit Owner is responsible for causing such damage. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair, replacement, inspection and/or improvement whether such Common Elements are restricted or not. All mechanical equipment, pipes, sewers and/or drainage lines and wires, conduits and public utility lines located within each Unit for the exclusive use of a Unit shall be maintained by such Unit Owner at the Unit Owner's sole cost and expense. Any portion of such mechanical equipment, pipes, sewers and/or drainage lines and wires, conduits and public utility lines located in the Common Elements or in an Individual Unit's Limited Common Elements that service two (2) or more Units will be a General Common Element and all maintenance, repairs, improvements and replacement thereto shall be a Common Expense and the responsibility of the Condominium.

The owner(s) of a Commercial Unit and any Units resulting from the subdivision and/or consolidation of a Commercial Unit shall have easements for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical lines and fixtures and equipment on the exterior walls, the roof and through the Common Elements of the Condominium, and in, through under and over any Commercial Unit and any Units resulting from the subdivision or consolidation of the Commercial Unit; (ii) access in and through the Common Elements of the Condominium for all required work to permit the subdivision or consolidation of a Commercial Unit; (iii) through the Common Elements of the Condominium for the use of any Commercial Limited Common Element including any storage area roof equipment and for access to any portion of the Building for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located in or on the Building that service a Commercial Unit including any roof equipment and any storage area, provided, however, that except in the case of an emergency, the right of access for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located in or on the Building that service a Commercial Unit may be exercised only on weekdays between the hours of 8:00 AM to 6:00 PM. A Commercial Unit and any Units resulting from the subdivision or consolidation of a Commercial Unit shall be subject to easements in favor of any other Unit(s) and any Unit resulting from the subdivision or consolidation of a Commercial Unit for the installation, maintenance, repair and replacement of gas, electricity, heating, air-conditioning, ventilating and water and other mechanical lines and fixtures and equipment serving a Commercial Unit and any Units resulting from the subdivision or consolidation of a Commercial Unit. The owner and tenants of a Commercial Unit shall have the right at their sole expense to install separate heating and cooling systems for a Commercial Unit and any Units resulting from the subdivision of a Commercial Unit and an easement is herewith granted in, over, under and through the applicable portions of the entire Building for (i) the installation, maintenance, repair and replacement of the heating and cooling systems and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith if such right is exercised; (ii) for access to any equipment that

services a Commercial Unit and which is located in the Residential Area of the Condominium or the General Residential Units' Limited Common Elements and (iii) to erect, maintain and replace one or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Condominium. During the Sponsor Control Period, and thereafter, no sign may be erected or maintained by the Commercial Unit Owner without the prior written consent of the Sponsor and/or Board of Managers, as applicable. See Section IX of the Offering Plan.

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

Each utility and cable company servicing any mechanical equipment, water pipes, sewer lines, sewer pipes, drainage lines or pipes, gas pipes, electric lines, electric wires, cable lines, cable towers, conduits or any other facility the utility or cable company services in or on the Property of the Condominium, shall have a right of access in, under, over and through the Property of the Condominium (including all Common Elements, no matter how classified and the individual Units) for maintenance, repair, inspections or improvements to any mechanical equipment, water pipes, sewer lines, sewer pipes, drainage lines or pipes, gas pipes, electric lines, electric wires, cable lines, cable towers, conduits or any other facility the utility or cable company services in or on the Property of the Condominium. Access in, under, over and through the Property of the Condominium shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants (if rentals are permitted) or occupants unless access is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the safety of Condominium residents or other persons or required to avoid the suspension of any necessary service to the Condominium.

The Board of Managers shall have the right to grant such additional electric, gas, water, sewer, drainage or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Managers shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not

prevent or unreasonably interfere with the use of any Unit for its permitted purposes unless required by law. Access in, under, over and through the Property of the Condominium shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants (if rentals are permitted) or occupants unless access is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

The Board of Managers shall have an easement in, through, under and over the Units and/or Individual Unit's Limited Common Elements for access, installation, inspection, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical equipment, lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Condominium.

Declarant shall have and each Unit Owner shall be deemed to grant a right of access in, under, over and through the Unit and/or Individual Unit's Limited Common Elements to Declarant or its designee, assignee or successor and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, inspection, replacement, or change being performed or to be performed by or on behalf of Declarant with respect to the Common Elements, no matter how classified, and/or the Units.

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

The Board of Managers will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements and Individual Unit's Limited Common Elements that have been delegated to and are the obligation of the Condominium to repair, maintain and replace, located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain, repair and/or replace any encroachment on any Unit or Common Elements, no matter how designated, resulting from the repair, alteration, rebuilding, restoration and/or replacement of the General Common Elements or General Residential Common Elements, Individual Unit's Limited Common Elements.

Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs, and exterior walls) supporting or serving the Building and any replacement thereof and additions thereto and an easement of necessity, and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements, no matter how designated.

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

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

Each Unit Owner will have a right and easement to use its Unit and the Individual Unit's Limited Common Elements, subject to and in accordance with the terms and conditions of the Declaration and By-Laws.

All Unit Owners, residents, guests, tenants (if rentals are permitted) and anyone else needing access to a Unit shall have an easement of ingress and egress, in, through and over the Property of the Condominium, including the Common Elements regardless of how classified for access to their Unit.

The Board of Managers on behalf of the Condominium will have an easement and unlimited access to all Units and to any Individual Unit's Limited Common Elements for the purpose of making inspections, maintenance, repairs or rebuilding of the Condominium.

All emergency vehicles and personnel, including, but not limited to, police, fire and medical vehicles and personnel shall be granted an easement of ingress and egress over, upon and through all areas of the Property. This provision may not be amended by the Unit Owners in the Condominium.

Allocation of Common Interest

The Percentage of Common Interest of the Condominium establishes the Unit Owners percentage of ownership in the Common Elements of the Condominium and percentage of liability for the payment of Common Charges subject to the rights under Section 339-m of the Real Property Law of the State of New York as described in Special Risk No. 33. Each Unit Owner has the Percentage of Common Interest in the Condominium set forth on Schedule A. Such allocation has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium the uniqueness of the Residential Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Residential Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to the provisions of Section 339-i(1)(iv) of the Real Property Law of the State of New York.

The Percentage of Common Interest in the Common Elements shall not be changed except with the written consent of all Unit Owners affected expressed in a duly recorded amendment to the Declaration. However, based upon final specifications, construction conditions and/or "as-built" Plans for the Building reflecting relative

measurements, areas and uses of portions of the Building, application of such method of allocation of the Percentage of Common Interest may justify a minor increase or decrease in the aggregate Percentage of Common Interest appurtenant to Units. In such event, the Percentage Interest of Common Interest appurtenant to each individual Unit would be adjusted pro rata. Sponsor expressly reserves the right, from time to time, prior to the first Closing, to effect such a change in the Percentage of Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Percentage of Common Interest of any Unit be increased or decreased as a result of any of the foregoing a material amount.

Copies of both the Declaration and By-Laws are contained in Part II of the Offering Plan.

XXI. REAL ESTATE TAXES

In accordance with the New York State Condominium Act, real estate taxes applicable to each Unit will be separately assessed. The estimated monthly costs and charges to be incurred by the owner of each Unit in the first year in which the property will be fully subject to real estate taxes together with estimated Common Charges on each Unit and other carrying costs are set forth on Schedule A.

Real estate tax estimates are based upon information received from Sponsor's Tax Consultant, Metropolitan Realty Exemptions, 381 South 5th Street, Brooklyn, New York 11211 (hereinafter the "Tax Consultant"). A copy of the Tax Consultant's Opinion Letter is set forth in Section XXIII.

The Board of Managers will apply for a partial tax abatement for real estate tax benefits under Section 421-a (16) of the Real Estate Tax Law of the State of New York ("421-a (16) Tax Abatement") from the Department of Housing Preservation and Development of the City of New York ("HPD") for the Residential Units. Pursuant to the requirements regarding the 421-a (16) Tax Abatement, no Application to HPD is permitted for the 421-a (16) Tax Abatement until such time as a Temporary or Permanent Certificate of Occupancy is issued by the Building Department of the City of New York for the Building and must be filed within one (1) year thereafter. In addition, no Application shall be filed before (1) the first assessment following the Completion Date, and (2) there are executed and recorded Deeds for each Residential Unit. The time frame HPD will take to review and issue a determination as to whether or not the Application will be granted once the Application is submitted by the Board cannot be estimated. In the event the Building obtains the 421-a (16) Tax Abatement, the partial tax exemption is expected to commence after HPD grants the 421-a (16) Tax Abatement Certificate of Eligibility ("Certificate of Eligibility"). The Board will use its best efforts to obtain the Section 421-a (16) Tax Abatement and Certificate of Eligibility and will file all necessary papers to secure final approval. Although Sponsor anticipates obtaining the Section 421-a (16) Tax Abatement benefit, the Sponsor makes no guarantee that the Section 421-a (16) Tax Abatement will be granted or if granted when the Certificate of Eligibility will be incurred or when the 421-a (16) Tax Abatement will commence. As a result, Purchasers may be required to pay real estate taxes without the 421-a (16) Tax Abatement. Schedule A of the Offering Plan reflects the estimated real estate taxes for each Residential Unit both with and without the Section 421-a (16) Tax Abatement. If

approved the 421-a (16) Tax Abatement may not be reflected on a Residential Unit Owner's tax bill for a period of time from the date of approval. No guarantee or warranty is made that the actual assessed valuation or the assessed valuation for the Property with the 421-a (16) Tax Abatement benefits will be as projected herein, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation, or that real estate taxes will be allocated among Residential Units as reflected in Schedule A.

In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their Purchase Agreement, in the event the amount of any such Tax Abatement under either 421-a (16) or ICAP and the resulting taxes differ from those projected or if abatement benefits are not granted.

Purchasers should note that if approved the Department of Finance of the City of New York may make any 421-a (16) Tax Abatement benefits retroactive and a Residential Unit Owner may therefore be entitled to either a reimbursement for the amount overpaid or a credit against future real estate taxes. Sponsor makes no representation that this policy will be applicable to this Condominium.

The 421-a (16) Tax Abatement will consist of a benefit period of twenty (20) years. There will be an assessed valuation cap (AV Cap) for some of the Condominium Residential Units. This means that only a portion of a Residential Unit's billable exempt assessed value is eligible for the tax exemption. The value of a Residential Unit above this threshold ("AV Cap") is ineligible to receive benefits. The AV Cap is 65,000.

Without a 421-a (16) Tax Abatement, the assessed valuation for the first year of Condominium ownership for the Residential Units is estimated to be approximately $575,990 and the total real estate taxes for the Residential Units are estimated to be $70,657.

With a 421-a (16) Tax Abatement, the assessed valuation for the first year of Condominium ownership for the Residential Units is estimated to be approximately $34,394 and the total real estate taxes are estimated to be $4,219.

Schedule A includes the estimated real estate taxes for each Residential Unit both with and without the 421-a (16) Tax Abatement. **There is no guaranty that a 421-a tax abatement benefit will be available during the first year of Condominium operation inasmuch as the Application may only be filed by the Board after all of the Deeds to the Residential Units are fully executed and recorded.** See Sponsor's Tax Consultant's Opinion Letter at Section XXIII of the Offering Plan.

The Section 421-a (16) Tax Abatement program provides that while the taxes on the Property may not be less than those assessed in prior years, real estate taxes on newly constructed buildings are exempted 100% of the applicable portion subject to the AV Cap for the first fourteen (14) years of the 421-a (16) Tax Abatement and for years 15 through 20 on an increased amount based on the formula provided below. At the end of the twenty (20) year period, the Residential Units will be subject to full real estate taxes in accordance with the rates and assessed valuation of the Residential Units then if effect in the City of New York.

The effect of Section 421-a (16) Tax Abatement program can be illustrated by the following example. Based on an overall assessed valuation of the Building upon completion of approximately $1,096,792 (it is anticipated that the first tax year during which full valuation will be reflected will be tax years 2022/23), as per the opinion of the Tax Consultant, the real estate taxes payable on the Building for tax year 2022/23 without the benefit of the tax abatement program, would amount to approximately $132,231 based upon a tax rate of $12.267 per $100 of assessed valuation for the Class 2 properties and $10.694 per $100 of assessed valuation for the Class 4 properties. Under the 421-a (16) Tax Abatement the taxes attributable to the Residential Units would amount to approximately $9,697 during each of the first fourteen (14) years of the program, when one hundred (100%) percent abatement of the applicable portion subject to the AV Cap was available and based upon the aforementioned tax rates remaining constant. During years 15 through 20 of the 421-a (16) Tax Abatement, the estimated taxes for the Residential Units would be based on the fully assessed valuation without any abatement less the base year assessed valuation multiplied by 25% which equals the benefit amount. The benefit amount is then subtracted from the full assessed valuation and that number is then multiplied by the then tax rate. See Sponsor's Tax Consultant's Opinion Letter at Section XXIII of the Offering Plan.

Prospective Purchasers are cautioned that the foregoing example is offered solely to illustrate how the Section 421-a (16) Tax Abatement program functions. The above example assumes the equalization assessment and tax rate will be constant during said period. In the event the equalization assessment and tax rate increases, during said period the taxes will increase accordingly.

The Board will keep all records required by HPD and will make them available to HPD whenever requested to do so. Purchasers should note that HPD routinely conducts audits, the result of which can be either the reduction or revocation of benefits if proper documentation is not provided. Upon Closing, Sponsor will make any tax benefit documents available to the Board of Managers for inspection and copying and for the life of the benefits. The Board will be required to file all applications and timely comply with all procedures required to properly process and maintain the tax benefits. Purchasers should further note the following regarding the 421-a (16) Tax Abatement:

(a) The Building is not located within the statute's geographic exclusion area.
(b) If eligible the Building will receive a 20-year partial tax exemption under Section 421-a (16) of the New York State Real Property Law.
(c) The Building is not required to provide affordable Residential Units because of its Condominium status.
(d) Building service employees do not need to be paid a prevailing wage as a result of the fact the Building contains less than 30 Residential Units.
(e) Upon the first assessment following completion, the building must have an average assessed value not exceeding $65,000 per unit, upon the first assessment following the Completion Date (the "Post-Completion Assessment Cap Requirement"). Based on the estimates of Sponsor's Tax Consultant (the "Tax Consultant") the average assessed value is expected to be approximately $63,321 and will not exceed $65,000. As a result, it is their opinion that the Condominium should qualify for 421-a (16) Tax

Abatement if the Condominium meets all the other requirements of the 421-a (16) Tax Abatement program. However, should the Department of Finance issue the assessed value which is 2.65% or higher than estimated, the Building will not qualify for long-term tax benefits under 421-a(16). Neither the Sponsor, the Tax Consultant nor Sponsor's counsel can guarantee the average assessment in view of the fact the Condominium will be assessed by the NYC Department of Finance, Assessor's Residential Unit upon completion. **IF THE CONDOMINIUM UNITS ARE ASSESSED IN EXCESS OF AN AVERAGE OF $65,000, THE CONDOMINIUM WILL NOT QUALIFY FOR 421-A (16) TAX ABATEMENT AND EACH RESIDENTIAL UNIT OWNER WOULD BE OBLIGATED TO PAY THE FULL NON-EXEMPTED TAXES.** The 421-a AV Cap is a limit on the amount of real estate tax savings a Residential Unit can receive if 421-a benefits are received. The AV Cap is set at $65,000 of the assessed valuation of a Residential Unit. If a Residential Unit's assessment is higher than $65,000 in assessed valuation, the excess assessed valuation is fully taxed and does not get exempted. This excess amount would have to be paid by the Residential Unit Owner in addition to the real estate taxes subject to the exemption. As per the Tax Consultant's Opinion, it is anticipated that Units 202, 203, 302, 303, 402, 403, 502, 503, 602, and 603 will be assessed post-completion at a value exceeding $65,000; thus the tax abatement for said Units will be capped at an assessed value of $65,000 per the 421-a regulations. The AV Cap should not be confused with the Post-Completion Assessment Cap Requirement as discussed in the Tax Consultant's Opinion Letter. A copy of Tax Consultant's Opinion Letter is contained in Section XXIII of the Offering Plan. Purchasers should refer to Schedule A which provides an estimate both with and without the 421-a (16) Tax Abatement.

(f) **EACH PURCHASER DURING THE BENEFIT PERIOD MUST AGREE IN WRITING TO MAINTAIN THE RESIDENTIAL UNIT AS PURCHASER'S PRIMARY RESIDENCE FOR AT LEAST THE FIRST FIVE (5) YEARS OF ACQUISITION OF A RESIDENTIAL UNIT ('PRIMARY RESIDENCE REQUIREMENT").** Notwithstanding the foregoing, the minimum five (5) year period of occupancy necessary to establish whether such Residential Unit is an owner's primary residence shall not be deemed to be interrupted by any period during which such owner temporarily relocates because he or she: (i) is engaged in military duty; (ii) is enrolled as a full-time student; (iii) is not in residence at the Residential Unit pursuant to a court order not involving any terms or provisions of the occupancy agreement, and not involving any grounds specified in the New York State Real Property Actions and Proceedings Law; (iv) is engaged in employment requiring temporary relocation from such Residential Unit; (v) is hospitalized temporarily for medical treatment; or (vi) has other reasonable grounds that shall be determined by HPD.

(g) The Condominium Building meets the building size requirement ("Building Size Requirement") of Section 421-a (16) of the State Real Property Law that requires a minimum of six (6) units and a maximum of thirty-five (35)

units to be eligible for the 421-a (16) Affordable New York Housing Program.

(h) The estimates are based on the current residential tax rate of 12.267% for a Class 2 property. The estimates will change to the extent that these rates increase.

(i) The estimates do not include (i) added value factors for location premiums or optional extras for which the taxes could increase to the extent of such premiums or extras and (ii) any exemptions other than the basic STAR that might be granted to individual Residential Unit Owners such as enhanced STAR, veterans, senior citizen, etc.

(j) A Restrictive Declaration must be executed and recorded against the Property before the 421-a (16) Tax Abatement Certificate of Eligibility can be approved. Said Restrictive Declaration cannot be recorded until HPD's review and approval is obtained. A copy of the proposed Restrictive Declaration is contained in Schedule O in Part II of the Offering Plan.

(k) No portion of the Condominium shall be operated as a Hotel or single room occupancy during the benefit period.

(l) The Sponsor intends that the Building will be exempt from the statutory obligation to register the Residential Units as rent-stabilized by reason of the fact this will be a condominium.

(m) In the event, prior to consummation of the Offering Plan, the Sponsor rents any Residential Unit (or portion thereof) to any person other than an interim lessee, the Sponsor will be obligated to abandon the Offering Plan.

(n) The 421-a statute states that: '(i) Replacement Ratio. If the land on which an eligible site is located contained any dwelling units three years prior to the commencement date of the first eligible multiple dwelling thereon, then such eligible site shall contain at least one affordable housing unit for each dwelling unit that existed on such date and was thereafter demolished, removed or reconfigured.' Since the Property was formerly operated as a garage with no residential units thereon, three years prior to the commencement date, the replacement ratio is not applicable and thus no affordable housing units must be provided in the eligible multiple dwelling. See the Tax Consultant's Opinion Letter in Section XXIII.

Each Unit will be given a separate block and lot designation.

Since the construction of the project will not yet be completed by January 5, 2021, the assessed value for tax year 2021/22 will not reflect the full increase in valuation. Upon completion of construction, it is anticipated that the first tax year during which full valuation will be reflected will be tax year 2022/23. The taxable assessed value for the project for tax year 2021/22 is anticipated to be around $438,717 and accordingly, taxes for the first year of Condominium operation (prior to the ICAP and 421-a Abatement is estimated to be as follows:

	Assessed Value
50% of year 2021/22	$104,580
50% of year 2022/23	$548,396
Total:	**$652,976**

The ICAP exemption is only applied the July following receipt of the ICAP Certificate and thus the benefits may not be applied during the first year of Condominium operation. There is no guaranty that a 421-a tax abatement benefit will be available during the first year of Condominium operation inasmuch as the Application may only be filed by the Board after all of the Deeds to the Residential Units are fully executed and recorded. See the Tax Consultant's Opinion Letter in Section XXIII.

The estimate of real estate taxes for each Residential Unit for the first year of Condominium operation is based upon the Residential Unit's estimated assessed valuation with the AV Cap requirement and the then tax rate applicable. There is no assurance that the City of New York will allocate taxes between Residential Units in this manner. If they do not, Owners of Residential Units with the same Offering Price will pay different amounts of real estate taxes.

Although in the Sponsor's opinion this method of calculating the real estate taxes applicable to each Residential Unit is reasonable, there can be no assurance that final exemption will be granted or that this method of calculation of real estate taxes applicable to each Residential Unit will be the final method used by the New York City taxing authorities in establishing the real estate tax assessment for each Residential Unit. If for any reason a different method of calculation is used, or a different assessment is placed upon any of the Residential Units by such authorities, or the tax rates change, real estate taxes may increase or decrease, depending upon the final decision of such taxing authorities.

Since the New York State Condominium Act provides that real estate taxes will be separately assessed against each individual Residential Unit Owner, the result of the tax exemption program will be to give each individual Residential Unit Owner the applicable benefit of the tax exemption program.

In the event the Residential Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Residential Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the Residential Units in the Condominium for the six (6) month period following the first Closing. Thereafter, at each Closing during said period, each Purchaser will reimburse the Sponsor for the pro-rata amount paid on behalf of said Residential Unit. Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the unsold Residential Units for such six (6) month period and may collect at each Closing the estimated amount of taxes attributable to such Residential Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable. After the Residential Units are separately assessed, the funder of the escrow account or the Residential Unit Owner will be reimbursed for any overpayment of taxes or assessed for an underpayment.

After the Residential Units are separately assessed Residential Unit Owners will not be responsible for the payment of or subject to any lien arising from the non-payment of real estate taxes on any other Residential Unit.

The Sponsor has applied for a partial tax abatement for real estate tax benefits under Section 489-bbbbbb of the New York Real Property Law for the Commercial Unit. 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.

The ICAP abatement is not available to reduce the real estate tax attributable to the land.

Commercial retail projects receive the exemption outlined above on the increase in assessed value attributable to the improvements made, for a period of 11 years, followed by 4 years of exemption declining 20 percent phase-out per year.

It is important to note that ICAP benefits are implemented only after taxable status date (January 5th of any given year) following completion of construction. Completion of construction is determined upon the issuance of a Final Certificate of Occupancy. The benefits will then be applied for the following tax year which starts on July 1.

Preliminary applications must be filed prior to the receipt of the first building permit. The Final Application must be filed within one year from the building permit issuance date.

There is a 5-year time limit in which to complete construction.

If all the requirements are met, the commercial portion of the building is expected to be eligible for the ICAP benefits pursuant to N.Y. RPT. LAW § 489-bbbbbb. The first year of the abatement shall be the tax year with the first taxable status date that follows the sooner of

(a) Completion of construction; or
(b) Four years from the date the first building permit was issued.

It is estimated that the first year of ICAP abatement will be 2022/23 tax year.

Assuming the tax rate for tax class 4 properties remains at the current level of 10.694% from assessed value, the total pre-abatement building tax in 2022/23 tax year is estimated to be approximately $15,718.

Based on the foregoing, upon completion of the Building, the total property tax in 2022/23 tax year for the commercial portion of the Building is estimated to be approximately $5,187 after the abatement amount of $10,531 is applied.

The estimated Commercial Tax Liability Without ICAP for tax year 2022/23 for the Assessed Value of the Commercial Unit is $146,982 and the estimated Tax Liability for the Commercial Unit is $15,718. The estimated ICAP Abatement Amount is $10,531 and the estimated Total Tax Liability for the Commercial Unit with ICAP is $5,187.

As per the Sponsor's Tax Consultant, we have been informed by the NYC Finance Department that the project is located in the special commercial abatement area. As such, the tax benefits should be granted for 15 years, with certain conditions. For years one through eleven, the abatement shall be the amount of the abatement base, which is estimated to be $10,531. For years twelve through fifteen, the abatement shall decrease by twenty percent each year.

There are no tax certiorari proceedings currently pending for the property. The By-Laws empower the Board of Managers to bring such proceedings on behalf of the Unit Owners.

The Sponsor anticipates that the real estate tax rate will vary in future years rather than remain constant. The estimates of projected real estate taxes in this Offering Plan have been prepared by the Sponsor based upon its Tax Consultant's Opinion Letter, and cannot be construed as an assurance of the final tax costs but are merely estimates based upon information available to the Sponsor at this time. In no event will the Sponsor or Sponsor's Counsel or Sponsor's Tax Consultant or Selling Agent be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their Purchase Agreement, in the event the amount of the taxes differ from those projected. A copy of the Tax Consultant's Opinion Letter is set forth in Section XXIII.

XXII. INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The Sponsor has been advised by its counsel, Certilman Balin Adler & Hyman, LLP that each Residential Unit Owner will be entitled under present law to a deduction for Federal, New York State and New York City income tax purposes for the real estate taxes paid by each Residential Unit Owner covering their Residential Unit and, provided the Residential Unit is used as the Residential Unit Owner's primary residence or one (l) other residence that the Residential Unit Owner selects pursuant to Section 163(h) of the Internal Revenue code of 1986, for the interest paid by the Residential Unit Owner on any mortgage, covering the Residential Unit Owner's Residential Unit. Purchasers should note that pursuant to the Federal Tax Cuts and Jobs Act of 2017 (the "Tax Act"), which went into effect on January 1, 2018, the maximum mortgage in which an individual can deduct the interest on is $750,000. In addition, the Tax Act placed a maximum of $10,000 on the amount an individual can deduct for the combined amount of real estate taxes and State income taxes. Purchasers are advised to seek the advice of their tax consultant to ascertain the income tax ramifications to the Purchaser pursuant to the Tax Act. See the Opinion of Counsel in Section XXIII of the Offering Plan. Similarly, the Sponsor has been advised by counsel that certain Residential Unit Owners who are veterans of the United States Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their respective Residential Units.

Purchasers are advised to seek the advice of their tax consultant to ascertain the income tax ramifications to the Purchaser pursuant to the Tax Cuts and Jobs Act of 2017.

The Sponsor has been advised by its counsel that the Condominium will be taxed on any excess of income over expenses from unrelated sources. Examples of unrelated source income include interest earned on reserve and other invested funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charge.

Sponsor has also been advised that pursuant to Section 528 of the Internal Revenue Code, certain Condominiums, substantially all of whose Residential Units are used for residences, are afforded the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium Properties, which properties, as defined in Section 528 of said Code, include property held by the Condominium, property commonly held by the Residential Unit Owners of the Condominium, or property within the Condominium held by the Residential Unit Owners of the Condominium. This Condominium has been structured so that it will meet the requirements of Section 528 of the Internal Revenue Code and as a result the Condominium will be eligible to be treated as a tax-exempt organization under Section 528 of the Internal Revenue Code. Purchasers should refer to the Opinion of Counsel in Section XXIII of the Offering Plan.

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XXIII. OPINION OF COUNSEL

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PARTNER
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June 2, 2021

The Stuyford Haus
1021 Bedford Avenue
Brooklyn, Kings County, New York 11205

Re: Bedford Ave Condos, LLC

Gentlepeople:

We note that the Offering Plan for the above-captioned Condominium states that it is believed that the monthly payments of interest on any mortgage, up to a maximum mortgage of $750,000, which becomes a lien on a condominium Residential Unit and real estate taxes payable by a Residential Unit Owner, which are assessed against the Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal, New York State and New York City Income Taxes payable by the owner of such Condominium Residential Unit to the aforesaid maximum amount currently allowed by law pursuant to the Federal Tax Cuts and Jobs Act of 2017 (the "Tax Act"), which went into effect on January 1, 2018. In addition, the Tax Act placed a maximum of $10,000 on the amount an individual can deduct for Federal income taxes for the combined amount of real estate taxes and State income taxes.

We have given this matter considerable review, and it is our opinion that, pursuant to the provisions of the Internal Revenue Code (the "Code") the provision of the New York State Law (See Section 615 of the Tax Law), such interest payments and the aforesaid real estate payments are proper deductions by the owner of a Condominium Residential Unit in connection with their Federal income taxes to the maximum amount currently allowed by the Act and New York State and New York City income taxes to the maximum allowed in each jurisdiction. Similarly, we are of the opinion that each Condominium Residential Unit Owner whose Residential Unit is their principal residence will be entitled, under the Code and Section 615(a) of New York State Law, to deduct interest paid or accrued by the Residential Unit Owner on any mortgage which becomes a lien on a Condominium Residential Unit to the maximum amount currently allowed by applicable law.

Pursuant to Section 528 of the Code, certain Condominiums, substantially all of whose Residential Units are used for residences, have the opportunity to elect to be

treated as tax exempt organizations. In order to qualify, sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium properties, which properties, as defined in 528 of the Code, include property held by the Condominium or property within the Condominium. Based upon our examination of the Offering Plan and subject to the Condominium actually satisfying the minimum percentage income and expenditure criteria set forth above, it is our opinion that the Condominium will be eligible to be treated as a tax-exempt organization under Section 528 of the Code.

Such an election will exempt from Federal, New York State, and New York City Income Taxation, all amounts received by the Condominium from the Residential Unit Owners as membership dues, fees or assessments. The Condominium will be taxed, however, on any excess of income over expenses from unrelated sources. Examples of unrelated sources income include interest earned on reserve funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. In the event the Condominium fails to qualify for and elect Section 528 taxation status in any year, it may, to the extent it has any income from unrelated sources or from accumulated revenues received by virtue of dues, fees and assessments received from Residential Unit Owners not expended in any taxable year, be subject to Federal, New York State and New York City Income Taxation (see Rev. Ruling 74-99, 1974-1 C.B. 131).

We have considered the relevant cases and rulings on the tax status of the Condominium including Revenue Rulings 74-17, 74-99, 75-370 and 75-371. These rulings, under certain circumstances, permit assessments for capital replacements and new or replacement equipment to be excluded from the Condominium's income and be treated for tax purposes as additional capital contributions. In such case each Residential Unit Owner's assessment for such purposes would add to their tax basis. Although the Condominium described in the Plan may be deemed a taxable entity under such Rulings, assuming that all expenses are designated and accounted for, and that certain other special purpose assessments are properly treated as trust funds, the Condominium should not realize any significant amount of taxable income, other that with respect to incidental investment income, such as interest earned on reserve funds deposited in bank accounts.

We have examined the exceptions to title set forth in Section XV of the Offering Plan, and we are of the opinion that none of such exceptions of title appear to be contrary to the terms of the Purchase Agreement nor should they interfere in any material respect with the quiet use or enjoyment of the Purchaser's Residential Unit as set forth in the Offering Plan.

We have examined the Declaration and By-Laws pertaining to the proposed Condominium. It is our opinion that the Declaration and By-Laws, when recorded, will

validly create a Condominium in accordance with Article 9-B of the Real Property Law of the State of New York.

In addition, we note that the Percentage of Common Interest for each Residential Unit as contained in Schedule A has been determined 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 Residential Unit, the availability of Common Elements for exclusive or shared use, and overall dimensions of the particular Residential Unit. In our opinion, this is a proper method of determining the percentage of common interest in a Condominium and complies with Section 339-i(1)(iv) of the Real Property Law.

In our opinion, the Condominium should be eligible for tax exempt status, if it so elects, and Residential Unit Owners should be entitled to the above-mentioned income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the given facts and documents referred to above. No assurances can be given that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium, any selling agent or any other person be liable if there are changes in the fact(s) on which counsel relied in issuing this opinion or if there are changes in the applicable statues, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the Condominium to cease to meet the requirements of Section 528 of the Code or the New York State tax law as amended or New York City tax law and/or Residential Unit Owners not to be entitled to income tax deductions.

All Purchasers are advised to consult with their personal tax consultant as to purchasing and owning a Unit in the Condominium.

The above referenced tax deductions do not apply to the Commercial Unit.

Very truly yours,

CERTILMAN BALIN ADLER & HYMAN, LLP

By: Donna-Marie Korth

Donna-Marie Korth, Partner

METROPOLITAN
Realty Exemptions

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May 12, 2021

Stuyford Haus Condominium
37-36 75th Street,
Jackson Heights, NY 11372

RE: 1021 Bedford Avenue
Brooklyn, NY
Block & Lot: 1788 – 5

Letter of Opinion Regarding 421a and ICAP Real Estate Tax Exemption Benefits and Tax Liabilities

Proposed Construction: 6 Story Mixed use building with 15 Residential Condominium Units and Retail store

Dear Sir,

You have requested an opinion concerning the real property assessment to be levied upon the above property for the first full tax year after completion of construction and eligibility and extent of real estate tax exemption benefits, available to the above captioned premises (the 'site'), pursuant to Chapter 51 of Title 28 of the Rules of the City of New York to implement Subdivision 16 of Real Property Tax Law §421-a (to be titled the "Affordable New York Housing Program Rules"), and the Industrial And Commercial Abatement Program (ICAP) adopted by the Department of Finance.
The following estimates are provided in response to your request for an opinion and projection of the real estate assessments and taxes.

I. Project Details

You have informed us that you intend to build one mixed use building on the above tax lot ("property"), and that this building will be constructed pursuant to Department of Buildings job type "NB – New Building".

You have requested an opinion concerning the real property assessment to be levied upon the above property for the first full tax year after completion of construction, which corresponds to the tax year 2022/23. You have advised us of your acquisition costs and the anticipated construction costs. Also, you have informed us that the development project will have a gross floor area of **11,008** square feet.

The total gross square footage of residential space is estimated to be **9,998** square feet. The total gross square footage of commercial space is estimated to be approximately **1,010** square feet.

You have informed us that there will be a total of fifteen (15) dwelling units located on floors 2 (two) through 6 (six), including commercial area on the ground floor area.

II. Estimated Assessed Value

We have taken the following factors into 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 Bedford-Stuyvesant, Clinton Hill and South Williamsburg neighborhoods) 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.

Assessments in New York City are made on a fiscal year basis, beginning on July 1st of each year and ending on June 30th the following year. The status of the building on January 5th of each year is the basis of the assessment for the fiscal year beginning on July 1st.

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

We believe there will be a substantial increase in value for 2022/23 as a result of the new construction, and that such increase will be placed on the assessment roll immediately. However, in future years increases in assessed value will likely result in the taxable assessment being based on a phased-in transition assessment.

III. 421a Eligibility and Effect on Taxes

The real estate tax benefits available to eligible properties under Section 421-a (Affordability Option D) are as follows:

- Subdivision 16 of Real Property Tax Law §421-a provides eligible condo projects with a 100% exemption from increase in tax liabilities due to improvements, for a maximum of three years of construction and twenty years after completion.

- Condo projects can receive limited twenty-year tax exemption benefits by complying with the following:
  a) The property must be located outside of Manhattan, and
  b) Contain no more than thirty-five units, and

c) All of the units should have an average assessed valuation value not to exceed $65,000 upon the first assessment following completion of construction.

- The twenty-year exemption will be applied as follows:
  a) 100% exemption during the first 14 years, and
  b) 25% exemption during the next 6 years.

- Both rental and homeownership buildings that commenced construction prior to December 31, 2015 and that have not yet received 421-a benefits according to their property tax bill may opt to comply with this program.

- Applicants may not apply for this tax exemption benefit until construction is completed, though the construction period benefit is retroactive.

- Building service employees must receive prevailing wages for the duration of the benefits, only if the project consists of 30 or more residential units. Since the proposed is to construct only 15 residential unit, there is no prevailing wages required.

- Each purchaser must agree in writing to maintain the unit as his or her primary residence for at least the first 5 years of ownership.

On February 6, 2021, the Department of Housing Preservation and Development adopted new regulations concerning the 421-a program.

In addition to the restriction on condominiums receiving 421-a benefits when they are requiring assessed values to be less than $65,000 per unit, the newly enacted regulations require that there shall be executed and recorded deeds for each unit, and such deeds are also required to include the Primary Residence Requirement, prior to submission of the 421-a application. Since the 421-a application must be submitted within one year after completion, all contracts must therefore be entered prior to one (1) year following completion of Construction. Note that the 421-a rules and regulations define Completion of Construction as follows: *'"Completion of construction" shall mean the date upon which either a Temporary Certificate of Occupancy is issued for all residential areas in the multiple dwelling or a Permanent Certificate of Occupancy is issued for the entire building.'*

In summary, Homeownership Projects can only file the application *(1) after the first assessment following the Completion Date, and (2) there are executed and recorded deeds for each unit in the Homeownership Project*. This may cause some properties to have a very limited period to file the application with HPD.

Furthermore, since every unit must be sold before a Homeownership Project can apply for benefits, the sponsor is no longer involved in the development and the Offering Plan is no longer relevant. Therefore, the recent rule amendment requires each purchaser of a unit in a Homeownerships Project to authorize an officer of the board to submit the Application and to execute and record the 421-a(16) restrictive declaration on their behalf.

Offering Plan governing the offering and sale of condominium or cooperative units in a Homeownership Project should disclose the Building Size Requirement, Primary Residence Requirement and Post-Completion Assessment Cap Requirement.

Furthermore, please be advised that the assessed valuation of the various units are determined by the Real Property Assessment Department of the New York City Department of Finance. The tax rate is determined by the New York City Council who publishes the rate annually, usually in June.

In rendering this opinion, we have relied upon the following facts and assumptions that were confirmed to us by you:

1. The subject property is located at 1021 Bedford Avenue, Brooklyn, NY 11205, and is known as Block: 1788, Lot: 5 with the New York City Department of Finance ("DOF");

2. Based upon information received from you and your architect, one multiple dwelling, with a total of fifteen (15) residential units will be constructed pursuant to Department of Buildings job number **321385032** with a "New Building" permit issued on 07/10/2019;

3. The building will be constructed substantially in accordance with the plans and specifications approved by the New York City Department of Buildings, and comply with the requirements of section 421-a, the Regulations, and HPD is notified of any modifications to plans for the building;

4. According to the information provided to our firm, the approximate gross square footage of the entire building will be **11,008** SF;

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

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

7. The temporary and final Certificates of Occupancy and the 421-a Certificate of Eligibility, will be filed with the appropriate New York City agencies at the proper time periods;

8. Neither the Building nor any part thereof shall be used as a hotel or for single room occupancy as defined in the Rules Section 6-01(c);

9. All records requested by the New York City Department of Housing Preservation and Development, pursuant to the regulations, will be provided in a timely manner.

Under Affordable New York, Affordability Option D, condominium and cooperative projects outside Manhattan may qualify for a 20-year tax benefit, if the following conditions are met:

A. Project contains 35 units or less and is located outside of Manhattan;
B. Average Assessed Value of all residential units upon the first assessment following the completion date, does not exceed $65,000;

C. Each unit owner agrees in writing to maintain their respective unit as their primary residence for no less than five years from the acquisition of such unit.

There are various other minor technical requirements for obtaining 421-a tax exemption benefits.

As applied to your project, condition A shall be met since the project contains less than 35 units. Based on our review of all applicable information outlined in the paragraphs above, it is our estimation that the Taxable Assessed Value for tax year 2022/23 of the residential portion of the building, following completion of construction, will be approximately **$949,810**. Considering this estimate, we project that the average assessed value of each unit **will be approximately $63,321 and will not exceed $65,000**. Therefore, it is our opinion that condition B shall be met and thus the project will be **eligible** for the 421-a tax exemption benefits. However, should the Department of Finance issue the assessed value which is **2.65%** or higher than estimated in this letter, your project will not qualify for long-term tax benefits under Affordable New York Program.

Utilizing the information supplied to us, it is our opinion that upon completion of the construction, issuance of a residential certificate of occupancy by the Department of Buildings evidencing a Class A multiple dwelling and approval by the various New York City departments having jurisdiction thereof, and further provided the initial average assessed value is $65,000 per dwelling unit or less and deeds are executed and recorded for all units prior to submission of the 421-a application , the building will qualify for 421-a tax exemption benefits.

Condominium units shall have a cap on the assessed value of $65,000 per dwelling unit so that if any individual unit is assessed in excess of $65,000, that exemption will be capped based on an assessed value of $65,000

In the case that all the above-mentioned regulations will be met, the premise will be eligible for partial real estate tax exemption under Section 421-a, during the period of construction and after completion of construction, as outlined above.

NOTE: Due to the inherent uncertainty of the City assessment process and the varying percentages of common interest attributed to the individual units, it is difficult to predict whether any individual units will be fully exempt from taxation for any period.

The sponsor and/or the sponsor's expert(s) have had discussions with HPD regarding the new 421-a tax benefits in order to provide accurate disclosure in this offering plan. The sponsor's and/or sponsor's representative has been informed by HPD of the following relevant requirements which need to be signed by the owner and recorded against the property on ACRIS/DOF:

1. The Property shall be subject to the Affordability Requirement for a period commencing upon the Completion Date and terminating on a date which is thirty-five years from the Completion Date.

2. One hundred percent of the units in the Property shall have an average assessed value not to exceed sixty-five thousand dollars upon the first assessment following the Completion Date ("Post-Completion Assessment Cap Requirement").

3. The Property shall contain no fewer than six dwelling units and no more than thirty-five dwelling units during the Restriction Period ("Building Size Requirement").

4. During the Restriction Period, each owner of any dwelling unit in the Property shall agree, in writing, to maintain such unit as their primary residence for no less than five years from the acquisition of such unit ("Primary Residence Requirement").

5. No portion of the Property shall be operated as a Hotel during the Restriction Period ("Hotel Prohibition Requirement").

6. This Restrictive Declaration may be enforced by the City of New York and any of its agencies and instrumentalities, the State of New York and any of its agencies and instrumentalities, and any tenant.

7. The Affordability Requirement, Post-Completion Assessment Cap Requirement, Building Size Requirement, Primary Residence Requirement and Hotel Prohibition Requirement set forth in this Restrictive Declaration shall run with the land, shall inure to the benefit of the City of New York, the State of New York, and all tenants of the Property, and shall bind and be enforceable against Owner and its successors and assigns to the fullest extent permitted by law and equity.

Replacement Ratio Requirement

The 421-a statute states that: '(i) Replacement Ratio. If the land on which an eligible site is located contained any dwelling units three years prior to the commencement date of the first eligible multiple dwelling thereon, then such eligible site shall contain at least one affordable housing unit for each dwelling unit that existed on such date and was thereafter demolished, removed or reconfigured.'

Since the property was a garage with no residential units on the land, three years prior to the commencement date, the replacement ratio is not applicable and thus no affordable housing units must be provided in the eligible multiple dwelling.

2022/23 Post-Completion Tax Projection

It is estimated the assessed value of the residential portion upon completion of construction will be approximately **$949,810.** The real property tax liabilities will be divided based on the percentage of common interest for each condominium unit. As per Rules and Regulations set by the Department of Finance multiple residential Class A units would be categorized as a tax Class 2, with a tax rate of 12.267% (i.e., $12.267 per $100 of assessed value, the final 2020 tax rate). The total assessed value and real estate tax liabilities, per unit, will be approximately as follows:

Unit	Assessed Value	Annual Tax	421a AV with Cap*	421a Annual Tax
201	$45,553	$5,588	$1,870	$229
202	$66,069	$8,105	$2,712	$333
203	$76,137	$9,340	$11,137	$1,366
301	$48,307	$5,926	$1,983	$243
302	$66,069	$8,105	$2,712	$333
303	$76,137	$9,340	$11,137	$1,366
401	$48,307	$5,926	$1,983	$243

402	$66,069	$8,105	$2,712	$333
403	$76,137	$9,340	$11,137	$1,366
501	$48,307	$5,926	$1,983	$243
502	$66,069	$8,105	$2,712	$333
503	$76,137	$9,340	$11,137	$1,366
601	$48,307	$5,926	$1,983	$243
602	$66,069	$8,105	$2,712	$333
603	$76,137	$9,340	$11,137	$1,366
Totals:	**$949,810**	**$116,513**	**$79,047**	**$9,697**

*The 421a Tax Abatement freezes the taxable assessed value of the tax year before construction, which is then divided to each condo unit based on the percent of common interest. However, the benefits are subject to a cap on the assessed value for each condominium at $65,000. Accordingly, if the assessed value for any unit exceeds $65,000 the owner will be liable for taxes on the value above the cap while units with an assessed value below the cap will be liable only for taxes based on the pre-construction Base Assessed Value.

Note that the percentages of common interest shown for the Residential Units was extrapolated in order to apportion the residential taxable valuations. This does not necessarily correlate to or reflect the actual percentages of common interest which shall be assigned to each Unit in Schedule A of the Offering Plan.

Subject to the AV Cap limitation, any increase in assessment due to the physical improvements attributable to the newly constructed residential condominium units shall be exempt as per the **Twenty-Year Exemption Table** shown below.

Twenty-Year Exemption Table

Years of Exemption	Percentage of Exemption from an increase to assessed value
1-14	100.00%
15-20	25.00%

The above projection is merely an estimate as it is unlikely that the post-construction assessed value or tax rate will remain constant for the 20-year exemption period. Thus, the actual assessment and real estate tax for each Unit may be more or less than the Unit's proportionate share of the total assessment.

IV. ICAP Eligibility and Effect on Taxes

The ICAP abatement is granted on the 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 (1) completion of construction (issuance of a Final Certificate of Occupancy) or (4) 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.

Commercial retail projects receive the exemption outlined above on the increase in assessed value attributable to the improvements made, for a period of 11 years, followed by 4 years of exemption declining 20 percent phase-out per year.

Commercial projects without retail space in designated special exemption areas receive the exemption outlined above for 16 years, with the exemption declining by 10 percent annually for the following consecutive 9 years.

A building consisting of retail and non-retail commercial space, 10% (of the commercial portion of the building) retail space and all non-retail commercial space will get 25 years of benefits. The remaining 90% retail space will receive only 15 years of benefits.

For renovation work in renovation areas (South of 59th Street excluding lower Manhattan/Garment District) receive the exemption outlined above for a period of 5 years, followed by 4 years of exemption declining 20 percent phase-out per year and one additional year that receives 20 percent of the benefits.

It is important to note that ICAP benefits are implemented only after taxable status date (January 5th of any given year) following completion of construction. Completion of construction is determined upon the issuance of a Final Certificate of Occupancy. The benefits will then be applied for the following tax year which starts on July 1.

Eligibility Requirements

Applications: Preliminary applications must be filed prior to the receipt 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 pulled before filing an application.

The Final Application must be filed within one year from the building permit issuance date, or if no permit is required, within one year from the start date of construction. If you file the Final Application later than one year after the building permit was issued or construction started you will automatically be denied.

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.

If all the requirements are met, the commercial portion of the building is expected to be eligible for the ICAP benefits pursuant to N.Y. RPT. LAW § 489-bbbbbb.

The first year of the abatement shall be the tax year with the first taxable status date that follows the sooner of

1. Completion of construction; or

2. Four years from the date the first building permit was issued, or if no permit was required, the commencement of construction.

It is estimated that the first year of abatement will be 2022/23 tax year.
After issuing the Certificate of Eligibility, the Department of Finance is expected to use the following conventions in calculating the amount of abatement under ICAP:

1. Calculate the portion of pre-construction building tax attributable to commercial space subject to the ICAP benefits.

2. Calculate 115% of pre-construction tax.

3. Calculate the post-completion building tax.
    a. It is important to note that the tax on the land value is never abated by ICAP. The land value is likely to increase after the project is completed;
    b. Land Value is estimated to be **$48,504**
    c. Building Value is estimated to be **$98,478**
    d. Assuming the tax rate for tax class 4 properties remains at the current level of 10.694% from assessed value, the total pre-abatement building tax in 2022/23 tax year is estimated to be approximately **$15,718.**

4. Determine the amount of abatement by subtracting the 115% of pre-construction tax from post-completion building tax.

Based on the foregoing, **the total property tax in 2022/23 tax year** for the commercial portion of the building is estimated to be approximately **$5,100 after the abatement amount of $10,354 is applied.**

Commercial Tax Liability without ICAP	
Assessed Value	$146,982

Commercial Tax Liability	**$15,718**
Commercial Tax Liability with ICAP	
Assessed Value	$146,982
Tax Liability	$15,718
ICAP Abatement Amount	-$10,531
Total Commercial Tax Liability	**$5,187**

We have been informed by the NYC Finance Department that the project is located in the special commercial abatement area. As such, the tax benefits should be granted for **15 years**, with certain conditions.[1] For years one through eleven, the abatement shall be the amount of the abatement base, which is estimated to be **$10,531**. For years twelve through fifteen, the abatement shall decrease by twenty percent each year, according to the following schedule:

Year of Abatement	***Percentage of Abatement Base***	***Approximate Amount of Tax Abatement***
Year 1-11	100%	$10,531
Year 12	80%	$8,425
Year 13	60%	$6,319
Year 14	40%	$4,213
Year 15	20%	$2,106
Year 16	**Fully taxable**	**$0**

Taxes for the First Year of Condo Operation

The first year of condominium operation is anticipated to commence on January 1, 2022, and end on December 31, 2022. Taxes for the first year of condominium operation will thus be comprised of 50% of the taxes due for the 2021/22 tax year (6 months), and 50% of the taxes due for the 2022/23 tax year.

Since the construction of the project will not yet be completed by January 5, 2021, the assessed value for tax year 2021/22 will not reflect the full increase in valuation. Upon completion of construction, it is anticipated that the first tax year during which full valuation will be reflected will be tax year 2022/23.

The DOF has set the taxable assessed value for tax year 2021/22 at $209,160 and accordingly, taxes for the first year of condominium operation (prior to the ICAP & 421a abatement) is estimated to be as follows:

	Assessed Value

[1] Where more than 10% of the building is used for retail purposes, only the non-retail portions of the building and up to 10% of the retail portion are eligible for the 25-year benefit. The remaining retail portion shall be eligible for benefits in accordance with the 15-year schedule. ICAP Special Abatement Areas are determined by the Temporary Commercial Incentive Area Boundary Commission and are published by the Department of Finance. These areas are subject to revision in the future by the Commission, which is required to meet at least once every five years beginning in 2009.

50% of year 2021/22	$104,580
50% of year 2022/23	$548,396
Total:	**$652,976**

The ICAP exemption is only applied the July following receipt of the ICAP Certificate and thus the benefits may not be applied during the first year of condo operation.
Accordingly, the projected assessed value and tax liability for each unit is projected to be approximately as follows:

Unit	Assessed Value	Annual Tax	421a AV with Cap	421a Annual Tax
RS-1	$76,986	$8,233	N/A	N/A
201	$26,184	$3,212	$1,564	$192
202	$40,289	$4,942	$2,406	$295
203	$47,210	$5,791	$2,819	$346
301	$28,078	$3,444	$1,677	$206
302	$40,289	$4,942	$2,406	$295
303	$47,210	$5,791	$2,819	$346
401	$28,078	$3,444	$1,677	$206
402	$40,289	$4,942	$2,406	$295
403	$47,210	$5,791	$2,819	$346
501	$28,078	$3,444	$1,677	$206
502	$40,289	$4,942	$2,406	$295
503	$47,210	$5,791	$2,819	$346
601	$28,078	$3,444	$1,677	$206
602	$40,289	$4,942	$2,406	$295
603	$47,210	$5,791	$2,819	$346
Total	**$652,976**	**$78,890**	**$34,394**	**$4,219**

There is no guarantee that 421-a tax abatement benefits will be available during the first year of operation inasmuch as the application may only be filed after all of the deeds to the Residential Units are fully executed and recorded.

Disclaimer

Although the aforesaid estimate of the Actual Assessed Valuation is a good-faith estimate, it is not possible to estimate the 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 guarantees 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 than 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.

XXIV. RESERVE FUND

The Condominium budget includes a reserve fund line item to be used for future major capital improvements of the Condominium. In view of the fact the Condominium will be newly constructed it is not anticipated that there should be any major capital repairs or replacements during the first five (5) years of operation of the Condominium.

No representation is made that the reserve fund line item will be adequate for future expenses including repairs or replacements of Common Elements during the first five (5) years of the Condominium. If additional funds are required over and above said funds, it may be necessary to increase the Common Charges payable by the Unit Owners, collect a Special Assessment from each Unit Owner or borrow money.

During the period Sponsor is in control of the Board of Managers, the reserve fund will not be used to reduce the estimated Common Charges.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of the reserve fund.

Article VI, Section 3 of the By-Laws authorizes the establishment of a reserve fund.

Article III, Section 8 of the By-Laws authorizes the Board of Managers to borrow money on behalf of the Condominium when required in connection with needed capital expenditures such as repair or replacement of Building components or systems or to remedy major Building defects, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owners of said Unit. No representation is made by the Sponsor as to the availability or cost of such financing. In the event the Condominium is unable to borrow the money, the Board of Managers may be required to assess each Unit Owner for its applicable pro-rata share of the cost of the needed capital expenditure.

XXV. WORKING CAPITAL FUND

At Closing the Sponsor will collect the equivalent of two (2) months' Common Charges from each Purchaser to be paid to the Condominium as initial working capital. While Sponsor is in control of the Board of Managers of the Condominium the working capital funds will not be used to reduce the Common Charges. The working capital fund may be utilized to reimburse Sponsor for prepaid expenses of the Condominium. The only budgetary item that might require a substantial credit to the Sponsor would be the insurance disclosed in Schedule B. At such time as the Sponsor relinquishes control of the Board of Managers any remaining balance of the working capital fund will be turned over to the Board of Managers.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of such funds.

XXVI. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

The Sponsor has engaged the services of Manhasset Management, LLC, 37-36 75th Street, Jackson Heights, New York 11372 to manage the Condominium. The term of the Management Agreement (the "Agreement") shall be for one (1) year at an initial annual fee of $15,000. The management fee is less than the management fee for comparable buildings.

The Agreement shall be automatically renewed from year to year with the increased amount of management fee presented in the proposed budget or by correspondence to the Board of Managers (the "Board"). The Board may cancel the Agreement upon thirty (30) days' prior written notice for any reason and for cause upon five (5) days' notice. The Agent may cancel the Agreement on thirty (30) days' prior written notice.

Pursuant to the terms of the Agreement, the Agent's services shall include, but not be limited to, the following:

1. Daily operations of answering phone calls and email responses from occupants for any building related issues;

2. Attendance and meeting minutes of annual board meetings;

3. Handling of all necessary monthly/annual/bi-annual inspections with third party contracted companies (i.e., elevator, sprinkler, fire alarm);

4. Monitoring of virtual doorman and security systems;

5. Daily accounting and bookkeeping services (i.e., collection of monthly common charges and issuing payments for all vendor accounts) to ensure Condominium budget is not overspent and maintenance amounts are intact;

6. Handling and coordinating of all necessary repairs with contractors that the building may need;

7. Clearing of all public agency violations and working with up-to-date regulations from DOB and other similar government entities;

8. Cause to be hired, paid and supervised, all persons necessary to be employed in order to maintain and operate the Condominium.

9. Cause the Condominium to be maintained in such condition as may be deemed advisable by the Board of Managers. Ordinary repairs or alterations involving an expenditure in excess of five thousand ($5,000)

dollars for any one item, shall be made only with the prior approval of the Board of Managers, but emergency repairs, i.e., those immediately necessary for the preservation or safety of the Condominium or for the safety of residents, or other persons, or required to avoid the suspension of any necessary service in the buildings, may be made by the Agent, irrespective of the cost thereof, without the prior approval of the Board of Managers after consultation with the President, Vice President or Treasurer of the Board of Managers (in the order given) or if no such officer should be available to the Agent after consultation with the Condominium's attorneys.

10. Enter into contracts for electricity, air conditioning, water treatment, telephone, window cleaning, rubbish removal, security agency protection, vermin extermination and other services or such of them as shall be advisable but any such contract must be authorized by the Board of Managers if for a term longer than two (2) years or requires annual payments in excess of five thousand ($5,000) dollars.

11. Purchase all supplies which shall be necessary to properly maintain and operate the Condominium.

12. Advise the Board of Managers with respect to proper insurance coverage of the Condominium.

13. Check all bills received for services, work and supplies ordered in connection with maintaining and operating the Condominium.

14. Supervise the moving in and out of Unit Owners and tenants.

15. Bill and collect on a monthly basis, all Unit Owners for the monthly Common Charges.

16. Consider and, when reasonable, attend to complaints of Unit Owners.

17. Render or cause to be rendered regularly monthly statements.

18. Cooperate with the Condominium's accountants in regard to the annual audit of the books of account of the Condominium.

19. Cooperate with the condominium's accountants in regard to the preparation and filing on behalf of the Condominium of federal, state, city and other income and other tax returns required by any governmental authority.

20. Prepare and submit annually to the Board of Managers of the Condominium, prior to the last meeting of the Board of Managers of the

Condominium held in each fiscal year, an operating budget setting forth the anticipated income and expenses for the Condominium for the ensuing year.

21. Provide any repairs, services and facilities required to be made in respect of any Unit Owners by a non-occupant Unit Owner or a Sponsor which are required by any law, regulation or order or pursuant to the terms of any Lease of such unit on a non-discriminatory basis, with the cost thereof to be billed to such non-occupant Unit Owner or Sponsor.

22. Generally, do all things reasonably deemed necessary or desirable by the Board of Managers of the Condominium for the proper management of the Building.

Purchasers should note that Sponsor's principal is also a principal of the management company. The management fee is comparable/competitive to the management fee for similar type buildings.

The Managing Agent shall be entitled to the following fees in addition to its annual fee:

1. In connection with the supervision of major alterations or capital improvements to the Building which are outside the scope of ordinary repairs, the cost of which exceeds $10,000, a fee to be negotiated, provided, however, that such fee shall in no event be less than five percent (5%) of the total cost of such alterations or improvements.

2. For services in connection with processing each application for a sale of a Condominium, a fee of four hundred ($400) dollars to be paid by the seller. The fee amount is subject to change periodically without Board approval.

3. For services relating to a finance, refinance or appraiser questionnaire of a fee of one hundred ($100) dollars to be paid by the Residential Unit Owner. The fee amount is subject to change periodically without Board approval.

The Agent shall not be liable to the Condominium for any loss or damage not caused by the Agent's own negligence or failure to comply with its obligations under the Agreement. The Condominium will indemnify the Agent against and hold the Agent completely harmless from (a) any liability, damages, costs and expenses (including reasonable attorneys' fees and disbursements) sustained or incurred for injury to any person or property in, about or in connection with the Building, from any cause whatsoever, provided the Agent is carrying out the provisions of the Agreement or acting under the express or implied directions of the Board of Managers unless such injury shall be caused by the Agent's own gross negligence or willful misconduct, and (b) any liability, damages, penalties, costs and expenses, statutory or otherwise, for all acts properly performed by the Agent pursuant to the instructions of the Condominium ,

provided, in each of the foregoing instances, that the Agent promptly advises the Board of Managers of its receipts of information concerning any such injury and the amount of any such liability, damages, penalties, costs and expenses. The Condominium will carry liability insurance (with limits acceptable to the Agent in its reasonable judgment), worker's compensation and employer's liability insurance, will include the Agent as a party insured under the liability policy and will deliver to the Agent a copy of such liability policy or a certificate evidencing the same.

One of the principals of the Managing Agent is also the sole principal of the Sponsor herein. A copy of the full Management Agreement is available upon request at the site.

XXVII. IDENTITY OF PARTIES

Sponsor and Selling Agent

The Sponsor is Bedford Ave Condos, LLC, a New York limited liability company created on June 21, 2018, with an address 37-36 75th Street, Jackson Heights, New York 11372. The sole Member and Principal of the Sponsor is Edgardo Kramer with the same business address as the Sponsor herein. Mr. Kramer has been involved in the real estate business for over approximately forty (40) years. Mr. Kramer is a principal of Manhasset Management, LLC, with the same business address as the Sponsor, where he oversees the management and operation of the buildings described below. Mr. Kramer also has overseen the development of new construction condominium communities and is a principal of the Sponsor of Horizon Towers Condominium, date of acceptance January 17, 2007, Attorney General File No. CD-06-0548; Horizon Towers II Condominium, date of acceptance June 30, 2009, Attorney General File No. CD-08-0518; Horizon Towers III Condominium, date of acceptance September 1, 2010, Attorney General File No. CD-10-0066; and The Clinton House Condominium, date of acceptance July 12, 2017, Attorney General File No. CD-17-0049 which was first offered for sale within the past five (5) years. The Residential Units in said Condominiums are sold out.

The Sponsor has not been involved nor does it own ten (10%) or more of any other cooperative, condominium or homeowner's association. Edgardo Kramer, individually, does not currently own 10% or more of any other condominium, cooperative or homeowner's association.

The firm News Realty Corp., 37-36 75th Street, Jackson Heights, New York 11372 has been engaged by Sponsor to be the exclusive Selling Agent. The firm is duly licensed under the laws of the State of New York as a real estate broker. The Selling Agent is an affiliated entity of the Sponsor.

The firm has been operating as a selling agent in the Metropolitan area for a number of years and has been the selling agent for a number of communities.

Managing Agent

The Managing Agent is Manhasset Management, LLC, 37-36 75th Street, Jackson Heights, New York 11372. The Agent has managed residential properties since 1976 and presently or have previously acted as managing agent for rental apartment buildings as well as the cooperative housing corporations and condominiums. The following is a representative list of buildings the Agent currently manages:

A principal of the Managing Agent is also the principal of the Sponsor.

Attorneys

Certilman Balin Adler & Hyman, LLP, 90 Merrick Avenue, East Meadow, New York 11554, counsel of the Sponsor, have been selected by the Sponsor to initially represent the Condominium in connection with all legal matters incident to the operation and management of the Condominium. No legal fee will be charged for such representation except for work actually performed after the formation of the Condominium. The Condominium can, at any time, choose to select different attorneys to represent it.

All legal matters in connection with the establishment of the Condominium, the tax opinion of counsel contained herein, and the preparation of this Offering Plan have been passed upon for the Sponsor by Certilman Balin Adler & Hyman, LLP. The individual partner in said firm responsible for said work is Donna-Marie Korth, Esq.

Lewis P. Kamin, Esq., 42-40 Bell Boulevard, Suite 206, Bayside, New York 11361 will represent the Sponsor in connection with the individual Residential Unit Closings and will also act as the Escrow Agent as described in Section XII of the Offering Plan.

Neither firm has any financial interest in the Property, the Sponsor, the Condominium or any other party involved in this transaction, except for its fee for services rendered in connection with the Condominium.

Architect

The architect who prepared the report in Part II and who executed the Certification in Part II is T.F. Cusanelli & Filletti Architects, P.C., 143 Terrace Street, Haworth, NJ 07641. The architect has no financial interest in the Property, the Sponsor, the Condominium or any other party involved in this transaction, except for its fee for services rendered in connection with the Condominium. The architect has had prior experience in the preparation of plans and specifications for other condominiums in the Metropolitan area.

XXVIII. REPORTS TO UNIT OWNERS

It is the obligation of the Board of Managers of the Condominium to give all Unit

Owners annually:

(i) a financial statement of the Condominium prepared by a certified public accountant or public accountant by a specific date; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided no later than four (4) months after the close of the fiscal year;

(ii) prior notice of the annual Unit Owners' meeting;

(iii) a copy of the proposed annual budget of the Condominium within thirty (30) days of the date set for adoption by the Board of Managers. While Sponsor is in control of the Board of Managers such budget will be certified in accordance with the regulations of the Department of Law; and

(iv) as and to the extent required by Section 727 of New York's Business Corporation Law, at least once per year (i) every member of the Board shall be required to review Section 713 of the Business Corporation Law, concerning interested managers/directors; and (ii) the Board shall submit an annual report to the Unit Owners, which shall be signed by each member of the Board, containing information on any contracts made, entered into, or otherwise voted on by the Board, where one or more of the members of the Board was an interested manager/director pursuant to Section 713 of the Business Corporation Law. Such annual report shall, at a minimum, include: (1) a list of all contracts voted on by the Board, including information on the contract recipient, contract amount, and the purpose of entering into the contract; (2) the record of each meeting including Board member attendance, voting records for contracts, and how each member of the Board voted on such contracts; and (3) the date of each vote on each contract, and the date the contract would be and remain valid. In the event that, during the applicable period, no contract was made, entered into, or otherwise voted on by the Board, where one or more of the members of the Board was an interested manager/director pursuant to Section 713 of the Business Corporation Law, the Board shall instead submit to the Unit Owners a document, signed by each member of the Board, indicating: "No actions taken by the Board were subject to the annual report required pursuant to Section 727 of the Business Corporation Law".

XXIX. DOCUMENTS ON FILE

Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Schedules submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at Sponsor's office for six years from the date of first Closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate

recording office at the time of the Closing of the first Residential Unit.

XXX. GENERAL

Pending Litigation

As of the date of this Offering Plan, there is no litigation or administrative proceedings pending against the Condominium or the Sponsor or any other party which would affect their ability to perform their obligations relating to this offering, or which would in any way affect this offering.

Prior Offerings

This property has not been the subject of any prior public offerings. No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Unit being offered for sale in the Plan and no deposits or advances of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Units, prior to submission of the Plan to the Department of Law. The property forming the Condominium is vacant land and therefore, there are no residential or non-residential tenants occupying the premises.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that it will not discriminate against any person because of his or her race, creed, sex, sexual orientation, color, disability, marital status, national origin or ancestry in the sale of Unit under this Plan.

Amendment of Plan

The Plan may be amended at any time and from time to time provided that, if the amendment is a material and substantial modification of the Plan which adversely affects Purchasers, then anyone who has theretofore executed a Purchase Agreement shall be given not less than thirty (30) days after a copy of the duly filed amendment is mailed or otherwise delivered to them by written notice to the Sponsor to cancel the Purchase Agreement and to obtain a refund, in full, of the Deposit made therewith with interest, if any. No person has been authorized to make any representation which is not expressly contained herein. This Plan may not be changed or modified orally.

XXXI. SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION

Sponsor adopts the Description of Property set forth in Part II of the Plan. Sponsor has no knowledge of any material defects or need for major repairs except as set forth in the Description of Property Report set forth in Part II of the Plan. Purchasers should be aware that they may be living in an active construction site after they close on

their Residential Unit. During this period of construction there may be dirt and debris and construction material on site, construction vehicular traffic, construction noises, unfinished areas of the Development and other inconveniences which are normal in a community undergoing construction. It is anticipated that construction of the Condominium will be complete by approximately December 2020, subject to circumstances beyond Sponsor's control such as weather conditions, labor strikes, material shortages, acts of God and sales conditions.

BEDFORD AVE CONDOS, LLC
Sponsor

Date of Offering Plan: June 23, 2021
East Meadow, New York

OFFERING STATEMENT

THE STUYFORD HAUS
1021 Bedford Avenue
Brooklyn, Kings County, New York 11205

SCHEDULE D

PURCHASE AGREEMENT/RESIDENTIAL UNIT

RESIDENTIAL UNIT PURCHASE AGREEMENT

Residential Unit No. _____ **Date** _____

Anticipated Closing Date: _____

Seller: **BEDFORD AVE CONDOS, LLC**

Address: 37-36 75th Street, Jackson Heights, New York 11372

Purchaser(s): _____

Home Address: _____

Residential Telephone Number: _____
Business Telephone Number(s): _____
Social Security Number(s): _____

Purchaser's Attorney: _____
Attorney's Address: _____
_____

Attorney's Phone/Fax Numbers: Phone:_____ Fax _____

Seller and Purchaser agree as follows:

1) **PURCHASE PRICE:**

Residential Unit $_____
Builder upgrades & options ("Extras") $_____

TOTAL $_____

PAYABLE AS FOLLOWS:

On the signing of this Purchase Agreement, 10% of the Purchase Price plus Extras, the receipt whereof is hereby acknowledged (the "Downpayment") $_____

Purchaser's certified or bank cashier's check (drawn on a New York Bank payable directly to the order of Seller or Seller 's designee on the Closing of Title $_____

TOTAL $_____

SCHEDULE D

1) **PAYMENT REQUIREMENTS -** Any payment made by check is accepted subject to collection. If any check tendered is not honored, Purchaser shall provide a certified check or bank cashier's check payable directly to the payee on the dishonored check within seventy-two (72) hours after demand for replacement therefore.

Notwithstanding the foregoing, if for any reason whatsoever the check given by Purchaser as the down payment hereunder is dishonored, Seller shall have the right to cancel this Purchase Agreement. Seller's election to cancel shall not be deemed a waiver by Seller of its right to pursue other remedies.

THE PAYMENT DUE AT CLOSING IN ACCORDANCE WITH THIS PURCHASE AGREEMENT ON ACCOUNT OF THE PURCHASE PRICE MUST BE MADE BY PURCHASER'S PERSONAL CERTIFIED CHECK OR OFFICIAL TELLERS CHECK ON A NEW YORK CLEARINGHOUSE BANK PAYABLE DIRECTLY TO SELLER OR SELLER'S DESIGNEE. IF PAYMENT SHALL BE MADE TO SELLER'S DESIGNEE, SELLER SHALL GIVE PURCHASER PRIOR INSTRUCTIONS. UNCERTIFIED CHECKS OF FUNDING COMPANIES, ATTORNEY'S ESCROW CHECKS AND CHECKS PAYABLE TO PURCHASER OR ANOTHER PARTY AND ENDORSED TO SELLER WILL NOT BE ACCEPTED AND TENDER OF SAME WILL NOT CONSTITUTE COMPLIANCE BY PURCHASER OF THEIR OBLIGATIONS HEREUNDER.

2) **DESCRIPTION OF UNIT** - Seller agrees, at its own cost and expense, to erect and complete, and Purchaser shall buy from Seller, the condominium unit(s) known as Residential Unit No. _____ (the "Residential Unit"), with a _____ Percentage of Common Interest for the Residential Unit in the Common Elements of the condominium (the "Common Elements") known as The Stuyford Haus Condominium (the "Condominium"), located at 1021 Bedford Avenue, Brooklyn, New York 11372, and as described in the Declaration of Condominium recorded or to be recorded in the Office of the City Register's Office, Kings County, built or to be built or improved by Seller on property comprising the Condominium Map (the "Property") filed or to be filed in the Office of the City Register, Kings County. The Residential Unit shall hereinafter be referred to as the "Unit". The Unit shall be constructed in accordance with the requirements as to materials and workmanship of the Building Department of the City of New York, which, when completed, will be in substantial accordance with the plans as filed or to be filed with the Building Department of the City of New York.

Purchaser acknowledges that the designation of the Limited Common Elements for Purchaser's exclusive use are reflected in Schedule B of the Declaration of Condominium as it may be amended.

The Unit may vary from any models displayed to Purchaser, and Purchaser should not rely on any model depiction of the units in the Condominium. All dimensions are approximate and may vary from the floor plans of the Condominium.

The Unit shall not include any of the following if displayed in any unit or model unit: decorative fixtures, furniture, furnishings, paint, wallpaper, carpeting, shelves, wall and window treatments, built-ins, burglar alarm systems, site lighting, central vacuum systems, highhat lighting, additional fixtures and switches added for decorative purposes and other optional fixtures or features exhibited in any model units and/or any sales office excepting those specifically set forth as may be attached to this Purchase Agreement, or above. Purchaser acknowledges that the above features, as contained in any model unit and/or sales office are for display purposes only and are not included in this sale unless specifically provided for in this Purchase Agreement. Purchaser acknowledges that the above features (as may be contained in any model unit and/or sales office) are for display purposes only and are not included in this sale unless expressly provided for in this Purchase Agreement.

3) **OFFERING PLAN** - Seller has exhibited and delivered to the Purchaser, and Purchaser acknowledges having received, read and understood, the Offering Plan for condominium ownership of the Property and all amendments thereto filed to date, all of which are incorporated by reference and made a part of this Purchase Agreement, with the same force and effect as if fully set forth in this Purchase Agreement. Purchaser agrees to be bound by the Offering Plan, including all amendments thereto now or hereafter filed by Seller (collectively the "Plan"). Seller may freely amend the Plan in any respect from time to time, without Purchaser's approval or written consent. Any conflict between the Plan and this Purchase Agreement shall be resolved according to the terms of the Plan as it may be amended. Purchaser acknowledges having received and read the Plan at least three (3) business days prior to signing this Purchase Agreement and having had full opportunity to examine all papers and documents and investigate all matters set forth in the Plan.

Purchaser shall deliver all documents to Seller and perform all acts required by Seller to carry out the provisions of the Plan, establish the Condominium and conform to all applicable laws and regulations. This Paragraph shall survive Closing and delivery of the deed.

4) **MORTGAGE FINANCING** - This Purchase Agreement is not conditioned upon Purchaser obtaining mortgage financing. In the event Purchaser is unable to obtain a mortgage, this Purchase Agreement shall remain in full force and effect and Purchaser shall have an ongoing obligation to consummate the transaction. If a Purchaser does not consummate the transaction and close title to the Unit as a result of Purchaser's inability to obtain a mortgage, Purchaser will be in default under this Purchase Agreement and Seller may retain all monies as provided for in Paragraph 21 herein.

5) **CLOSING DATE; ADJOURNMENTS; CONSTRUCTION DELAYS BY SELLER** The act of transferring ownership of the Unit in return for payment in full of the Purchase Price and all other sums due from Purchaser under this Purchase Agreement is known as the "Closing". The Anticipated Closing Date indicated on the first page of the Purchase Agreement is an approximate date and Seller cannot make any guarantees that such date will be the actual Closing Date. Seller shall have the right to adjourn or advance such Closing Date as provided herein. The Closing shall take place at such time and place and on such date as Seller shall designate by prior written notice ("Notice for Closing") delivered in accordance with Paragraph 31 herein, which shall be given no less than thirty (30) days before the date set for Closing. Purchaser may

waive the thirty (30) day notice period by execution and delivery of a waiver in the form set forth as Schedule D-3 to the Purchase Agreement in the Plan.

Should Seller be unable to convey title to Purchaser in accordance with the Notice for Closing, Seller shall have the right, from time to time, to adjourn the date and time for Closing on written notice to Purchaser. In such event, Seller shall, by a new Notice for Closing, fix a new date and time for Closing, which shall be no less than ten (10) days before the new scheduled date and time for Closing.

If the Closing of title is held at an office other than that of Seller's attorney, Purchaser shall pay to Seller's attorney a travel fee in the sum of $750. The Closing may not take place in any other location without Seller's prior written consent.

In the event the Closing is adjourned with or without Seller's written consent, at the request of Purchaser or Purchaser's attorney or Purchaser's lender (or lender's attorney) within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Seller's attorney an adjournment fee in the sum of $750.

In the event the Seller shall be unable to schedule the closing of title to the Unit or convey title to the Unit on or before twelve (12) months after the Anticipated Closing Date set forth herein and except for delays due to strikes, acts of God, wars, lockouts, military operations, national emergencies, pandemics, installation of public utilities, governmental restrictions preventing Sponsor from obtaining necessary supplies and/ or materials, in which event the period shall be extended to eighteen (18) months, except for the Purchaser's default, the Purchaser shall have the option to cancel this Agreement and to have the down payment advanced by him returned to the Purchaser with interest, if any. Seller must receive Purchaser's written notice of his intention to exercise such option to cancel no later than ten (10) days after twelve (12) or eighteen (18) months, whichever applicable, from the Anticipated Closing Date set forth herein. Failure to so notify Seller shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of this Agreement.

The Seller has the option not to close title to the Unit described herein if less than 80% of all of the Units to be constructed as part of the Condominium are sold, so long as title to any Unit has not been conveyed, and the Declaration has not been filed at such time. In the event Seller exercises such option, it shall forthwith return the Purchaser's down payment with interest, if any.

6) **ADDITIONAL MONEY TO BE PAID BY PURCHASER AT CLOSING** - In addition to all other sums payable or reimbursable elsewhere under this Purchase Agreement, Purchaser shall at Closing pay, or reimburse to Seller if Seller has already made payment, or pay to any Lender, all applicable charges for:

(a) Any Lender's charges for inspections, appraisals, title examination and policy insuring the Lender's interest, Lender's attorneys' fees for preparation of all loan documents, all commitment fees, points, origination fees and other fees and charges (however characterized) imposed or exacted by the Lender or incurred by Seller or Purchaser in connection with Purchaser's mortgage loan;

(b) any mortgage recording taxes on Purchaser's mortgage;

(c) governmental charges which may be assessed on account of any mortgage

loan;

(d) mortgage insurance, if required, on Purchaser's mortgage;

(e) New York State real estate transfer tax on the deed;

(f) New York City real estate transfer tax on the deed;

(g) Mansion Tax pursuant to Section 1402-a of the Tax Law of the State of New York, if applicable;

(h) all recording and filing charges payable on account of the transfer of title and recording of all documents in connection therewith including without limitation any mortgage, the deed, power of attorney, affidavit required pursuant to Section 339-ee of the New York State Real Property Law and any mortgage release documents, terminations and UCC-3's;

(i) a sum equal to the partial mortgage tax credit to which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller;

(j) an initial non-reimbursable capital contribution equivalent to two (2) month's Common Charges to the Condominium;

(k) a pro-rata portion of the Condominium's first year's insurance premium, based on the Unit's Percentage of Common Interest if pre-paid by Seller;

(l) pro-rata portion of surveying services, water and sewer tap and connections fees, water meter deposit, water vault, water meter reading equipment and water and sewer test fees and advance sewer use payments, if any, previously paid by Seller or to be paid in advance of Closing;

(m) any other municipal and/or utility company fees applicable to the Residential Unit; and

(n) $2,000 to Seller's attorney for the preparation of the closing documents.

Seller shall also be entitled to any other costs referred to in Section XV of the Offering Plan if not specifically contained herein.

Purchaser shall also apportion with Seller as of the end of the day prior to Closing, and pay to Seller at Closing, the apportioned amount due for taxes, condominium Common Charges, sewer use, water use, electricity, gas (if any) and any other utility costs. Purchaser shall also pay the deposits required by the Lender to establish the estimated or escrow fund for future payments of taxes, Condominium Common Charges, sewer use and insurance premiums (if applicable). In addition, in the event Seller's attorney prepares the New York City "ACRIS" transfer documents, Purchaser shall be required to pay Seller's attorney an additional fee of $250. In the event the title company prepares the ACRIS, Purchaser shall pay the applicable fee of the title company. If through no fault of Seller, Purchaser fails for any reason to close title on the date originally scheduled in Seller's Notice for Closing, or such later date (if applicable) to which Seller in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of the end of the day preceding (i) the date originally scheduled for Closing or (ii) Seller's adjourned Closing Date (as the case may be).

Purchaser shall pay to Seller at or prior to the date of the actual adjourned Closing, an amount equal to .0438% per diem (which equals an annual rate of 16%) of the Purchase Price for the Unit for each day beyond such originally scheduled or Seller adjourned Closing Date, to and including the date of actual Closing, for reimbursement

and defrayal of Seller's carrying costs and other charges, which amount Purchaser acknowledges to be reasonable and proper.

Any errors or omissions in computing apportionments or any other sums payable under this Paragraph which are communicated to the other party within six (6) months after Closing shall be corrected and payment made to the proper party promptly after such communication. This Paragraph shall survive Closing and delivery of the deed.

7) **REAL PROPERTY LAW SECTION 421-a (16) PROVISIONS** - Purchaser acknowledges that the Board of Managers will apply for a tax abatement pursuant to the Affordable New York Housing Program Benefits pursuant to Section 421-a (16) of the Real Property Law ("Section 421-a (16)") in the event the Building meets the criteria disclosed in Special Risk 4 of the Offering Plan. The requirements include the following:

(a) The Building containing the Residential Units meets the Building Size Requirements of a minimum of six (6) Residential Units and a maximum of thirty-five (35) Residential Units to be eligible for the 421-a (16) Affordable New York Housing Program.

(b) The owner of a dwelling unit in a Homeownership Project anticipating 421-a (16) Affordable New York Housing Program Benefits, must meet the Primary Residence Requirement which requires that for no less than five years from acquisition of such unit occupy it in accordance with the criteria set forth for rental dwelling units in Section 2520.6(u) of the Rent Stabilization Code. Notwithstanding the foregoing, the minimum five year period of occupancy necessary to establish whether such Unit is an owner's primary residence shall not be deemed to be interrupted by any period during which such owner temporarily relocates because he or she: (i) is engaged in military duty; (ii) is enrolled as a full-time student; (iii) is not in residence at the apartment pursuant to a court order not involving any terms or provisions of the lease/occupancy agreement, and not involving any grounds specified in the Real Property Actions and Proceedings Law; (iv) is engaged in employment requiring temporary relocation from such Unit; (v) is hospitalized temporarily for medical treatment; or (vi) has other reasonable grounds that shall be determined by the Agency.

(c) All of the Residential Units must meet the Post-Completion Assessment Cap Requirement which requires that that one hundred percent of the Residential Units in a Homeownership Project must have an average assessed value at or below $65,000 upon the first assessment following the Completion Date.

(d) As a result of the 421-a (16) requirement that in order to obtain the benefits of the tax abatement Deeds for each Residential Unit must be executed and recorded prior to the Application filing by the Board of Managers.

IN VIEW OF THE FACT THAT THE REQUIREMENTS TO OBTAIN THE 421-A (16) TAX BENEFITS ARE EXTENSIVE, PURCHASERS SHOULD NOT RELY ON OBTAINING THE TAX ABATEMENT IN THEIR DETERMINATION AS TO WHETHER OR NOT THEY PURCHASE THE RESIDENTIAL UNIT AND SHOULD PURCHASE THEIR RESIDENTIAL UNIT BASED UPON THE ASSUMPTION THAT THE 421-A (16) TAX BENEFITS WILL NOT BE OBTAINED. Purchaser acknowledges the foregoing by executing this Agreement.

8) **OCCUPANCY** – Purchaser agrees that Purchaser will maintain the Residential Unit as Purchaser's primary residence for at least the first five (5) years of acquisition of the Residential Unit in compliance with the requirements of Section 421-a (16) of the New York State Real Estate Tax Law and agrees to execute the affidavit contained in Schedule D-6 attesting to said representation.

9) **SEVERANCE OF MORTGAGE -** Purchaser shall use its best efforts to direct its lender (i) to accept an assignment of the existing mortgage(s) encumbering the Property, as severed, to encumber only the Unit and its appurtenant Percentage of Common Interest in the Common Elements, and (ii) to cooperate with Seller and its existing lender, as necessary to effectuate such assignment. At Closing, Purchaser shall execute the affidavit required pursuant to Section 255 of the New York State Tax Law. It is agreed and understood that Seller shall receive as a credit from Purchaser at Closing, a sum equal to the full mortgage tax credit which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller on the amount of Purchaser's mortgage. The foregoing credit shall be paid by Purchaser regardless of whether Purchaser's lender accepts the assignment of the Seller's existing mortgage, as severed.

10) **EXISTING MORTGAGE(S) -** All terms and provisions of this Purchase Agreement and all payments made hereunder are and shall be subject and subordinate to the lien of any acquisition, improvement, interim or building loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon, to the full extent thereof without the execution of any further documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the loan schedule of payments or accelerated thereunder by virtue of the lenders right to make advances before they become due in accordance with the schedule of payments. Seller shall satisfy all such mortgages or obtain a release of the Unit and its appurtenant Percentage of Common Interest in the Common Elements (as such term is defined in the Plan) from the liens of such mortgages at or prior to Closing, unless Purchaser shall be required to take title subject to the existing mortgage, as severed and converted to Purchaser's individual mortgage on the Unit.

11) **DEED AND ENCUMBRANCES UPON OWNERSHIP** - The deed to be given by Seller to Purchaser at Closing shall be a Bargain and Sale with Covenant against Grantor's Acts deed, but subject, nevertheless, to the matters set forth in sub-paragraphs (a) through (f) below which need not be recited in the deed given at Closing but shall survive Closing, and Seller's covenant in the deed against encumbrances shall be deemed modified accordingly. The deed shall be duly executed and acknowledged

by Seller in proper statutory form for recording (except for payment of the New York State and City transfer tax which is the obligation of Purchaser) so as to convey to Purchaser fee simple title to the Unit, free and clear of all liens and encumbrances, except as herein stated. The deed shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. Purchaser shall accept such title and deed description of the Unit subject to the liens, encumbrances and other matters set forth in this Purchase Agreement, as a title company authorized to do business in the State of New York is willing to approve and insure without additional premium. Purchaser may obtain title insurance from any title insurance company or abstract company, or Purchaser may decline to obtain any title insurance at all. Seller has utilized the services of Madison Avenue Abstracts, Inc., an abstract company authorized to do business in the State of New York, 1111 Route 110, Ste. #224, Farmingdale, New York 11735, (631) 328-5000, Attn: Sheila Perrino, President.

Purchaser shall be responsible for payment to the title company of the entire premium for Purchaser's title insurance, and shall also pay the applicable New York State and City transfer tax and mansion tax, if applicable. Purchaser shall also be responsible for any title insurance premiums or other title charges for Purchaser's lender, if applicable.

The sale and transfer of ownership of the Unit to Purchaser shall, even though not stated in the deed, be subject to:

(a) Ordinances, rules, regulations, requirements and approvals of applicable governmental authorities, provided not violated by the Unit or the Common Elements to be constructed.

(b) Rights for installation, use and/or maintenance of easements and rights of way for utilities, sewer, cable television, drainage, scenic purposes, screening and planting which have already been granted or may be granted after this Purchase Agreement is signed or after Closing, provided they do not prevent use of the Unit or the Common Elements for their intended purposes.

(c) Declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of the Residential Unit as a one (1) family residence and the Common Elements for their intended use and purpose and do not constitute a lien against the Unit or any of the Common Elements.

(d) Permanent Access Easement recorded in in the New York City Registrar's Office in CRFN2018000409659.

(e) Unpaid taxes and liens, provided the title insurance company shall insure against collection of same out of the Unit.

(f) The filed Condominium Map and all matters reflected thereon.

(g) The Declaration and By-Laws of the Condominium and any amendments

or supplements thereto.

Purchaser shall deliver to Seller's attorney at least ten (10) days prior to Closing, a written notice setting forth each objection to title, if any (other than those specifically set forth herein subject to which the Property are being sold), and a copy of Purchaser's title report. Seller shall have the right to a reasonable adjournment of Closing, not to exceed sixty (60) days, for the purpose of curing any title defect; however, no such action taken by Seller shall be deemed an admission by Seller that such defect is one that would entitle Purchaser to cancel this Purchase Agreement.

12) **PERSONAL PROPERTY INCLUDED IN SALE** - All articles of personal property, fixtures and equipment for the Unit which are included in this sale will be delivered free and clear of all liens and encumbrances, except as stated in Paragraph 9 herein, if applicable.

13) **POWER OF ATTORNEY** - At Closing, Purchaser shall execute, acknowledge and deliver to Seller in recordable form, a power of attorney in the form set forth as Schedule E to the Plan (the "Power of Attorney"), in favor of the Board of Managers of the Condominium relative to leasing and purchasing of units in the Condominium under certain circumstances and to foreclose upon units in the Condominium for which the payment of Common Charges is delinquent, and in favor of Seller relative to amending the Condominium documents to the extent provided for in the Plan. Purchaser further agrees to execute and pay for any recording fees in the event the form required to be used for a Power of Attorney is revised subsequent to the date of the Closing.

14) **ENCUMBRANCES/LIENS EXISTING AT CLOSING** - The existence of anything affecting the sale at Closing, including unpaid taxes or liens of any kind, shall not constitute an objection to title provided First American or another title or abstract company selected by Purchaser, is willing to insure Purchaser's title clear of the matter or is willing to insure against enforcement or collection out of the Unit upon Seller's doing whatever acts as may be required by said company and/or the depositing of money. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the Unit, not provided for in this Purchase Agreement, out of the monies to be paid by the Purchaser at the time of Closing.

15) **EXTRA WORK AND EXTRA ITEMS ORDERED BY PURCHASER -** Any work or items ordered from Seller by Purchaser which are not included in the plans or standard model of the Unit shall, except as may otherwise be provided in this Purchase Agreement or in a writing signed by Seller, be paid for in full by Purchaser at the time they are ordered. The failure of Seller to perform or supply and install such work or items shall not entitle Purchaser to cancel this Purchase Agreement even if Purchaser has already paid for such work or items. Purchaser's only right, in the event of Seller's failure to perform such extra work or supply and install such extra items, is to receive a refund or credit at Closing equal to the total payments made to Seller for such extra work or extra items. All Extras or upgrades must be ordered prior to commencement of construction and must not delay construction. In the event Purchaser orders upgraded or optional items or finishes other than the standard provided by Seller, Seller or Seller's contractors shall not be responsible or liable for any defects in quality of materials or workmanship in installation. Failure to make any payments due in accordance with the

payment schedule of Seller, Seller's contractors or sub-contractors, as applicable, shall constitute a breach in accordance with Paragraph 23 herein. **All funds received by Seller for Extras will initially be placed in the Escrow Account as provided in Paragraph 30 of this Purchase Agreement. Such funds may be released from the Escrow Account as long as Seller uses the funds for such Extras. Extras which have been (i) installed by Seller; or (ii) not installed but paid for by Seller; or (iii) not installed but ordered by Seller and for which Seller is obligated to pay, should not be refundable unless the Plan is abandoned.** As noted as a Special Risk in the Plan, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid for Extras, upgrades or options which have been paid for or installed by Seller. Seller shall have no responsibility for any work, fixtures, appliances, equipment or materials not ordered directly from Seller by Purchaser. For the purposes of this provision, any orders which Purchaser places directly with Seller's contractors or suppliers shall not be deemed to have been ordered directly from Seller.

16) **SALE OF RESIDENTIAL UNITS WITHIN EIGHTEEN (18) MONTHS** – The Seller does not wish to sell Residential Units to Purchasers who intend to purchase the Residential Unit as a short term resale investment. As such, and in the event the Condominium does not qualify for 421-a Tax Abatement, Purchaser agrees that if their Residential Unit is sold within eighteen (18) months from the Closing of Title to the Residential Unit, the Purchaser shall upon the sale of the Residential Unit pay Seller, at or before the resale closing, an amount equal to ten (10%) percent of any profits defined as the Gross Sales Price without deductions for Closing or other transaction costs less the original purchase price however such amount shall not be greater than the net proceeds of the sale of the Residential Unit, which would be the gross sales prices, less amounts owed on a mortgage and all Closings Costs. This provision only applies to the initial Purchaser of a Residential Unit from Sponsor and not to subsequent resales and does not apply if the Residential Unit Owner or spouse dies within the eighteen (18) months or if all the Residential Units have been titled by Seller before the eighteen (18) month period. This Paragraph shall survive delivery of the deed and Closing of Title to a Residential Unit.

17) **NO INSPECTIONS DURING CONSTRUCTION** - Purchaser acknowledges that unsupervised visits to the Property (the "Construction Site") present a dangerous circumstance and could incur liability to Seller. **Unless specifically agreed to by Seller in writing, Purchaser shall not visit the Unit or any other portion of the Construction Site, and shall only have the right to visit the Seller's sales office (the "Sales Office"). Any unauthorized visits to the Construction Site by Purchaser are subject to a charge by Seller of $500 per visit, which Purchaser agrees to pay Seller within ten (10) days of billing thereof.** Purchaser hereby releases and indemnifies, defends and holds Seller harmless for all claims and liabilities incurred by Seller resulting from the presence of Purchaser or Purchaser's family members or invitees on the Property prior to Closing. Purchaser further agrees to execute the Express Assumption of Risk Form, in the form set forth as Schedule D-4 to the Plan.

18) **OPTIONS AND COLOR SELECTIONS** - Any choices given by Seller to Purchaser in colors, products, materials, design, features and similar matters shall be made by Purchaser in writing at Seller's office or model site, within ten (10) days after

notification to Purchaser to make such choices. If there is anything as to which Purchaser has a choice, and Purchaser fails to inform Seller of Purchaser's choice within such ten (10) day time period, then Seller may make the choice on Purchaser's behalf and Purchaser shall accept such choice so made by Seller as if originally made by Purchaser. No claim or objection to Closing shall be made by Purchaser because of any choice made by Seller in any case where Purchaser failed to give Seller timely notice of Purchaser's choice.

19) **PURCHASERS' INTERFERENCE** - Purchaser acknowledges that it may not interfere with Seller's ability to construct the Unit or other unit(s) or facilities, including interference with work performed on site by Seller's staff in connection with the construction of the Unit or any other units, attempts to hire any of Seller's staff or contractors, and/or attempts to bring contractors, materialman, subcontractors or workers onto the site for work on the Unit prior to Closing, unless otherwise agreed to in writing by Seller.

20) **PURCHASER MAY NOT TAKE POSSESSION OF THE UNIT PRIOR TO CLOSING**- Neither Purchaser nor anyone acting on Purchaser's behalf may enter or take possession of any part of the Unit nor have any work performed or materials supplied or installed at the Unit prior to Closing without the prior written consent of Seller.

Purchaser acknowledges and agrees that Seller will accept no liability whatsoever for any property belonging to the Purchaser, their agents, employees, family, or belonging to any party other than Seller which is placed on the Property and/or in the Unit prior to Closing. No act of the Seller, whatever its nature, shall constitute a waiver of this Paragraph.

21) **CHANGES BY SELLER -** In building the Unit and performing any other work on the Property, Seller reserves the right to: (a) make changes or substitutions of materials or construction from those shown in the model units or building plans, provided any such changes or substitutions are of substantially similar or better quality; (b) determine the exterior color and design of the Building; (c) change the type of the units to be constructed in the Condominium; (d) change appliances as long as they are equal to or better than originally offered; and (e) make any other changes required by the City of New York.

22) **COMPLETION OF CONSTRUCTION - PURCHASER'S INSPECTION -** Purchaser shall accept title (without abatement in or credit against the Purchase Price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit or the building in which it is located, or (b) other units in the Condominium, or (c) any landscaped areas of the Property, or (d) other portions of the Common Elements have not been completed. Purchaser will inspect the Unit with a representative of the Seller during normal business hours approximately three (3) days prior to Closing and will sign and deliver to Seller on or before Closing, a Pre-Title Inspection Statement supplied by Seller, acknowledging the condition of the Unit. Receipt of the executed Pre-Title Inspection Statement shall be a condition precedent to closing. Purchaser agrees to accept the Pre-Title Inspection Statement wherein the Seller shall agree to complete all unfinished items within six (6) months from the date of Closing, weather and other circumstances permitting. Any such incomplete items shall not constitute an objection

to closing provided Seller executes and delivers to Purchaser, a letter agreement in accordance with the foregoing. Purchaser shall allow Seller, its agents, servants and/or employees the right to enter the Unit and shall provide reasonable access thereto subsequent to Closing to complete any incomplete items.

In the event Seller is required to make any repair or complete any item of work to be performed by Seller after Closing, the limit of Seller's liability shall be to make said repair and/or to complete such item. This Paragraph shall survive Closing and delivery of the deed.

23) **CERTIFICATE OF OCCUPANCY** - At Closing, Seller shall deliver to Purchaser a temporary or permanent Certificate of Occupancy for the Unit (or building in which it is located) and, if available, a New York Board of Fire Underwriter's Certificate for the Unit.

24) **UNIT PART OF DEVELOPMENT** - Purchaser acknowledges that they may be living in an active construction site after Closing on the Unit. During the period of construction, there may be dirt and debris and construction material on the Property, construction vehicular traffic, construction noises, unfinished areas of the Condominium and other inconveniences which are normal in a community undergoing construction. Purchaser further acknowledges that other units and infrastructure are presently being constructed at the Property and that Seller anticipates that such construction shall continue until the Condominium project is completed in accordance with the Plan. Accordingly, Purchaser agrees that such continuing construction shall not be deemed a nuisance nor an interference with Purchaser's quiet enjoyment of the Unit after Closing. This Paragraph shall survive Closing and the delivery of the deed.

25) **PURCHASER'S DEFAULT** - If Purchaser fails to appear and close title in accordance with this Purchase Agreement on the date and at the time and place stated in Seller's Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under this Purchase Agreement, Seller may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default. Upon Purchaser's failure to cure such default within such thirty (30) day period, this Purchase Agreement shall, at Seller's option, be deemed canceled and Seller shall have the right to retain as and for liquidated damages, all sums paid by Purchaser to Seller on account of the Purchase Price plus all additional sums paid and/or payable by Purchaser for all Extras or upgrades ordered by Purchaser and paid for or installed by Seller, together with all interest credited thereon, if any, which total amount Purchaser acknowledges to be fair and reasonable.

Prior to such funds being released to Seller the Escrow Agent shall send a notice to Purchaser of the Escrow Agent's intent to release the funds being held in escrow on behalf of the Purchaser pursuant to the provisions of the Attorney General's escrow regulations as described in Section XII of the Offering Plan and Paragraph 30 of this Purchase Agreement.

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE SUCH DEFAULT WITHIN SUCH THIRTY (30) DAY PERIOD.

Upon cancellation of this Purchase Agreement for Purchaser's failure to timely cure any such default, Seller shall be released and discharged of all further liability and obligations to Purchaser under this Purchase Agreement. Thereafter the Unit may be sold or disposed of as though this Purchase Agreement had never existed and without any accounting to Purchaser for the proceeds of any subsequent sale. The foregoing remedy shall be in addition to any and all other remedies available to Seller under this Purchase Agreement or at law for any default by Purchaser under this Purchase Agreement.

26) **SELLER'S RIGHT TO CANCEL** - Seller may cancel this Purchase Agreement by forwarding a full refund of the Downpayment to Purchaser together with written notice of cancellation in the event of the occurrence of any of the following:

(a) any governmental authority imposes a ban on the construction or completion of residential dwellings or imposes restrictions on the manufacture, sale, distribution and/or use of materials from Seller's regular suppliers or from using same in the construction and/or completion of the Unit ; or

(b) Seller is unable to obtain materials from its usual sources due to labor troubles, lockouts, war, military operations and requirements, civil unrest, act of God, pandemics or national emergencies; or

(c) the installation of public utilities is restricted or curtailed; or

(d) should zoning and/or building restrictions and regulations, imposed by any governmental body having jurisdiction over the construction of residential housing and appurtenances, either presently in effect or as enacted or promulgated in the future, create or impose requirements upon the Seller which are not presently contemplated; or

(e) the Plan is abandoned, withdrawn or not consummated for any reason.

Upon such cancellation and refund, this Purchase Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Purchase Agreement and the Offering Plan.

27) **INABILITY OF SELLER TO TRANSFER OWNERSHIP** - Subject to the provisions of Paragraph 5, if the Seller fails to complete and/or deliver title for any reason the Purchaser may pursue any remedies to which the Purchaser is entitled under applicable law.

28) **PROHIBITION AGAINST ASSIGNMENT OR RECORDING OF PURCHASE AGREEMENT** - Neither this Purchase Agreement nor Purchaser's interest hereunder may be assigned by Purchaser without the written consent of Seller. In addition, neither shall this Purchase Agreement nor any memorandum thereof be recorded in the New York City Register's Office by Purchaser or anyone on Purchaser's behalf. Should Purchaser violate the provisions of the foregoing sentence, this Purchase Agreement, at Seller's option, shall become null and void, whereupon all rights of the Purchaser shall

cease and terminate and Seller shall have the right to retain the Downpayment and all amounts paid by Purchaser for Extras and upgrades paid for or installed by Seller, as and for liquidated damages on account of such default by Purchaser pursuant to the provisions of Paragraph 23 hereunder.

29) **PROHIBITION AGAINST SIGNS ON UNIT** - Purchaser shall not place any sign anywhere on the Unit or Property at any time within the Sponsor Control Period (as defined in the Offering Plan) without Seller's prior written consent. This Paragraph shall survive delivery of the deed.

30) **PROHIBITION AGAINST ADVERTISING OF UNIT FOR SALE** - From and after the date hereof, Purchaser shall not place an advertisement for the sale of the Unit in any newspaper or other publication or media, or list the Unit with any real estate broker prior to Closing. Such action will constitute a material breach of this Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement plus the cost of Extras or upgrades paid for or installed by Seller, as liquidated damages.

31) **NO BROKER CONSULTED BY PURCHASER** – Purchaser represents that no broker other than Seller's broker, News Realty Corp. (the "Broker") brought about this sale, and Purchaser agrees to indemnify Seller against any claim brought by any other broker for brokerage commission based upon Purchaser's acts. Seller shall pay the Broker pursuant to separate agreement.

32) **TRUST FUNDS/ESCROW PROVISIONS** - The Downpayment and all other **deposits** or advances made by Purchaser prior to Closing shall initially be held in a segregated escrow account held by Lewis P. Kamin, Esq., the Escrow Agent, whose address is 42-40 Bell Boulevard, Suite 206, Bayside, New York 11361 and whose telephone number is (718) 225-9223 ("the Escrow Agent") pursuant to the following:

(a) Lewis P. Kamin, Esq., with an address at 42-40 Bell Boulevard, Suite 206, Bayside, New York 11361, telephone number (718) 225-9223, shall serve as escrow agent ("Escrow Agent") for Seller and Purchaser. Escrow Agent has designated the Members of the Firm to serve as signatories. 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 Seller, 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 or release of the Deposit from escrow.

(c) The Escrow Agent has established the escrow account at Signature Bank, 78-27 37th Avenue, Jackson Heights, New York 11372, ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Lewis P. Kamin, Esq., Attorney Trust Account NY IOLA". The Escrow Account is an IOLA account pursuant to Judiciary Law § 497. 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.

(d) All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments approved by Seller, and shall be made payable to or endorsed by the Purchaser to the order of Lewis P. Kamin, Esq., as Escrow Agent.

(e) Pursuant to Judiciary Law § 497, all interest earned on the IOLA account will be paid to the State of New York. No fees of any kind may be deducted from the Escrow Account, and the Seller shall bear all costs associated with the maintenance of the Escrow Account.

(f) Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. With ten (10) business days of the placing the Deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Seller, confirming the Deposit. The notice shall provide the account number. Any Deposits made for upgrades, Extras, or custom work shall be initially deposited into the Escrow Account, and released as long as Seller uses the Funds for such work as per Paragraph 13 of this 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 the Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, NY 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

(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 Seller, as per GBL § 352-h.

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

(j) The Escrow Agent shall release the Deposit if so directed:

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

(ii) in a subsequent writing signed by both Seller and Purchaser; or

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

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (i) through (iii) 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 Seller 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 (i) through (iii) 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. Escrow Agent shall disburse the Purchaser's deposit(s) escrowed under this Purchase Agreement within twenty (20) business days after the escrowed funds are permitted to be released in accordance with this Purchase Agreement.

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

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

(ii) 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 §§ 352(e)(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) No disbursement need or will be made by Escrow Agent until the deposit has actually and finally cleared Escrow Agent's account.

(p) Escrow Agent shall only be responsible for monies actually received and cleared, and monies earned thereon, if any.

(q) Escrow Agent undertakes to perform only such duties as are expressly set forth in this Purchase Agreement and the Escrow Regulations as amended on November 14, 2012 promulgated by the New York State Attorney General's Office, and no implied duties or obligations shall be read into this Purchase Agreement against Escrow Agent.

(r) Seller agrees that Seller 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 five (5) business days of tender of the Deposit by Purchaser.

(s) Seller 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.

(t) The following record keeping provisions shall apply:

(i) Escrow Agent shall maintain all records concerning the Escrow Account for seven (7) years after the release of the funds.

(ii) Upon dissolution of a 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 the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

(u) Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Seller from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

(v) Seller agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses, demands, causes of action,

liability, judgments 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.

(w) Escrow Agent shall not be liable for Seller's failure to tender the Purchasers' funds to Escrow Agent within five (5) business days, for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence.

(x) Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner or execution, or validity of any written instructions delivered to it, nor as to the identity, authority, or rights of any person executing the same.

(y) The duties of Escrow Agent shall be limited to the safekeeping of the deposits and for disbursements of same in accordance with the written instructions described in this Agreement.

(z) This Paragraph 30 of the Purchase Agreement shall remain in effect unless and until the following:

(i) Written notice given by Seller to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

(ii) The resignation of Escrow Agent upon giving notice to Seller of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

(iii) All Units offered pursuant to the Plan have been sold and all sales transactions have been consummated.

(iv) Escrow Agent shall have no responsibility to verify qualifications of any successor escrow agent.

(aa) Upon termination of the duties of Escrow Agent as described in Sub-paragraph 30(z) above, Escrow Agent shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by Escrow Agent to the new escrow agent designated in the duly filed amendment related thereto.

(bb) Upon delivery of all funds held by the Escrow Agent to the new escrow agent pursuant to sub-paragraph 30(aa) above, this provision of the Purchase Agreement shall be terminated and the Escrow Agent shall be released from all liability hereunder.

(cc) Upon Escrow Agent disbursing the deposit of Purchaser in accordance with the provisions of this Paragraph 30 of the Purchase Agreement, the Escrow Agent's obligations shall terminate as regards to said Purchaser's deposit, and Escrow Agent shall thereafter be released of all liability in connection with said Purchaser.

(dd) In the event of a good faith disagreement about the interpretation of this Paragraph 30 of the Purchase Agreement, or about the rights and obligations, or the propriety, of any action contemplated by Escrow Agent hereunder, Escrow Agent may, at its sole discretion, retain purchaser's deposits and payments in escrow and file an action and deposit any applicable funds in court to resolve said disagreement. Escrow Agent shall be indemnified by Seller for all costs, including reasonable attorneys' fees or reasonable value of services rendered by Escrow Agent's litigation attorneys representing Escrow Agent pro se, in connection with the aforesaid action. No such action shall be filed where the Escrow Agent's required course of action is clearly dictated within this Paragraph 29 of the Purchase Agreement.

(ee) Any provision of any contract or agreement, whether oral or in writing, by which Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the regulations pertaining to escrow funds as amended on November 14, 2012 shall prevail over any conflicting or inconsistent provision in the Offering Plan, an amendment to the Offering Plan or in the Purchase Agreement.

(ff) This Paragraph 30 of the Purchase Agreement shall be construed in accordance with and governed by the laws of the State of New York.

33) **NOTICES** - Any notices, statements, certificates, requests or demand required or permitted to be given or delivered under this Purchase Agreement shall be in writing and may be sent by mail, overnight courier or personal delivery, addressed to Purchaser or to Seller, as the case may be, at their respective addresses shown at the beginning of this Purchase Agreement, or to such other address as Purchaser or Seller may designate in the manner herein provided, or to their respective attorneys. Such notice, statement, certificate, request or demand shall be deemed to have been given

(a) when delivered to an overnight courier service, if sent by overnight courier,

(b) upon personal delivery actually being made, and

(c) upon receipt or first refusal of delivery or inability of delivery after delivery to the United States Post Office with proper postage prepaid, if sent by regular mail, registered or certified mail return receipt requested.

Notwithstanding the foregoing, any notice of default must be delivered only by overnight courier service, personal delivery, or certified mail return receipt requested.

34) **PURCHASER GENERAL REPRESENTATIONS -** Purchaser represents that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties or statements, written or oral, of any nature, including but not limited to, any of the above relating to the description or physical condition of a Condominium building or the Unit or the Property, the size or the dimensions of the Unit or the rooms therein contained or any physical characteristics thereof, the services offered by the Condominium, the estimated Common Charges for the Unit or any other matter or estimate not set forth herein and in the Plan. Purchaser further represents that Purchaser has not relied on any verbal or written representations made by the Broker or any other agent of Seller. Purchaser further acknowledges having had full opportunity to examine all documents and investigate all facts referred to and stated herein and in the Plan. Purchaser agrees that the Seller shall have no liability or responsibility to Purchaser and that Purchaser will not be relieved from his or her obligations hereunder, by reason of any inaccuracy or error in the layout or dimensions of the Unit so long as the layout and specifications as they may be changed or amended are in accordance with the provisions of the Plan. Purchaser understands and acknowledges that the Seller cannot guarantee a firm completion and availability date for the Unit and agrees that the Seller shall not be obligated to make, provide or compensate for any accommodations or costs to Purchaser as a result of construction delays nor shall such delays serve to cancel, amend or diminish any of Purchaser's obligations hereunder.

35) **ACKNOWLEDGMENT THAT THERE ARE NO OTHER UNDERSTANDINGS -** All prior understandings and agreements are hereby superseded and merged into this Purchase Agreement, which alone contains the final and entire understanding and agreement between Seller and Purchaser. Neither Seller nor Purchaser shall be bound by any terms, conditions, statements, or representations, oral or written, not set forth in this Purchase Agreement or in the Offering Plan. Purchaser acknowledges that Purchaser is buying a Unit in a condominium development which may not yet have been formed at the time this Purchase Agreement is signed, and that, except as stated in this Purchase Agreement, the Declarations, By-Laws, Exhibits, Schedules and Plan, Purchaser has not relied on any representations or other statements of any kind or nature made by Seller or anyone else except as set forth in the Plan or any amendment thereto and this Purchase Agreement, including but not limited to, the description, size or dimensions of the Unit or rooms therein, or the estimated common charges, or other expenses relative thereto.

Purchaser also acknowledges that none of Seller's representatives has the authority to modify this Purchase Agreement or to make any oral promise, agreement or representation inconsistent or contrary to the terms of this Purchase Agreement. This Purchase Agreement may be changed only by a written document signed by both Purchaser and Seller's Authorized Agent. The invalidity or unenforceability of any particular provision of this Purchase Agreement will not affect the other provisions, and this Purchase Agreement will be interpreted in all respects as if such unenforceable provisions were omitted.

36) **RISK OF LOSS** - The risk of loss or damage to the Unit by fire or any other cause until delivery of the deed is assumed by Seller. In the event a substantial portion of the Unit or Condominium shall be destroyed or damaged prior to Closing, Seller shall be entitled to cancel this Purchase Agreement by written notice to Purchaser, together with a check in the amount of the Downpayment paid by Purchaser, with interest, if any; however, Purchaser will not receive a refund of any funds paid for Extras. The parties shall thereafter be released from any further liability hereunder. However, if Purchaser is or becomes the occupant or tenant of the Unit prior to Closing, then as of the date of Purchaser's occupancy, Purchaser shall be responsible for all damage caused by any acts or omissions of Purchaser, Purchaser's agents, employees or invitees.

If any part of the Unit is damaged or destroyed by any casualty prior to Closing, Seller will have the option to restore the Unit to its previous condition as soon as reasonably possible. In the event Seller elects to restore the Unit, then the Closing Date and any other applicable date or deadline will be extended in a reasonable manner by Seller. Seller agrees to notify Purchaser of Seller's decision within ten (10) business days of the date of such casualty. In the event Seller elects not to restore the Unit, then this Purchase Agreement will terminate and Purchaser will receive a full refund of all monies paid to Seller. The parties shall thereafter be released from any further liability hereunder.

37) **DAMAGE TO PUBLIC IMPROVEMENTS, AMENITIES AND COMMON ELEMENTS** - Purchaser shall repair and/or restore to their original condition and standards any public improvement, amenity or Common Elements on the Property damaged by Purchaser or Purchaser's agents, employees, contractors or licensees. Upon failure of Purchaser to complete such repair and/or restoration work within thirty (30) days after written notice from Seller, then and in that event, Seller may complete same at the expense of Purchaser who shall reimburse Seller for the cost thereof immediately upon demand. This Paragraph shall survive Closing and delivery of the deed.

38) **STRICT COMPLIANCE; SEVERABILITY; WAIVER OF TRIAL BY JURY** - Any failure by Seller to insist upon strict performance by Purchaser of any of Purchaser's obligations under this Purchase Agreement shall not be deemed a waiver of such obligations, and Seller may at any time insist upon strict performance by Purchaser of any and all obligations to be performed by Purchaser under this Purchase Agreement irrespective of the number of times Purchaser failed to strictly comply with such obligations in the past. If any part of this Purchase Agreement or the Plan is invalid or unenforceable with respect to a particular individual or circumstance, the remainder of this Purchase Agreement or the Plan and the applicability to other individuals or circumstances shall not be affected thereby but shall continue in full force and effect. Purchaser waives all rights to trial by jury in any action, proceeding or counterclaim in any way arising out of or relating to this Purchase Agreement or the Plan. Purchaser agrees to pay all court fees, including reasonable attorney fees, should Purchaser bring an action against Seller in any court of proper jurisdiction (including small claims court) and be unsuccessful. Further Purchaser agrees to waive the right to file a Lis Pendens if not filed within sixty (60) days of the cancellation of this Purchase Agreement.

Purchaser and Seller hereby waive trial by jury in any action, proceeding or counterclaim arising out of this Purchase Agreement, provided such waiver is not prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this Purchase Agreement, shall be instituted in a court in New York County and all motions in any such action shall be made in New York County.

This Paragraph shall survive Closing and delivery of the Deed.

39) **LIEN OF DEPOSIT** - All sums paid on account of this Purchase Agreement are hereby made liens upon the Unit, but such liens shall not continue after default by the Purchaser under this Purchase Agreement.

40) **MISCELLANEOUS -**

(a) The start of any activity by Seller in connection with the Unit is not to be deemed a waiver of any of Seller's rights under this Purchase Agreement.

(b) The personal property referred to in this Purchase Agreement shall be deemed conveyed by the deed, and no part of the Purchase Price shall be deemed allocated to such personal property.

(c) The attorneys representing the Seller or any Lender represent such parties only and not the Purchaser. The Purchaser may retain independent counsel at Purchaser's own expense in order to protect Purchaser's own interest.

(d) None of Seller's employees, agents or representatives is authorized to make any representations regarding economic benefits to be derived from this transaction. Purchaser is advised that economic benefits to be derived from this transaction may vary with individual circumstances and/or market conditions, and Purchaser should rely only upon Purchaser's own attorney, accountant, or other counsel if guidance in such matters is desired.

(e) Purchaser acknowledges that the Seller has the right to lower and/or increase the price paid for a similar Residential Unit and/or change the terms applicable to similar Residential Units. As a result, Purchaser may pay more or less and may receive better or worse terms than another Purchaser for a similar Residential Unit.

(f) The delivery of the deed for the Unit to Purchaser or Purchaser's representative at Closing shall be deemed to mean that all things required to be done by Seller under this Purchase Agreement have been done and that Purchaser shall not claim otherwise except as to those things, if any, which are specifically stated in this Purchase Agreement or in a separate writing signed by Seller or Seller's attorney on Seller's behalf, to survive or

continue beyond Closing or delivery of the deed.

(g) The paragraph headings set forth in this Purchase Agreement are inserted solely for convenience of reference and in no way deemed to affect, amend, define, describe or limit the scope or intent of the provisions set forth in this Purchase Agreement.

(h) No provision of this Purchase Agreement may be changed, waived, discharged, or terminated orally, by telephone, or by any other means, except an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge, or termination is sought and then only to the extent set forth in such instrument.

(i) Any singular word or term herein shall also be read as in the plural whenever the sense of this Purchase Agreement may require it. The use of the masculine gender shall be deemed to refer to the feminine gender, or neuter, whenever the context so requires.

(j) If two (2) or more persons are named as Purchaser in this Purchase Agreement, (i) each person shall be jointly and severally liable for payment, observance and performance of all obligations under this Purchase Agreement and (ii) anyone of them is hereby made agent for the other in all matters of any and every kind or nature with respect to the Unit and/or this Purchase Agreement. The act, assent, election or approval by one shall conclusively constitute the act, assent, election and approval by all.

(k) The provisions of this Purchase 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 Seller and its successors and assigns.

(l) This Purchase Agreement shall not be binding or effective until fully executed and delivered by Seller and Purchaser.

(m) Seller represents that its Federal Employer Identification Number is _____; and Purchaser represents that his/her/their social security number(s) is _____ and _____.

(n) Purchaser shall execute the Tender of Escrow Form, as set forth in Schedule D-5 to the Offering Plan upon execution of this Purchase Agreement; and shall execute at Closing the Release of Escrow Form, as set forth in Schedule D-2 to the Offering Plan, and shall execute the Purchaser(s)' Affidavit Regarding Occupancy and Board Authorization and Consent Form as set forth in Schedule D-6 to the Offering Plan.

(o) In the event any portion of this Purchase Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be deemed severed from this Purchase Agreement and

the remaining parts hereof shall remain in full force and effect, as fully as though such invalid, illegal or unenforceable portion had never been part of this Purchase Agreement.

(p) The parties agree that this Purchase Agreement shall be governed by, and construed in accordance with the laws of the State of New York.

41) **LIMITED WARRANTY - AT THE CLOSING OF TITLE, THE SELLER WILL DELIVER THE CERTIFICATES AND WARRANTIES DELIVERED TO IT AND TRANSFERABLE TO PURCHASER AND IT IS FURTHER AGREED THAT TITLE WILL NOT CLOSE UNTIL A TEMPORARY CERTIFICATE OF OCCUPANCY HAS BEEN ISSUED COVERING THE RESIDENTIAL UNIT OR BUILDING IN WHICH THE RESIDENTIAL UNIT IS LOCATED. IN THE EVENT A TEMPORARY CERTIFICATE OF OCCUPANCY IS ISSUED, SELLER SHALL KEEP THE TEMPORARY CERTIFICATE OF OCCUPANCY IN FULL FORCE AND EFFECT UNTIL A PERMANENT CERTIFICATE OF OCCUPANCY IS ISSUED. SELLER'S LIABILITY PURSUANT TO ANY MANUFACTURERS' WARRANTIES COVERING HEATING, APPLIANCES, ELECTRICITY AND PLUMBING ARE LIMITED SOLELY TO THE EXTENT THAT SUCH WARRANTIES ARE DELIVERED TO SELLER, TRANSFERABLE TO THE PURCHASER OR TO THE CONDOMINIUM AND THEN ONLY AS AGAINST SUCH MANUFACTURER. IN ADDITION, HOWEVER, SELLER WILL CORRECT ANY DEFECTS IN THE CONSTRUCTION OF THE RESIDENTIAL UNIT OR IN THE INSTALLATION OR OPERATION OF ANY MECHANICAL EQUIPMENT THEREIN DUE TO MATERIALS OR IMPROPER WORKMANSHIP SUBSTANTIALLY AT VARIANCE WITH THE PLANS AND SPECIFICATIONS, PROVIDED ONLY THAT IT IS NOTIFIED OF SUCH DEFECTS IN WRITING BY CERTIFIED MAIL WITHIN ONE (1) YEAR FROM THE DATE OF CLOSING OF TITLE TO THE RESIDENTIAL UNIT IN WHICH THE ALLEGED DEFECT EXISTS. IF A DEFECT OCCURS IN AN ITEM WHICH IS COVERED BY THIS WARRANTY, THE SELLER OR SELLER'S CONTRACTORS WILL (A) REPAIR OR (B) REPLACE THE DEFECTIVE ITEM. THE CHOICE BETWEEN REPAIR OR REPLACEMENT IS THE SELLER'S.**

PURCHASER SHOULD NOTE THAT:

A. NO STEPS TAKEN BY SELLER OR SELLER'S CONTRACTORS TO CORRECT A DEFECT SHALL ACT TO EXTEND THE WARRANTY PERIOD.

B. SELLER ACCEPTS NO RESPONSIBILITY FOR ANY WARRANTY OBLIGATION FOR INCIDENTAL OR CONSEQUENTIAL DAMAGE CAUSED BY ANY DEFECT.

C. THESE WARRANTIES GIVE YOU AS PURCHASER SPECIFIED LEGAL RIGHTS. YOU MAY HAVE OTHER RIGHTS UNDER STATE LAW.

D. THESE WARRANTIES ARE EXTENDED TO YOU AS PURCHASER AND ARE NOT EXTENDED TO ANY SUBSEQUENT PURCHASER,

TENANT, OR MORTGAGE LENDER WHO TAKES POSSESSION OF THE UNIT.

E. THESE WARRANTIES SHALL BE VOID IF PURCHASER, TENANT OR OCCUPANT, MISUSES, ABUSES OR OTHERWISE INTERFERES WITH OR CHANGES SELLER'S ORIGINAL CONSTRUCTION OR INSTALLATIONS, OR IF PURCHASER, TENANT OR OCCUPANT HIRES ANY OUTSIDE CONTRACTOR TO DO ANY WORK DURING THE WARRANTY PERIOD.

F. SELLER IS NOT RESPONSIBLE FOR ANY WORK OR MATERIAL ORDERED DIRECTLY BY PURCHASERS FROM SELLER'S CONTRACTORS OR SUPPLIERS, OR OTHER OUTSIDE SUPPLIERS AND CONTRACTORS.

G. IN NO EVENT WILL SELLER BE RESPONSIBLE FOR ANY CONDITION RESULTING FROM (i) NORMAL WEAR AND TEAR OR NATURAL DETERIORATION OR FROM THE NORMAL MOVEMENT, SETTLEMENT AND/OR SHRINKAGE OF THE BUILDING AND/OR BUILDING MATERIALS; (ii) DEFECTS OF AN IMMATERIAL NATURE, SUCH AS, WITHOUT LIMITATION, PARTIAL OR TOTAL LOSS OF ANY TREES, SHRUBS, BUSHES OR OTHER LANDSCAPE IMPROVEMENTS THAT MAY ABUT THE BUILDING, NAIL POPS, PROTRUDING DRY WALL FASTENINGS, RIDGING ON GYPSUM BOARD, LUMBER SHRINKAGE, DOOR OR WINDOW STICKING, DOOR WARPAGE INCLUDING, WITHOUT LIMITATION, WARPAGE OF THE MAIN ENTRANCE DOOR WITHIN REASONABLE TOLERANCES OF DOORS OF SIMILAR SIZE AND WEIGHT, SCRATCHES IN PLASTIC LAMINATE, VITREOUS CHINA, NATURAL STONE, WOOD, STAINLESS STEEL OR PORCELAIN SURFACES; BATHROOM FINISH GROUTING; ADJUSTMENT OF DOORS; WALLS NOT SQUARE; ELECTRICAL PLATES NOT STRAIGHT; NON-MATERIAL DISCOLORATION OR SHRINKAGE; SLIGHT SEPARATION BETWEEN BASE AND FLOORS; (iii) NORMAL SETTLEMENT AND DEFLECTION OR ANY CONSEQUENTIAL DAMAGE RESULTING THEREFROM INCLUDING, WITHOUT LIMITATION, NON-MATERIAL CRACKS IN ROOF BALLAST, OR NON-MATERIAL CONCRETE CRACKS WHICH DO NOT REDUCE THE STRUCTURAL INTEGRITY OF THE BUILDING; (iv) NON-MATERIAL DEVIATIONS IN THE LEVEL OF CEILINGS, AND NON-MATERIAL IMPERFECTIONS IN CEILING FINISHES; (v) NON-MATERIAL IMPERFECTIONS IN PAINTING FINISHES; (vi) NON-MATERIAL DEVIATIONS IN THE LEVEL OF A FLOOR OR FAILURE OF FINISHED FLOORS AND WALLS TO BE STRAIGHT OR ON PLANE OR AT LESS THAN 90° FROM EACH OTHER; (vii) ALIGNMENT OF BATHROOM FINISHES AND VARIATION IN GROUTING THICKNESS; (viii) AIR INFILTRATION AND WATER INFILTRATION FROM WINDOWS IN ACCORDANCE WITH CUSTOMARY PRACTICE AND PROFESSIONAL STANDARDS; (ix) NOISE FROM NORMAL PLUMBING AND HVAC SYSTEM; (x) NORMAL FLOOR NOISES AND

CREAKING; (xi) CARPET OR FLOOR DISCOLORING OR STRETCHING; (xii) SCRATCHES AND NON-MATERIAL IMPERFECTIONS OR VARIATIONS IN WIDTH, LENGTH, THICKNESS, FINISH OR COLOR RANGE OF WOOD FLOOR STRIPS OR OTHER FLOORING OR FLOOR FINISHES, ALSO, NORMAL SHRINKAGE OR EXPANSION OF WOOD FLOORING DUE TO CHANGES IN MOISTURE CONTENT OF WOOD; (xiii) REPAIR OF CHIPS, SCRATCHES, MARS, BREAKS, DENTS, NON-MATERIAL CRACKS OR OTHER NON-MATERIAL DEFECTS IN: EXTERIOR STONE; WINDOWS, WINDOW GLASS, FRAMES AND HARDWARE; INSULATION ATTACHED TO THE CURTAIN WALL; SLIDING GLASS DOORS, FRAMES, DOOR GLASS AND HARDWARE; LOUVERS; SHOWER DOORS; LIGHTING FIXTURES, LENSES, BAFFLES AND GLOBES; ALL PAINTED SURFACES; ALL SINKS, TUBS, BASINS, WATER CLOSETS; KITCHEN CABINETS, BACK SPLASHES AND COUNTERTOPS; VANITY TOPS AND CABINETS; ALL TILE OR NATURAL STONE FLOORS AND WALLS; SADDLES; ALL APPLIANCES; WOODWORK, MILLWORK AND DOORS; MIRRORS AND AFTER THE RESIDENTIAL UNIT CLOSING, PAINT TOUCH-UPS, REPAIR OF DENTED APPLIANCES, OR REPLACEMENT OF LIGHT BULBS; (xiv) NON-MATERIAL CRACKS OR VARIATIONS IN TONE, COLOR OR VEINING OF NATURAL STONE OR VARIATIONS IN TONE, COLOR OR VEINING OF VANITY TOPS OR ANY OTHER NATURAL STONE SURFACES; (xv) LEACHING OR COLOR VARIATION IN COLOR MORTAR AND COLORED BRICK, AND DIMENSIONAL VARIATIONS IN BRICK JOINTS, AND MORTAR DROPPINGS ON BRICKS; (xvi) NON-MATERIAL PONDING AND/OR CONTROLLED DRAINAGE ON THE ROOF SURFACE; (xvii) NON-MATERIAL CRACKS IN PRESSURE-TREATED LUMBER USED OR INTENDED FOR USE OUTSIDE THE BUILDING; (xviii) NON-MATERIAL DISCOLORATION TO HARDWARE AND PLUMBING FINISHES; (xix) NON-MATERIAL STAINS, RUNS, LUMPS, SHAGS OR NON-MATERIAL IMPERFECTIONS IN WEAVE IN FABRIC PANELS; (xx) SCRATCHED, DIRTY OR CRACKED LENSES IN LIGHT FIXTURES; OR (xxi) TERRACE TILES NOT LAID FLAT, OR COLOR VARIATION IN TILES OR MORTAR, OR STAINED TILES; (xxii) SUBSEQUENT TO THE RESIDENTIAL UNIT CLOSING, PAINT TOUCH-UPS, REPAIRS OF DENTED APPLIANCES OR REPLACEMENT OF FLUORESCENT LIGHT BALLASTS, OR (xxiii) SALTING OR COLOR VARIATION IN EXTERIOR COLORED MORTAR AND DEEP COLORED BRICK OR (xxiv) REMOVE MOLD FROM THE BUILDING OR ANY UNIT THEREIN; OR (xxv) NORMAL WATER PENETRATION FROM FRAMELESS SHOWER DOORS. SPONSOR WILL BE OBLIGATED TO REPAIR ONLY ABNORMALLY CHIPPED STONE, FORMICA AND PORCELAIN SURFACES, WHICH REPAIR WILL BE MADE BY FILLING THE STONE OR FORMICA OR REFINISHING THE PORCELAIN, BUT SPONSOR WILL NOT BE OBLIGATED TO REPLACE SUCH STONE, FORMICA OR PORCELAIN SURFACES. THE ITEMS AND CONDITIONS

DESCRIBED IN THIS PARAGRAPH ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A RESIDENTIAL UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR RESIDENTIAL UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF THESE ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE BOARD THEREOF. IF PURCHASERS OR ANY BOARD DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR.

H. THESE WARRANTIES ARE SPECIFICALLY IN LIEU OF ANY OTHER GUARANTEE OR WARRANTY, EXPRESS OR IMPLIED INCLUDING ANY WARRANTY OF MERCHANTABILITY, HABITABILITY OR WORKMANLIKE CONSTRUCTION.

THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE THE CLOSING OF TITLE AND DELIVERY OF THE DEED.

42) **NOTICES TO PURCHASER - YOU, AS THE PURCHASER OF THE UNIT, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.**

WHEN SIGNED BY SELLER AND PURCHASER (OR PURCHASER'S AUTHORIZED AGENT), THIS PURCHASE AGREEMENT WILL BECOME A LEGALLY BINDING AGREEMENT. PURCHASER SHOULD MAKE SURE THAT ALL PROVISIONS ARE READ AND UNDERSTOOD BEFORE SIGNING. IF PURCHASER DOES NOT UNDERSTAND ANY PROVISION, PURCHASER SHOULD SEEK LEGAL ADVICE.

PURCHASER MUST BE GIVEN A COPY OF THE PLAN PRIOR TO THE SIGNING OF THIS PURCHASE AGREEMENT. BY SIGNING THIS PURCHASE AGREEMENT, PURCHASER ACKNOWLEDGES RECEIPT OF THE OFFERING PLAN AND THAT PURCHASER HAS HAD AN OPPORTUNITY TO READ THE OFFERING PLAN AT LEAST THREE (3) BUSINESS DAYS PRIOR TO SIGNING THIS PURCHASE AGREEMENT.

43) Any inconsistencies between the terms of this Purchase Agreement and the Offering Plan, the terms of the Offering Plan shall govern.

IN WITNESS WHEREOF, the parties hereto have executed this Purchase Agreement as of the date first above written.

SELLER:

BEDFORD AVE CONDOS, LLC

By:_____

PURCHASER:

_____

_____

Agreed to as to Paragraph 29 by Escrow Agent:

By:_____
LEWIS P. KAMIN, ESQ.

SCHEDULE D-1

PURCHASE AGREEMENT/COMMERCIAL UNIT

COMMERCIAL UNIT PURCHASE AGREEMENT

Commercial Unit No. _____ **Date** _____

Anticipated Closing Date: _____

Seller: Bedford Ave Condos, LLC

Address: 37-36 75th Street, Jackson Heights, New York 11372

Purchaser(s): _____

Home Address: _____

Residential Telephone Number: _____

Business Telephone Number(s): _____

Social Security Number(s): _____

Purchaser's Attorney: _____

Attorney's Address: _____

Attorney's Phone/Fax Numbers: Phone:_____ Fax _____

Seller and Purchaser agree as follows:

1) **PURCHASE PRICE**:

Commercial Unit	$_____
Builder upgrades & options ("Extras")	$_____
	TOTAL $_____

PAYABLE AS FOLLOWS:

On the signing of this Purchase Agreement, 10% of the Purchase Price plus Extras, the receipt whereof is hereby acknowledged (the "Downpayment")	$_____
Purchaser's certified or bank cashier's check (drawn on a New York Bank payable directly to the order of Seller or Seller's designee on the Closing of Title	$_____
	TOTAL $_____

SCHEDULE D-1

Any payment made by check is accepted subject to collection. If any check tendered is not honored, Purchaser shall provide a certified check or bank cashier's check payable directly to the payee on the dishonored check within seventy-two (72) hours after demand for replacement therefore.

Notwithstanding the foregoing, if for any reason whatsoever the check given by Purchaser as the down payment hereunder is dishonored, Seller shall have the right to cancel this Purchase Agreement. Seller's election to cancel shall not be deemed a waiver by Seller of its right to pursue other remedies.

THE PAYMENT DUE AT CLOSING IN ACCORDANCE WITH THIS PURCHASE AGREEMENT ON ACCOUNT OF THE PURCHASE PRICE MUST BE MADE BY PURCHASER'S PERSONAL CERTIFIED CHECK OR OFFICIAL TELLERS CHECK ON A NEW YORK CLEARINGHOUSE BANK PAYABLE DIRECTLY TO SELLER OR SELLER'S DESIGNEE. IF PAYMENT SHALL BE MADE TO SELLER'S DESIGNEE, SELLER SHALL GIVE PURCHASER PRIOR INSTRUCTIONS. UNCERTIFIED CHECKS OF FUNDING COMPANIES, ATTORNEY'S ESCROW CHECKS AND CHECKS PAYABLE TO PURCHASER OR ANOTHER PARTY AND ENDORSED TO SELLER WILL NOT BE ACCEPTED AND TENDER OF SAME WILL NOT CONSTITUTE COMPLIANCE BY PURCHASER OF THEIR OBLIGATIONS HEREUNDER.

2) **DESCRIPTION OF UNIT** - Seller agrees, at its own cost and expense, to erect and complete, and Purchaser shall buy from Seller, the condominium unit(s) known as Commercial Unit No. _____ (the "Commercial Unit"), together with a _____ Percentage of Common Interest for the Commercial Unit in the common elements of the condominium (the "Common Elements") known as The Stuyford Haus Condominium (the "Condominium"), located at 1021 Bedford Avenue, Brooklyn, New York 11205, and as described in the Declaration of Condominium recorded or to be recorded in the Office of the City Register's Office, Kings County, built or to be built or improved by Seller on property comprising the Condominium Map (the "Property") filed or to be filed in the Office of the City Register, Kings County. The Commercial Unit shall hereinafter be referred to as the "Unit". The Unit shall be constructed in accordance with the requirements as to materials and workmanship of the Building Department of the City of New York, which, when completed, will be in substantial accordance with the plans as filed or to be filed with the Building Department of the City of New York.

Purchaser acknowledges that the designation of the Limited Common Elements for Purchaser's exclusive use are reflected in Schedule B of the Declaration of Condominium as it may be amended.

The Unit may vary from any models displayed to Purchaser, and Purchaser should not rely on any model depiction of the units in the Condominium. All dimensions are approximate and may vary from the floor plans of the Condominium.

The Unit shall not include any of the following if displayed in any unit or model unit: decorative fixtures, furniture, furnishings, paint, wallpaper, carpeting, shelves, wall and window treatments, built-ins, burglar alarm systems, site lighting, central vacuum systems, highhat lighting, additional fixtures and switches added for decorative purposes and other optional fixtures or features exhibited in any model units and/or any sales office excepting those specifically set forth as may be attached to this Purchase Agreement, or above. Purchaser acknowledges that the above features, as contained in any model unit and/or sales office are for display purposes only and are not included in this sale unless specifically provided for in this Purchase Agreement. Purchaser acknowledges that the above features (as may be contained in any model unit and/or sales office) are for display purposes only and are not included in this sale unless expressly provided for in this Purchase Agreement.

3) **OFFERING PLAN** - Seller has exhibited and delivered to the Purchaser, and Purchaser acknowledges having received, read and understood, the Offering Plan for condominium ownership of the Property and all amendments thereto filed to date, all of which are incorporated by reference and made a part of this Purchase Agreement, with the same force and effect as if fully set forth in this Purchase Agreement. Purchaser agrees to be bound by the Offering Plan, including all amendments thereto now or hereafter filed by Seller (collectively the "Plan"). Seller may freely amend the Plan in any respect from time to time, without Purchaser's approval or consent. Any conflict between the Plan and this Purchase Agreement shall be resolved according to the terms of the Plan as it may be amended. Purchaser acknowledges having received and read the Plan at least three (3) business days prior to signing this Purchase Agreement and having had full opportunity to examine all papers and documents and investigate all matters set forth in the Plan.

Purchaser shall deliver all documents to Seller and perform all acts required by Seller to carry out the provisions of the Plan, establish the Condominium and conform to all applicable laws and regulations. This Paragraph shall survive Closing and delivery of the deed.

4) **MORTGAGE FINANCING** - This Purchase Agreement is not conditioned upon Purchaser obtaining mortgage financing. In the event Purchaser is unable to obtain a mortgage, this Purchase Agreement shall remain in full force and effect and Purchaser shall have an ongoing obligation to consummate the transaction. If a Purchaser does not consummate the transaction and close title to the Unit as a result of Purchaser's inability to obtain a mortgage, Purchaser will be in default under this Purchase Agreement and Seller may retain all monies as provided for in Paragraph 21 herein.

5) **CLOSING DATE; ADJOURNMENTS; CONSTRUCTION DELAYS BY SELLER-** The act of transferring ownership of the Unit in return for payment in full of the Purchase Price and all other sums due from Purchaser under this Purchase Agreement is known as the "Closing". The Anticipated Closing Date indicated on the first page of the Purchase Agreement is an approximate date and Seller cannot make any guarantees that such date will be the actual Closing Date. Seller shall have the right to adjourn or

accelerate such Closing Date as provided herein. The Closing shall take place at such time and place and on such date as Seller shall designate by prior written notice ("Notice for Closing") delivered in accordance with Paragraph 29 herein, which shall be given no less than thirty (30) days before the date set for Closing. Purchaser may waive the thirty (30) day notice period by execution and delivery of a waiver in the form set forth as Schedule D-3 to the Purchase Agreement in the Plan.

Should Seller be unable to convey title to Purchaser in accordance with the Notice for Closing, Seller shall have the right, from time to time, to adjourn or advance the date and time for Closing on written notice to Purchaser. If the Closing is advanced or adjourned by Seller, then Seller shall, by a new Notice for Closing, fix a new date and time for Closing, which shall be no less than ten (10) days before the new scheduled date and time for Closing.

If the Closing takes place at the request of Purchaser at any location other than the office of Seller's attorney, Purchaser shall pay to Seller's attorney a travel fee in the sum of $750. The Closing may not take place in any other location without Seller's prior written consent.

In the event the Closing is adjourned with or without Seller's consent, at the request of Purchaser or Purchaser's attorney or Purchaser's lender (or lender's attorney) within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Seller's attorney an adjournment fee in the sum of $750.

In the event the Seller shall be unable to schedule the closing of title to the Unit or convey title to the Unit on or before twelve (12) months after the Anticipated Closing Date set forth herein and except for delays due to strikes, acts of God, wars, lockouts, military operations, national emergencies, pandemics, installation of public utilities, governmental restrictions preventing Sponsor from obtaining necessary supplies and/ or materials, in which event the period shall be extended to eighteen (18) months, except for the Purchaser's default, the Purchaser shall have the option to cancel this Agreement and to have the down payment advanced by him returned to the Purchaser with interest, if any. Seller must receive Purchaser's written notice of his intention to exercise such option to cancel no later than ten (10) days after twelve (12) or eighteen (18) months, whichever applicable, from the Anticipated Closing Date set forth herein. Failure to so notify Seller shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of this Agreement.

The Seller has the option not to close title to the Unit described herein if less than 80% of all of the Units to be constructed as part of the Condominium are sold, so long as title to any Unit has not been conveyed, and the Declaration has not been filed at such time. In the event Seller exercises such option, it shall forthwith return the Purchaser's down payment with interest, if any.

6) **ADDITIONAL MONEY TO BE PAID BY PURCHASER AT CLOSING** - In addition to all other sums payable or reimbursable elsewhere under this Purchase Agreement, Purchaser shall at Closing pay, or reimburse to Seller if Seller has already made

payment, or pay to any Lender, all applicable charges for:

(a) Any Lender's charges for inspections, appraisals, title examination and policy insuring the Lender's interest, Lender's attorneys' fees for preparation of all loan documents, all commitment fees, points, origination fees and other fees and charges (however characterized) imposed or exacted by the Lender or incurred by Seller or Purchaser in connection with Purchaser's mortgage loan;
(b) any mortgage recording taxes on Purchaser's mortgage;
(c) governmental charges which may be assessed on account of any mortgage loan;
(d) mortgage insurance, if required, on Purchaser's mortgage;
(e) New York State real estate transfer tax on the deed;
(f) New York City real estate transfer tax on the deed;
(g) Mansion Tax pursuant to Section 1402-a of the Tax Law of the State of New York, if applicable;
(h) all recording and filing charges payable on account of the transfer of title and recording of all documents in connection therewith including without limitation any mortgage, the deed, power of attorney, affidavit required pursuant to Section 339-ee of the New York State Real Property Law and any mortgage release documents, terminations and UCC-3s;
(i) a sum equal to the partial mortgage tax credit to which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller;
(j) an initial non-reimbursable capital contribution the equivalent of two (2) month's Common Charges to the Condominium;
(k) a pro-rata portion of the Condominium's estimated first year insurance, based on the Unit's Percentage of Common Interest if pre-paid by Seller;
(n) pro-rata portion of surveying services, water and sewer tap and connections fees, water meter deposit, water vault, water meter reading equipment and water and sewer test fees and advance sewer use payments, if any, previously paid by Seller or to be paid in advance of Closing;
(o) any other municipal and/or utility company fees applicable to the Unit ; and
(p) $2,000 to Seller's attorney for the preparation of the closing documents.

Seller shall also be entitled to any other costs referred to in Section XV of the Offering Plan if not specifically contained herein.

Purchaser shall also apportion with Seller as of the end of the day prior to Closing, and pay to Seller at Closing, the apportioned amount due for taxes, condominium Common Charges, sewer use, water use, fuel oil (if any) and any other utility costs. Purchaser shall also pay the deposits required by the Lender to establish the estimated or escrow fund for future payments of taxes, condominium Common Charges, sewer use and insurance premiums (if applicable). In addition, in the event Seller's attorney prepares the New York City "ACRIS" transfer documents, Purchaser

shall be required to pay Seller's attorney an additional fee of $250. In the event the title company prepares the ACRIS, Purchaser shall pay the applicable fee of the title company. If through no fault of Seller, Purchaser fails for any reason to close title on the date originally scheduled in Seller's Notice for Closing, or such later date (if applicable) to which Seller in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of the end of the day preceding (i) the date originally scheduled for Closing or (ii) Seller's adjourned Closing Date (as the case may be).

Purchaser shall pay to Seller at or prior to the date of the actual adjourned Closing, an amount equal to .0438% per diem (which equals an annual rate of 16%) of the Purchase Price for the Unit for each day beyond such originally scheduled or Seller adjourned Closing Date, to and including the date of actual Closing, for reimbursement and defrayal of Seller's carrying costs and other charges, which amount Purchaser acknowledges to be reasonable and proper.

Any errors or omissions in computing apportionments or any other sums payable under this Paragraph which are communicated to the other party within six (6) months after Closing shall be corrected and payment made to the proper party promptly after such communication. This Paragraph shall survive Closing and delivery of the deed.

7) **REAL PROPERTY LAW SECTION 489-bbbbbb PROVISIONS - Purchaser** acknowledges that the Seller will apply for a partial tax abatement for real estate tax benefits under Section 489-bbbbbb of the New York Real Property Law for the Commercial Unit. 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. If all the requirements are met, the commercial portion of the building is expected to be eligible for the ICAP benefits pursuant to N.Y. RPT. LAW § 489-bbbbbb. The first year of the abatement, if granted, shall be the tax year with the first taxable status date that follows the sooner of

(a) Completion of construction; or
(b) Four years from the date the first building permit was issued.

PURCHASERS SHOULD NOT RELY ON OBTAINING THE TAX ABATEMENT IN THEIR DETERMINATION AS TO WHETHER OR NOT THEY PURCHASE A COMMERCIAL UNIT, AND SHOULD ONLY PURCHASE A COMMERCIAL UNIT BASED UPON THE ASSUMPTION THAT THE ICAP TAX ABATEMENT BENEFITS WILL NOT BE GRANTED.

8) **SEVERANCE OF MORTGAGE -** Purchaser shall use its best efforts to direct its lender (i) to accept an assignment of the existing mortgage(s) encumbering the Property, as severed, to encumber only the Unit its appurtenant Percentage of Common Interest in the Common Elements, and (ii) to cooperate with Seller and its existing lender, as necessary to effectuate such assignment. At Closing, Purchaser shall

execute the affidavit required pursuant to Section 255 of the New York State Tax Law. It is agreed and understood that Seller shall receive as a credit from Purchaser at Closing, a sum equal to the full mortgage tax credit which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller on the amount of Purchaser's mortgage. The foregoing credit shall be paid by Purchaser regardless of whether Purchaser's lender accepts the assignment of the Seller's existing mortgage, as severed.

9) **EXISTING MORTGAGE(S) -** All terms and provisions of this Purchase Agreement and all payments made hereunder are and shall be subject and subordinate to the lien of any acquisition, improvement, interim or building loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon, to the full extent thereof without the execution of any further documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the loan schedule of payments or accelerated thereunder by virtue of the lenders right to make advances before they become due in accordance with the schedule of payments. Seller shall satisfy all such mortgages or obtain a release of the Unit and its appurtenant Percentage of Common Interest in the Common Elements (as such term is defined in the Plan) from the liens of such mortgages at or prior to Closing, unless Purchaser shall be required to take title subject to the existing mortgage, as severed and converted to Purchaser's individual mortgage on the Unit.

10)**DEED AND ENCUMBRANCES UPON OWNERSHIP** - The deed to be given by Seller to Purchaser at Closing shall be a Bargain and Sale with Covenant against Grantor's Acts deed, but subject, nevertheless, to the matters set forth in sub-paragraphs (a) through (f) below which need not be recited in the deed given at Closing but shall survive Closing, and Seller's covenant in the deed against encumbrances shall be deemed modified accordingly. The deed shall be duly executed and acknowledged by Seller in proper statutory form for recording (except for payment of the New York State and City transfer tax which is the obligation of Purchaser) so as to convey to Purchaser fee simple title to the Unit, free and clear of all liens and encumbrances, except as herein stated. The deed shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. Purchaser shall accept such title and deed description of the Unit subject to the liens, encumbrances and other matters set forth in this Purchase Agreement, as a title company authorized to do business in the State of New York is willing to approve and insure without additional premium. Purchaser may obtain title insurance from any title insurance company or abstract company, or Purchaser may decline to obtain any title insurance at all. Seller has utilized the services of Madison Avenue Abstracts, Inc., an abstract company authorized to do business in the State of New York, 1111 Route 110, Ste. #224, Farmingdale, New York 11735, (631) 328-5000, Attn: Sheila Perrino, President.

Purchaser shall be responsible for payment to the title company of the entire premium for Purchaser's title insurance, and shall also pay the applicable New York State and City transfer tax and mansion tax, if applicable. Purchaser shall also be

responsible for any title insurance premiums or other title charges for Purchaser's lender, if applicable.

The sale and transfer of ownership of the Unit to Purchaser shall, even though not stated in the deed, be subject to:

(a) Ordinances, rules, regulations, requirements and approvals of applicable governmental authorities, provided not violated by the Unit or the Common Elements to be constructed.

(b) Rights for installation, use and/or maintenance of easements and rights of way for utilities, sewer, cable television, drainage, scenic purposes, screening and planting which have already been granted or may be granted after this Purchase Agreement is signed or after Closing, provided they do not prevent use of the Unit or the Common Elements for their intended purposes.

(c) Declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of the Commercial Unit for any use permitted by applicable law and the Common Elements for their intended use and purpose and do not constitute a lien against the Unit or any of the Common Elements.

(d) Permanent Access Easement recorded in in the New York City Registrar's Office in CRFN2018000409659.

(e) Unpaid taxes and liens, provided the title insurance company shall insure against collection of same out of the Unit.

(f) The filed Condominium Map and all matters reflected thereon.

(g) The Declaration and By-Laws of the Condominium and any amendments or supplements thereto.

Purchaser shall deliver to Seller's attorney at least ten (10) days prior to Closing, a written notice setting forth each objection to title, if any (other than those specifically set forth herein subject to which the Property are being sold), and a copy of Purchaser's title report. Seller shall have the right to a reasonable adjournment of Closing, not to exceed sixty (60) days, for the purpose of curing any title defect; however, no such action taken by Seller shall be deemed an admission by Seller that such defect is one that would entitle Purchaser to cancel this Purchase Agreement.

11)**PERSONAL PROPERTY INCLUDED IN SALE** - All articles of personal property, fixtures and equipment for the Unit which are included in this sale will be delivered free and clear of all liens and encumbrances, except as stated in Paragraph 9 herein, if applicable.

12)**POWER OF ATTORNEY** - At Closing, Purchaser shall execute, acknowledge and deliver to Seller in recordable form, a power of attorney in the form set forth as Schedule E to the Plan (the "Power of Attorney"), in favor of the Board of Managers of the Condominium relative to leasing and purchasing of units in the Condominium under certain circumstances and to foreclose upon units in the Condominium for which the payment of Common Charges is delinquent, and in favor of Seller relative to amending the Condominium documents to the extent provided for in the Plan. Purchaser further agrees to execute and pay for any recording fees in the event the form required to be used for a Power of Attorney is revised subsequent to the date of the Closing.

13)**ENCUMBRANCES/LIENS EXISTING AT CLOSING** - The existence of anything affecting the sale at Closing, including unpaid taxes or liens of any kind, shall not constitute an objection to title provided First American, or another title or abstract company selected by Purchaser, is willing to insure Purchaser's title clear of the matter or is willing to insure against enforcement or collection out of the Unit upon Seller's doing whatever acts as may be required by said company and/or the depositing of money. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the Unit, not provided for in this Purchase Agreement, out of the monies to be paid by the Purchaser at the time of Closing.

14)**EXTRA WORK AND EXTRA ITEMS ORDERED BY PURCHASER -** Any work or items ordered from Seller by Purchaser which are not included in the plans or standard model of the Unit shall, except as may otherwise be provided in this Purchase Agreement or in a writing signed by Seller, be paid for in full by Purchaser at the time they are ordered. The failure of Seller to perform or supply and install such work or items shall not entitle Purchaser to cancel this Purchase Agreement even if Purchaser has already paid for such work or items. Purchaser's only right, in the event of Seller's failure to perform such extra work or supply and install such extra items, is to receive a refund or credit at Closing equal to the total payments made to Seller for such extra work or extra items. All Extras or upgrades must be ordered prior to commencement of construction and must not delay construction. In the event Purchaser orders upgraded or optional items or finishes other than the standard provided by Seller, Seller or Seller's contractors shall not be responsible or liable for any defects in quality of materials or workmanship in installation. Failure to make any payments due in accordance with the payment schedule of Seller, Seller's contractors or sub-contractors, as applicable, shall constitute a breach in accordance with Paragraph 21 herein. **All funds received by Seller for Extras will initially be placed in the Escrow Account as provided in Paragraph 28 of this Purchase Agreement. Such funds may be released from the Escrow Account as long as Seller uses the funds for such Extras. Extras which have been (i) installed by Seller; or (ii) not installed but Paid for by Seller; or (iii) not installed but ordered by Seller and for which Seller is obligated to pay, shall not be refundable unless the Plan is abandoned.** As noted as a Special Risk in the Plan, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid for Extras or Upgrades actually paid for or installed by Seller. Seller shall have no responsibility for any work, fixtures, appliances, equipment or materials not ordered directly from Seller by Purchaser. For the purposes of this

provision, any orders which Purchaser places directly with Seller's contractors or suppliers shall not be deemed to have been ordered directly from Seller.

15)**OPTIONS AND COLOR SELECTIONS** - Any choices given by Seller to Purchaser in colors, products, materials, design, features and similar matters shall be made by Purchaser in writing at Seller's office or model site, within ten (10) days after notification to Purchaser to make such choices. If there is anything as to which Purchaser has a choice, and Purchaser fails to inform Seller of Purchaser's choice within such ten (10) day time period, then Seller may make the choice on Purchaser's behalf and Purchaser shall accept such choice so made by Seller as if originally made by Purchaser. No claim or objection to Closing shall be made by Purchaser because of any choice made by Seller in any case where Purchaser failed to give Seller timely notice of Purchaser's choice.

16)**PURCHASERS' INTERFERENCE** - Purchaser acknowledges that it may not interfere with Seller's ability to renovate the Unit, if necessary, or other unit(s) or facilities, including interference with work performed on site by Seller's staff in connection with the construction of the Unit or any other units, attempts to hire any of Seller's staff or contractors, and/or attempts to bring contractors, materialman, subcontractors or workers onto the site for work on the Unit prior to Closing, unless otherwise agreed to in writing by Seller.

17)**PURCHASER MAY NOT TAKE POSSESSION OF THE UNIT PRIOR TO CLOSING**- Neither Purchaser nor anyone acting on Purchaser's behalf may enter or take possession of any part of the Unit nor have any work performed or materials supplied or installed at the Unit prior to Closing without the prior written consent of Seller.

Purchaser acknowledges and agrees that Seller will accept no liability whatsoever for any property belonging to the Purchaser, their agents, employees, family, or belonging to any party other than Seller which is placed on the Property and/or in the Unit prior to Closing. No act of the Seller, whatever its nature, shall constitute a waiver of this Paragraph.

18)**CHANGES BY SELLER -** In renovating the Unit and performing any other work on the Property, Seller reserves the right to: (a) make changes or substitutions of materials or construction from those shown in the model units or building plans, provided any such changes or substitutions are of substantially similar or better quality; (b) determine the exterior color and design of the Building; (c) change the location and type of the units to be constructed in the Condominium; (d) determine whether existing trees, shrubs and other plant life on the Property are to be moved or removed, (e) add or remove retaining walls on the Property where required by grade conditions; (f) determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, mailboxes; (g) change appliances as long as they are equal to or better than originally offered; and (h) make any other changes required by the City of New York.

19)**COMPLETION OF CONSTRUCTION - PURCHASER'S INSPECTION -** Purchaser shall accept title (without abatement in or credit against the Purchase Price or provision for escrow) notwithstanding that renovation of (a) minor details of the Unit or the building in which it is located, or (b) other units in the Condominium, or (c) the landscaped areas of the Property, or (d) other portions of the Common Elements have not been completed. Purchaser will inspect the Unit with a representative of the Seller during normal business hours approximately three (3) days prior to Closing and will sign and deliver to Seller on or before Closing, a Pre-Title Inspection Statement supplied by Seller, acknowledging the condition of the Unit. Receipt of the executed Pre-Title Inspection Statement shall be a condition precedent to closing. Purchaser agrees to accept the Pre-Title Inspection Statement wherein the Seller shall agree to complete all unfinished items within six (6) months from the date of Closing, weather and other circumstances permitting. Any such incomplete items shall not constitute an objection to closing provided Seller executes and delivers to Purchaser, a letter agreement in accordance with the foregoing. Purchaser shall allow Seller, its agents, servants and/or employees the right to enter the Unit and shall provide reasonable access thereto subsequent to Closing to complete any incomplete items.

In the event Seller is required to make any repair or complete any item of work to be performed by Seller after Closing, the limit of Seller's liability shall be to make said repair and/or to complete such item. This Paragraph shall survive Closing and delivery of the deed.

20)**CERTIFICATE OF OCCUPANCY** - At Closing, Seller shall deliver to Purchaser a temporary or permanent Certificate of Occupancy for the Unit (or building in which it is located) and, if available, a New York Board of Fire Underwriter's Certificate for the Unit.

21)**UNIT PART OF DEVELOPMENT** - Purchaser acknowledges that they may be occupying an active construction site after Closing on the Unit. During the period of renovation, there may be dirt and debris and construction material on the Property, renovation vehicular traffic, construction noises, unfinished areas of the Condominium and other inconveniences which are normal in a community undergoing renovation. Purchaser further acknowledges that other units and infrastructure are presently being constructed at the Property and that Seller anticipates that such construction shall continue until the Condominium project is completed in accordance with the Plan. Accordingly, Purchaser agrees that such continuing construction shall not be deemed a nuisance nor an interference with Purchaser's quiet enjoyment of the Unit after Closing. This Paragraph shall survive Closing and the delivery of the deed.

22)**PURCHASER'S DEFAULT** - If Purchaser fails to appear and close title in accordance with this Purchase Agreement on the date and at the time and place stated in Seller's Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under this Purchase Agreement, Seller may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default. Upon Purchaser's failure to cure such default within such thirty (30) day period, this Purchase Agreement shall, at Seller's

option, be deemed canceled and Seller shall have the right to retain as and for liquidated damages, all sums paid by Purchaser to Seller on account of the Purchase Price plus all additional sums paid and/or payable by Purchaser for all Extras ordered by Purchaser, together with all interest credited thereon, if any, which total amount Purchaser acknowledges to be fair and reasonable.

Prior to such funds being released to Seller the Escrow Agent shall send a notice to Purchaser of the Escrow Agent's intent to release the funds being held in escrow on behalf of the Purchaser pursuant to the provisions of the Attorney General's escrow regulations as described in Section XII of the Offering Plan and Paragraph 28 of this Purchase Agreement.

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE SUCH DEFAULT WITHIN SUCH THIRTY (30) DAY PERIOD.

Upon cancellation of this Purchase Agreement for Purchaser's failure to timely cure any such default, Seller shall be released and discharged of all further liability and obligations to Purchaser under this Purchase Agreement. Thereafter the Unit may be sold or disposed of as though this Purchase Agreement had never existed and without any accounting to Purchaser for the proceeds of any subsequent sale. The foregoing remedy shall be in addition to any and all other remedies available to Seller under this Purchase Agreement or at law for any default by Purchaser under this Purchase Agreement.

23)**SELLER'S RIGHT TO CANCEL** - Seller may cancel this Purchase Agreement by forwarding a full refund of the Downpayment to Purchaser together with written notice of cancellation in the event of the occurrence of any of the following:

(a) any governmental authority imposes a ban on the construction or completion of the Building or imposes restrictions on the manufacture, sale, distribution and/or use of materials from Seller's regular suppliers or from using same in the construction and/or completion of the Unit ; or

(b) Seller is unable to obtain materials from its usual sources due to labor troubles, lockouts, war, military operations and requirements, civil unrest, act of God or national emergencies; or

(c) the installation of public utilities is restricted or curtailed; or

(d) should zoning and/or building restrictions and regulations, imposed by any governmental body having jurisdiction over the construction of residential housing and appurtenances, either presently in effect or as enacted or promulgated in the future, create or impose requirements upon the Seller which are not presently contemplated; or

(e) the Plan is abandoned, withdrawn or not consummated for any reason.

Upon such cancellation and refund, this Purchase Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Purchase Agreement and the Offering Plan.

24)**INABILITY OF SELLER TO TRANSFER OWNERSHIP** - Except for Seller's willful default, if Seller is unable to transfer ownership of the Unit in accordance with this Purchase Agreement, Seller shall only be liable to Purchaser for the return to Purchaser of the Downpayment. Thereafter, this Purchase Agreement shall be deemed canceled and neither party shall have any further liability to the other in connection with this Purchase Agreement or transaction. Seller shall not be required to commence any action or proceeding or incur any expense in order to remove the condition which prevents Seller from transferring ownership of the Unit in accordance with this Purchase Agreement.

25)**PROHIBITION AGAINST ASSIGNMENT OR RECORDING OF PURCHASE AGREEMENT** - Neither this Purchase Agreement nor Purchaser's interest hereunder may be assigned by Purchaser without the written consent of Seller. In addition, neither shall this Purchase Agreement nor any memorandum thereof be recorded in the office of any county clerk or the King's County Register's Office of the City of New York by Purchaser or anyone on Purchaser's behalf. Should Purchaser violate the provisions of the foregoing sentence, this Purchase Agreement, at Seller's option, shall become null and void, whereupon all rights of the Purchaser shall cease and terminate and Seller shall have the right to retain the Downpayment and all amounts paid by Purchaser for Extras, as and for liquidated damages on account of such default by Purchaser pursuant to the provisions of Paragraph 21 hereunder.

26)**PROHIBITION AGAINST SIGNS ON UNIT** - During the Sponsor Control Period (as defined in the Offering Plan), no sign may be erected or maintained by the Commercial Unit Owner without the prior written consent of the Sponsor. See Section XX of the Offering Plan. This paragraph shall survive delivery of the Deed.

27)**PROHIBITION AGAINST ADVERTISING OF UNIT FOR SALE** - From and after the date hereof, Purchaser shall not place an advertisement for the sale of the Unit in any newspaper or other publication or media, or list the Unit with any real estate broker prior to Closing. Such action will constitute a material breach of this Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement plus the cost of Extras as liquidated damages.

28)**NO BROKER CONSULTED BY PURCHASER** – Purchaser represents that no broker other than Seller's broker, News Realty Corp. (the "Broker") brought about this sale, and Purchaser agrees to indemnify Seller against any claim brought by any other broker for brokerage commission based upon Purchaser's acts. Seller shall pay the Broker pursuant to separate agreement. In the event Purchaser is represented or has consulted with an outside broker (other than the Broker), Purchaser shall be responsible

for all costs and commissions associated therewith and Seller shall not be responsible for any co-broker commission. This Paragraph shall survive Closing and delivery of the deed.

29)**TRUST FUNDS/ESCROW PROVISIONS** - The Downpayment and all other deposits or advances made by Purchaser prior to Closing shall initially be held in a segregated escrow account held by Lewis P. Kamin, Esq., the Escrow Agent, whose address is 42-40 Bell Boulevard, Suite 206, Bayside, New York 11361 and whose telephone number is (718) 225-9223 ("the Escrow Agent") pursuant to the following:

(a) Lewis P. Kamin, Esq., with an address at 42-40 Bell Boulevard, Suite 206, Bayside, New York 11361, telephone number (718) 225-9223, shall serve as escrow agent ("Escrow Agent") for Seller and Purchaser. Escrow Agent has designated the Members of the Firm to serve as signatories. 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 Seller, 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 or release of the Deposit from escrow.

(c) The Escrow Agent has established the escrow account at Signature Bank, 78-27 37th Avenue, Jackson Heights, New York 11372, ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Lewis P. Kamin, Esq., Attorney Trust Account NY IOLA". The Escrow Account is an IOLA account pursuant to Judiciary Law § 497. 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.

(d) All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments approved by Seller, and shall be made payable to or endorsed by the Purchaser to the order of Lewis P. Kamin, Esq., as Escrow Agent.

(e) Pursuant to Judiciary Law § 497, all interest earned on the IOLA account will be paid to the State of New York. No fees of any kind may be deducted from the Escrow Account, and the Seller shall bear all costs associated with the maintenance of the Escrow Account.

(f) Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. With ten (10) business days of the placing the Deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser

and Seller, confirming the Deposit. The notice shall provide the account number. Any Deposits made for upgrades, Extras, or custom work shall be initially deposited into the Escrow Account, and released as long as Seller uses the Funds for such work as per Paragraph 13 of this 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 the Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, NY 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

(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 Seller, as per GBL § 352-h.

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

(j) The Escrow Agent shall release the Deposit if so directed:

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

(ii) in a subsequent writing signed by both Seller and Purchaser; or

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

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (i) through (iii) 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 Seller 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 (i) through (iii) 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. Escrow Agent shall disburse the Purchaser's deposit(s) escrowed under this Purchase Agreement within twenty (20) business days after the escrowed funds are permitted to be released in accordance with this Purchase Agreement.

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

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

(ii) 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 §§ 352(e)(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) No disbursement need or will be made by Escrow Agent until the deposit

has actually and finally cleared Escrow Agent's account.

(p) Escrow Agent shall only be responsible for monies actually received and cleared, and monies earned thereon, if any.

(q) Escrow Agent undertakes to perform only such duties as are expressly set forth in this Purchase Agreement and the Escrow Regulations as amended on November 14, 2012 promulgated by the New York State Attorney General's Office, and no implied duties or obligations shall be read into this Purchase Agreement against Escrow Agent.

(r) Seller agrees that Seller 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 five (5) business days of tender of the Deposit by Purchaser.

(s) Seller 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.

(t) The following record keeping provisions shall apply:

(i) Escrow Agent shall maintain all records concerning the Escrow Account for seven (7) years after the release of the funds.

(ii) Upon dissolution of a 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 the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

(u) Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Seller from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

(v) Seller agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses, demands, causes of action, liability, judgments 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.

(w) Escrow Agent shall not be liable for Seller's failure to tender the Purchasers' funds to Escrow Agent within five (5) business days, for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence.

(x) Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner or execution, or validity of any written instructions delivered to it, nor as to the identity, authority, or rights of any person executing the same.

(y) The duties of Escrow Agent shall be limited to the safekeeping of the deposits and for disbursements of same in accordance with the written instructions described in this Agreement.

(z) This Paragraph 28 of the Purchase Agreement shall remain in effect unless and until the following:

(i) Written notice given by Seller to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

(ii) The resignation of Escrow Agent upon giving notice to Seller of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

(iii) All Units offered pursuant to the Plan have been sold and all sales transactions have been consummated.

(iv) Escrow Agent shall have no responsibility to verify qualifications of any successor escrow agent.

(aa) Upon termination of the duties of Escrow Agent as described in Sub-paragraph 28(z) above, Escrow Agent shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by Escrow Agent to the new escrow agent designated in the duly filed amendment related thereto.

(bb) Upon delivery of all funds held by the Escrow Agent to the new escrow agent pursuant to sub-paragraph 28(aa) above, this provision of the Purchase Agreement shall be terminated and the Escrow Agent shall be released from all liability hereunder.

(cc) Upon Escrow Agent disbursing the deposit of Purchaser in accordance with the provisions of Paragraph 28 of the Purchase Agreement, the Escrow Agent's obligations shall terminate as regards to said Purchaser's deposit, and Escrow Agent shall thereafter be released of all liability in connection with said Purchaser.

(dd) In the event of a good faith disagreement about the interpretation of this Paragraph 28 of the Purchase Agreement, or about the rights and obligations, or the propriety, of any action contemplated by Escrow Agent hereunder, Escrow Agent may, at its sole discretion, retain purchaser's deposits and payments in escrow and file an action and deposit any applicable funds in court to resolve said disagreement. Escrow Agent shall be indemnified by Seller for all costs, including reasonable attorneys' fees or reasonable value of services rendered by Escrow Agent's litigation attorneys representing Escrow Agent pro se, in connection with the aforesaid action. No such action shall be filed where the Escrow Agent's required course of action is clearly dictated within this Paragraph 28 of the Purchase Agreement.

(ee) Any provision of any contract or agreement, whether oral or in writing, by which Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the regulations pertaining to escrow funds as amended on November 14, 2012 shall prevail over any conflicting or inconsistent provision in the Offering Plan, an amendment to the Offering Plan or in the Purchase Agreement.

(ff) This Paragraph 28 of the Purchase Agreement shall be construed in accordance with and governed by the laws of the State of New York

30)**NOTICES** - Any notices, statements, certificates, requests or demand required or permitted to be given or delivered under this Purchase Agreement shall be in writing and may be sent by mail, overnight courier or personal delivery, addressed to Purchaser or to Seller, as the case may be, at their respective addresses shown at the beginning of this Purchase Agreement, or to such other address as Purchaser or Seller may designate in the manner herein provided, or to their respective attorneys. Such notice, statement, certificate, request or demand shall be deemed to have been given

(a) when delivered to an overnight courier service, if sent by overnight courier,

(b) upon personal delivery actually being made, and

(c) upon receipt or first refusal of delivery or inability of delivery after delivery to the United States Post Office with proper postage prepaid, if sent by regular mail, registered or certified mail return receipt requested.

Notwithstanding the foregoing, any notice of default must be delivered only by overnight courier service, personal delivery, or certified mail return receipt requested.

31)**PURCHASER GENERAL REPRESENTATIONS -** Purchaser represents that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties or statements, written or oral, of any

nature, including but not limited to, any of the above relating to the description or physical condition of a Condominium building or the Unit or the Property, the size or the dimensions of the Unit or the rooms therein contained or any physical characteristics thereof, the services offered by the Condominium, the estimated Common Charges for the Unit or any other matter or estimate not set forth herein and in the Plan. Purchaser further represents that Purchaser has not relied on any verbal or written representations made by the Broker or any other agent of Seller. Purchaser further acknowledges having had full opportunity to examine all documents and investigate all facts referred to and stated herein and in the Plan. Purchaser agrees that the Seller shall have no liability or responsibility to Purchaser and that Purchaser will not be relieved from his or her obligations hereunder, by reason of any inaccuracy or error in the layout or dimensions of the Unit so long as the layout and specifications as they may be changed or amended are in accordance with the provisions of the Plan. Purchaser understands and acknowledges that the Seller cannot guarantee a firm completion and availability date for the Unit and agrees that the Seller shall not be obligated to make, provide or compensate for any accommodations or costs to Purchaser as a result of construction delays nor shall such delays serve to cancel, amend or diminish any of Purchaser's obligations hereunder.

32)**ACKNOWLEDGMENT THAT THERE ARE NO OTHER UNDERSTANDINGS** - All prior understandings and agreements are hereby superseded and merged into this Purchase Agreement, which alone contains the final and entire understanding and agreement between Seller and Purchaser. Neither Seller nor Purchaser shall be bound by any terms, conditions, statements, or representations, oral or written, not set forth in this Purchase Agreement or in the Offering Plan. Purchaser acknowledges that Purchaser is buying a Unit in a condominium development which may not yet have been formed at the time this Purchase Agreement is signed, and that, except as stated in this Purchase Agreement, the Declarations, By-Laws, Exhibits, Schedules and Plan, Purchaser has not relied on any representations or other statements of any kind or nature made by Seller or anyone else except as set forth in the Plan or any amendment thereto and this Purchase Agreement, including but not limited to, the description, size or dimensions of the Unit or rooms therein, or the estimated common charges, or other expenses relative thereto.

Purchaser also acknowledges that none of Seller's representatives has the authority to modify this Purchase Agreement or to make any oral promise, agreement or representation inconsistent or contrary to the terms of this Purchase Agreement. This Purchase Agreement may be changed only by a written document signed by both Purchaser and Seller's Authorized Agent. The invalidity or unenforceability of any particular provision of this Purchase Agreement will not affect the other provisions, and this Purchase Agreement will be interpreted in all respects as if such unenforceable provisions were omitted.

33)**RISK OF LOSS** - The risk of loss or damage to the Unit by fire or any other cause until delivery of the deed is assumed by Seller. In the event a substantial portion of the Unit or Condominium shall be destroyed or damaged prior to Closing, Seller shall be

entitled to cancel this Purchase Agreement by written notice to Purchaser, together with a check in the amount of the Downpayment paid by Purchaser, with interest, if any; however, Purchaser will not receive a refund of any funds paid for Extras. The parties shall thereafter be released from any further liability hereunder. However, if Purchaser is or becomes the occupant or tenant of the Unit prior to Closing, then as of the date of Purchaser's occupancy, Purchaser shall be responsible for all damage caused by any acts or omissions of Purchaser, Purchaser's agents, employees or invitees.

If any part of the Unit is damaged or destroyed by any casualty prior to Closing, Seller will have the option to restore the Unit to its previous condition as soon as reasonably possible. In the event Seller elects to restore the Unit, then the Closing Date and any other applicable date or deadline will be extended in a reasonable manner by Seller. Seller agrees to notify Purchaser of Seller's decision within ten (10) business days of the date of such casualty. In the event Seller elects not to restore the Unit, then this Purchase Agreement will terminate and Purchaser will receive a full refund of all monies paid to Seller. The parties shall thereafter be released from any further liability hereunder.

34)**DAMAGE TO PUBLIC IMPROVEMENTS, AMENITIES AND COMMON ELEMENTS** - Purchaser shall repair and/or restore to their original condition and standards any public improvement, amenity or Common Elements on the Property damaged by Purchaser or Purchaser's agents, employees, contractors or licensees. Upon failure of Purchaser to complete such repair and/or restoration work within thirty (30) days after written notice from Seller, then and in that event, Seller may complete same at the expense of Purchaser who shall reimburse Seller for the cost thereof immediately upon demand. This Paragraph shall survive Closing and delivery of the deed.

35)**STRICT COMPLIANCE; SEVERABILITY; WAIVER OF TRIAL BY JURY** - Any failure by Seller to insist upon strict performance by Purchaser of any of Purchaser's obligations under this Purchase Agreement shall not be deemed a waiver of such obligations, and Seller may at any time insist upon strict performance by Purchaser of any and all obligations to be performed by Purchaser under this Purchase Agreement irrespective of the number of times Purchaser failed to strictly comply with such obligations in the past. If any part of this Purchase Agreement or the Plan is invalid or unenforceable with respect to a particular individual or circumstance, the remainder of this Purchase Agreement or the Plan and the applicability to other individuals or circumstances shall not be affected thereby but shall continue in full force and effect. Purchaser waives all rights to trial by jury in any action, proceeding or counterclaim in any way arising out of or relating to this Purchase Agreement or the Plan. Purchaser agrees to pay all court fees, including reasonable attorney fees, should Purchaser bring an action against Seller in any court of proper jurisdiction (including small claims court) and be unsuccessful. Further Purchaser agrees to waive the right to file a Lis Pendens if not filed within sixty (60) days of the cancellation of this Purchase Agreement.

Purchaser and Seller hereby waive trial by jury in any action, proceeding or counterclaim arising out of this Purchase Agreement, provided such waiver is not

prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this Purchase Agreement, shall be instituted in a court in New York County and all motions in any such action shall be made in New York County.

This Paragraph shall survive Closing and delivery of the Deed.

36)**LIEN OF DEPOSIT** - All sums paid on account of this Purchase Agreement are hereby made liens upon the Unit, but such liens shall not continue after default by the Purchaser under this Purchase Agreement.

37)**MISCELLANEOUS -**

(a) The start of any activity by Seller in connection with the Unit is not to be deemed a waiver of any of Seller's rights under this Purchase Agreement.

(b) The personal property referred to in this Purchase Agreement shall be deemed conveyed by the deed, and no part of the Purchase Price shall be deemed allocated to such personal property.

(c) The attorneys representing the Seller or any Lender represent such parties only and not the Purchaser. The Purchaser may retain independent counsel at Purchaser's own expense in order to protect Purchaser's own interest.

(d) The delivery of the deed for the Unit to Purchaser or Purchaser's representative at Closing shall be deemed to mean that all things required to be done by Seller under this Purchase Agreement have been done and that Purchaser shall not claim otherwise except as to those things, if any, which are specifically stated in this Purchase Agreement or in a separate writing signed by Seller or Seller's attorney on Seller's behalf, to survive or continue beyond Closing or delivery of the deed.

(e) The paragraph headings set forth in this Purchase Agreement are inserted solely for convenience of reference and in no way deemed to affect, amend, define, describe or limit the scope or intent of the provisions set forth in this Purchase Agreement.

(f) No provision of this Purchase Agreement may be changed, waived, discharged, or terminated orally, by telephone, or by any other means, except an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge, or termination is sought and then only to the extent set forth in such instrument.

(g) Any singular word or term herein shall also be read as in the plural whenever the sense of this Purchase Agreement may require it. The use of the masculine gender shall be deemed to refer to the feminine gender,

or neuter, whenever the context so requires.

(h) If two (2) or more persons are named as Purchaser in this Purchase Agreement, (i) each person shall be jointly and severally liable for payment, observance and performance of all obligations under this Purchase Agreement and (ii) anyone of them is hereby made agent for the other in all matters of any and every kind or nature with respect to the Unit and/or this Purchase Agreement. The act, assent, election or approval by one shall conclusively constitute the act, assent, election and approval by all.

(i) The provisions of this Purchase 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 Seller and its successors and assigns.

(j) This Purchase Agreement shall not be binding or effective until fully executed and delivered by Seller and Purchaser.

(k) Seller represents that its Federal Employer Identification Number is _____; and Purchaser represents that his/her/their social security number(s) is _____ and _____.

(l) Purchaser shall execute the Tender of Escrow Form, as set forth in Schedule D-5 to the Offering Plan upon execution of this Purchase Agreement; and shall execute at Closing the Release of Escrow Form, as set forth in Schedule D-2 to the Offering Plan.

(m) In the event any portion of this Purchase Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be deemed severed from this Purchase Agreement and the remaining parts hereof shall remain in full force and effect, as fully as though such invalid, illegal or unenforceable portion had never been part of this Purchase Agreement.

(n) The parties agree that this Purchase Agreement shall be governed by, and construed in accordance with the laws of the State of New York.

38)**CERTIFICATES AND MANUFACTURERS' WARRANTIES/AS-IS CONDITION - At the Closing of Title the Seller will deliver the certificates and warranties delivered to them and transferable to Purchaser, or to the Condominium, and it is further agreed that title will not close without Purchaser's consent until a temporary or permanent Certificate of Occupancy has been issued covering the Commercial Unit sold to the Purchaser. Seller's liability pursuant to the manufacturers' warranties covering heating, electric, plumbing and roofing are limited solely to the extent that such warranties are delivered to Seller, transferable to the Purchaser or to the Condominium and then only as against such manufacturer. Except as otherwise set forth in this Purchase Agreement, the Purchaser is**

purchasing the Unit "as is", and as described in the Offering Plan. The provisions of this Paragraph shall survive the closing of title and the delivery of the deed.

39)**NOTICES TO PURCHASER - YOU, AS THE PURCHASER OF THE UNIT, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.**

WHEN SIGNED BY SELLER AND PURCHASER (OR PURCHASER'S AUTHORIZED AGENT), THIS PURCHASE AGREEMENT WILL BECOME A LEGALLY BINDING AGREEMENT. PURCHASER SHOULD MAKE SURE THAT ALL PROVISIONS ARE READ AND UNDERSTOOD BEFORE SIGNING. IF PURCHASER DOES NOT UNDERSTAND ANY PROVISION, PURCHASER SHOULD SEEK LEGAL ADVICE.

PURCHASER MUST BE GIVEN A COPY OF THE PLAN PRIOR TO THE SIGNING OF THIS PURCHASE AGREEMENT. BY SIGNING THIS PURCHASE AGREEMENT, PURCHASER ACKNOWLEDGES RECEIPT OF THE OFFERING PLAN AND THAT PURCHASER HAS HAD AN OPPORTUNITY TO READ THE OFFERING PLAN AT LEAST THREE (3) BUSINESS DAYS PRIOR TO SIGNING THIS PURCHASE AGREEMENT.

40) Any inconsistencies between the terms of this Purchase Agreement and the Offering Plan, the terms of the Offering Plan shall govern.

IN WITNESS WHEREOF, the parties hereto have executed this Purchase Agreement as of the date first above written.

SELLER:

BEDFORD AVE CONDOS, LLC

By:_____

PURCHASER:

_____

_____

Agreed to as to Paragraph 28 by Escrow Agent:

By:_____
LEWIS P. KAMIN, ESQ.

SCHEDULE D-2

FORM FOR THE RELEASE OF ESCROW FUNDS

FORM FOR THE RELEASE OF ESCROW FUNDS

Date

Lewis P. Kamin, Esq.
42-40 Bell Boulevard
Suite 206
Bayside, New York 11361

Re: **The Stuyford Haus Condominium**
Purchaser:
Unit #:

Dear Sirs:

You have been holding in a trust account my/our downpayment for the above-referenced Unit in the amount of $_____. I/we acknowledge that a Closing has taken place this date. Accordingly, Lewis P. Kamin, Esq. is authorized to release the funds being held in said amount to whomever the Sponsor so designates. In addition, Lewis P. Kamin, Esq., as Escrow Agent on said account, is hereby released from any and all liability or further obligation to us with respect to said downpayment.

Very truly yours,

_____
Purchaser

_____
Sponsor's representative

SCHEDULE D-2

SCHEDULE D-3

WAIVER OF NOTICE OF CLOSING

WAIVER OF NOTICE OF CLOSING

STATE OF NEW YORK)
:ss.:
COUNTY OF)

_____, being duly sworn, does hereby depose and state:

1. I am the Purchaser of Unit # _____ at The Stuyford Haus Condominium.

2. Pursuant to a Purchase Agreement dated_____, 20___, I am entitled to thirty (30) days' written notice of the Closing for my Unit.

3. I hereby waive the applicable notice provision contained in the Purchase Agreement and agree to close on _____, 20___.

_____
Purchaser

Sworn to before me this __ day
of _____ 20___.

_____
Notary Public

SCHEDULE D-3

SCHEDULE D-4

EXPRESS ASSUMPTION OF RISK

EXPRESS ASSUMPTION OF RISK

I/We _____ understand that by entering onto a construction site, there are extraordinary risks of grave bodily injury and/or death. In consideration for being allowed to enter upon the premises herein, I expressly assume all risks associated with the construction site, including but not limited to:

1. Falling debris;
2. Falls associated with excavations, uncleared ice and/or snow incomplete sidewalks and roads and downed trees and/or bushes;
3. Injuries associated with incomplete construction;
4. Injuries associated with operating machinery;
5. Injuries associated with incomplete or no railings; and
6. Injuries associated with incomplete and/or insufficient lighting.

I/We _____ further agree to fully indemnify and hold harmless BEDFORD AVE CONDOS, LLC, its members, officers, directors, principals, shareholders, successors and assigns for any and all damage to any personal property.

_____

_____

SCHEDULE D-4

SCHEDULE D-5

TENDER OF ESCROW DEPOSIT FORM

TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of $_____, for Unit ____ at The Stuyford Haus Condominium located at 1021 Bedford Avenue, Brooklyn, New York 11205.

Purchaser(s) named below has/have tendered on_____, 20__, the above escrow deposit to Sponsor/Selling Agent as a deposit for the above Unit.

Purchaser(s) _____
_____

Address of Purchaser(s) _____
_____

Phone number of Purchaser(s):

Home: _____
Business: _____

Social Security Number(s) or
Tax Identification Number(s)
of Purchaser(s) _____
_____

RECEIPT

The SPONSOR/SELLING AGENT of the above named property hereby acknowledges receipt of the above escrow deposit.

NEWS REALTY CORP.

By: _____

_____
Title or Position

Date of Receipt: _____

SCHEDULE D-5

SCHEDULE D-6

STATEMENT REGARDING PRIMARY RESIDENCE AND CONSENT TO AMENDMENT AND RESTRICTIVE DECLARATION

STATEMENT REGARDING PRIMARY RESIDENCE AND CONSENT TO AMENDMENT AND RESTRICTIVE DECLARATION

, 20__

RE: _____
_____

I, _____ (name of unit owner) hereby consent that _____ (name of president of condominium board or association or person representing the condominium board) shall be authorized to sign and file the application forms for the 421-a(16) Affordable New York Housing Program. He/she shall be acting within capacity as a member of the condominium board.

I hereby agree to maintain my unit at _____, as my primary residence for at least five (5) years from the closing date of my purchase (in accordance to the Primary Residence Requirement detailed below).

Additionally, I confirm my understanding of the following relevant requirements with regards to the 421-a(16) Homeownerships Tax Abatement:

1. The Property shall be subject to the Affordability Requirement for a period commencing upon the Completion Date and terminating on a date which is thirty-five years from the Completion Date.

2. One hundred percent of the units in the Property shall have an average assessed value not to exceed sixty-five thousand dollars upon the first assessment following the Completion Date ("Post-Completion Assessment Cap Requirement").

3. The Property shall contain no fewer than six dwelling units and no more than thirty-five dwelling units during the Restriction Period ("Building Size Requirement").

4. During the Restriction Period, each owner of any dwelling unit in the Property shall agree, in writing, to maintain such unit as their primary residence for no less than five years from the acquisition of such unit ("Primary Residence Requirement").

_____
Signature
(Print Name)

SCHEDULE D-6

SCHEDULE D-7

PURCHASE AGREEMENT SMOKING POLICY RIDER

PURCHASE AGREEMENT SMOKING POLICY RIDER

1. The Smoke-Free Air Act of New York City prohibits Smoking and using E-cigarettes of any kind in indoor common areas, including but not limited to, lobbies, hallways, stairwells, mailrooms, fitness areas in any building with three or more residential units. NYC Admin. Code, § 17-505. Effective as of August 28, 2018, Local Law 147 of the City of New York became effective. Local Law 147 amends the Administrative Code of the City of New York to require that all class A multiple dwellings (i.e. buildings with 3 or more residential dwelling units) adopt a written smoking policy (the "Smoking Policy"). In compliance with Local Law 147 the following is the smoking policy that will apply to this Condominium:

(a) Definitions:

(i) Smoking: Inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designated for people to use to inhale smoke.

(ii) Electronic Cigarette (E-cigarette): A battery-operated device that heats a liquid, gel, herb or other substance and produces a vapor for people to inhale.

(b) Policy:

(i) All types of Smoking and use of Electronic Cigarettes as defined above are prohibited from all Common Elements and common areas of the Condominium, including but not limited to any lobby, hallway, stairwell, mailroom, fitness room or other recreational facility, meeting room, storage area, mechanical room, equipment room, cellar, basement, elevator, rooftop, play areas, shared balconies, shared courtyards, shared patios, shared porches, shared yards and/or any outdoor common area within 15 feet of entrances, exits, windows, and air intake units on property grounds.

(ii) All types of Smoking and Electronic Cigarette use are prohibited from any patio, balcony and/or terrace or any space designated as an Individual Residential Unit's Limited Common Element appurtenant to the Residential Unit.

(iii) All legal Smoking and Electronic Cigarette use is permitted within the interior area of a Residential Unit.

(iv) The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, customers, patients, clients, licensees, employees and all persons that may be in or on any portion of the Condominium.

(v) Any Unit Owner who leases their Unit (if permitted) shall incorporate the provisions of the Smoking Policy into the lease with the Unit Owner's tenant.

(c) Complaints:

Complaints about smoke drifting into a Unit or common area should be made promptly to the Managing Agent, if applicable, or Board of Managers. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location where smoke was observed, building address, description of incident and apparent source of smoke.

The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, customers, patients, clients, licensees, employees and all persons that may be in or on any portion of the Property and any Building located thereon constituting the Condominium. Pursuant to the requirements of Local Law 147 all tenants in the Building are required to receive a copy of the Building's Smoking Policy and the Smoking Policy must be incorporated into all leases or interim leases. The provisions of Local Law 147 of the City of New York shall take precedent in the event of any conflict with the Smoking Policy contained herein. The Smoking Policy is contained in Article VIII (the "Rules and Regulations"), Section 2 of the By-Laws. Purchasers should also refer to Section XIX of the Offering Plan.

SCHEDULE E

POWER OF ATTORNEY FOR RESIDENTIAL AND COMMERCIAL UNITS

POWER OF ATTORNEY FOR RESIDENTIAL UNIT

I (We) residing at _____the owner of Condominium Unit No. ____in the Condominium known as The Stuyford Haus Condominium covering the property located in the Borough of Brooklyn, Kings County, City and State of New York, do hereby nominate, constitute and appoint the Members of the Board of Managers of The Stuyford Haus Condominium c/o Bedford Ave Condos, LLC, 37-36 75th Street, Jackson Heights, New York 11372 and its successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf to acquire, in their own name or in the name of their designee by deed on behalf of all owners of Condominium Units in said property, any Condominium Unit whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or in lieu of a foreclosure sale, at such price and on such terms as my said attorneys-in-fact shall, in their sole discretion deem proper and thereafter to convey, sell, lease, sublease, mortgage, vote or otherwise deal in such Condominium Unit so acquired, at such terms as my attorneys-in-fact may in their sole discretion determine, granting to my said attorneys-in-fact the power to do all things in the said premises which I could do if I were personally present.

I (We) do further hereby nominate, designate, constitute and appoint the Members of the Board of Managers of The Stuyford Haus Condominium and its successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf, the right to act on my behalf to take any and all action necessary against any tenant(s) that may be residing in my Condominium Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions to the Declaration of Condominium, By-Laws and/or Rules and Regulations of The Stuyford Haus Condominium.

I (We) do hereby further irrevocably nominate, constitute and appoint Bedford Ave Condos, LLC and their successors, my true and lawful attorneys-in-fact coupled with an interest in my name and on my behalf to vote at any Residential Unit Owners meeting for, and to file an amendment to the Declaration of Condominium permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units, as built, and to amend any Filed Map or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Thirteenth of the Declaration of Condominium.

This power of attorney shall be irrevocable.

IN WITNESS WHEREOF, I (we) have set my (our) hand(s) and seal this ___ day of _____, 20__.

_____

SCHEDULE E

STATE OF NEW YORK)
:ss.:
COUNTY OF)

On the _____ day of _____ in the year 20__, before me, the undersigned a Notary public in and for said state, personally appeared _____ _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that (s)he executed the same in his/her capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

POWER OF ATTORNEY FOR COMMERCIAL UNIT

I (We) residing at _____the owner of Condominium Unit No. ____in the Condominium known as The Stuyford Haus Condominium covering the property located in the Borough of Brooklyn, Kings County, City and State of New York, do hereby nominate, constitute and appoint the Members of the Board of Managers of The Stuyford Haus Condominium c/o Bedford Ave Condos, LLC, 37-36 75th Street, Jackson Heights, New York 11372 and its successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf to acquire, in their own name or in the name of their designee by deed on behalf of all owners of Condominium Units in said property, any Condominium Unit whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or in lieu of a foreclosure sale, at such price and on such terms as my said attorneys-in-fact shall, in their sole discretion deem proper and thereafter to convey, sell, lease, sublease, mortgage, vote or otherwise deal in such Condominium Unit so acquired, at such terms as my attorneys-in-fact may in their sole discretion determine, granting to my said attorneys-in-fact the power to do all things in the said premises which I could do if I were personally present.

I (We) do hereby further irrevocably nominate, constitute and appoint Bedford Ave Condos, LLC and their successors, my true and lawful attorneys-in-fact coupled with an interest in my name and on my behalf to vote at any Commercial Unit Owners meeting for, and to file an amendment to the Declaration of Condominium permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units, as built, and to amend any Filed Map or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Thirteenth of the Declaration of Condominium.

This power of attorney shall be irrevocable.

IN WITNESS WHEREOF, I (we) have set my (our) hand(s) and seal this ___ day of _____, 20__.

_____

SCHEDULE E

STATE OF NEW YORK)
:ss.:
COUNTY OF)

On the _____ day of _____ in the year 20__, before me, the undersigned a Notary public in and for said state, personally appeared _____ _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that (s)he executed the same in his/her capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE F

FORM OF DEED

DEED FOR RESIDENTIAL UNIT

THIS INDENTURE made the ___ day of _____ , 20___ between BEDFORD AVE CONDOS, LLC, 37-36 75th Street, Jackson Heights, New York 11372, a _____ limited liability company and Party of the First Part and

Party of the Second Part;

W I T N E S S E T H

That the Party of the First Part, in consideration of Ten Dollars ($10.00), lawful money of the United States, and other good and valuable consideration, paid by the Party of the Second Part, does hereby grant and release unto the Party of the Second Part, the heirs or successors and assigns of the Party of the Second part forever,

All that certain piece or parcel of real property, with the improvements therein contained, situate and being a Condominium Unit (the "Unit") in New York County, City and State of New York, known as Unit No. _____ in the Condominium known as The Stuyford Haus Condominium, said Unit designated and described as Unit No. ___ in the Declaration establishing a plan for Condominium Ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act"), dated and recorded in the Office of the City Register, Kings County (the "Register's Office") on _____in Reel _____page ___ and also designated as Tax Lot _____ in Block _____ of Section ____ of Kings County on the Tax Map of the Real Property Assessment Department of the City of New York, and on the Floor Plan of said building certified by _____on _____and filed with the Real Property Assessment Department of the City of New York on _____as Condominium Plan No. _____, and also filed in the Register's Office on _____ as Condominium Plan No. _____, Map No. _____.

SCHEDULE F

TOGETHER with an undivided _____% interest for the Unit in the Common Elements.

The premises within which the Unit is located are more particularly described as follows:

(PROPERTY DESCRIPTION)

Being and intended to be the same premises as conveyed to the grantor herein by deed dated 5/11/1987 recorded 5/20/1987 in Reel 2026 page 387.

Being and intended to be the same premises as conveyed to the grantor herein by deed dated 11/20/2018 recorded 11/27/2018 in CRFN 2018000391105.

TOGETHER with the appurtenances and all the estate and rights of the Party of the First Part in and to said premises.

TOGETHER with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, regulations and easements all as set forth in the Condominium Documents filed and recorded as aforesaid.

SUBJECT TO: The provisions of the Declaration, By-Laws, site plan and floor plans of the Condominium as the same may be further amended from time to time by instruments recorded or filed in the Register's Office of the City of New York, New York County, which provisions, together with any amendments thereto shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited at length herein.

TO HAVE AND TO HOLD the premises herein granted unto the Party of the Second Part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the First Part covenants that the party of the First Part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the Party of the First Part, in compliance with Section 13 of the Lien Law, covenants that the Party of the First Part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for purpose of paying the cost of the improvement before using any part of the total of the same for any other purposes.

AND the use for which the Residential Unit is intended is that of a one family residence, subject to the applicable governmental regulations and the restrictions

contained in the Declaration. Purchaser is required to maintain the Residential Unit as Purchaser's primary residence for at least the first five (5) years of acquisition of the Residential Unit in order to obtain real estate tax benefits under Subdivision 16 of RPTL §421-a.

This conveyance is made in the regular course of business actually conducted by the Party of the First Part.

The word "Party" shall be construed as if it read "Parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the Party of the First Part has duly executed this deed the day and year first above written.

BEDFORD AVE CONDOS, LLC

By:_____

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the _____ day of _____ in the year 20__, before me, the undersigned, a Notary Public in and for said state, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his or her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

DEED FOR COMMERCIAL UNIT

THIS INDENTURE made the ___ day of _____ , 20___ between BEDFORD AVE CONDOS, LLC, 37-36 75th Street, Jackson Heights, New York 11372, a _____ limited liability company and Party of the First Part and

Party of the Second Part;

W I T N E S S E T H

That the Party of the First Part, in consideration of Ten Dollars ($10.00), lawful money of the United States, and other good and valuable consideration, paid by the Party of the Second Part, does hereby grant and release unto the Party of the Second Part, the heirs or successors and assigns of the Party of the Second part forever,

All that certain piece or parcel of real property, with the improvements therein contained, situate and being a Condominium Unit (the "Unit") in New York County, City and State of New York, known as Unit No. _____ in the Condominium known as The Stuyford Haus Condominium, said Unit designated and described as Unit No. ___ in the Declaration establishing a plan for Condominium Ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act"), dated and recorded in the Office of the City Register, Kings County (the "Register's Office") on _____in Reel _____page ___ and also designated as Tax Lot _____ in Block _____ of Section ____ of Kings County on the Tax Map of the Real Property Assessment Department of the City of New York, and on the Floor Plan of said building certified by _____on _____and filed with the Real Property Assessment Department of the City of New York on _____as Condominium Plan No. _____, and also filed in the Register's Office on _____ as Condominium Plan No. _____, Map No. _____.

SCHEDULE F

TOGETHER with an undivided _____% interest for the Unit in the Common Elements.

The premises within which the Unit is located are more particularly described as follows:

(PROPERTY DESCRIPTION)

Being and intended to be the same premises as conveyed to the grantor herein by deed dated 5/11/1987 recorded 5/20/1987 in Reel 2026 page 387.

Being and intended to be the same premises as conveyed to the grantor herein by deed dated 11/20/2018 recorded 11/27/2018 in CRFN 2018000391105.

TOGETHER with the appurtenances and all the estate and rights of the Party of the First Part in and to said premises.

TOGETHER with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, regulations and easements all as set forth in the Condominium Documents filed and recorded as aforesaid.

SUBJECT TO: The provisions of the Declaration, By-Laws, site plan and floor plans of the Condominium as the same may be further amended from time to time by instruments recorded or filed in the Register's Office of the City of New York, New York County, which provisions, together with any amendments thereto shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited at length herein.

TO HAVE AND TO HOLD the premises herein granted unto the Party of the Second Part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the First Part covenants that the party of the First Part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the Party of the First Part, in compliance with Section 13 of the Lien Law, covenants that the Party of the First Part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for purpose of paying the cost of the improvement before using any part of the total of the same for any other purposes.

The use for which the Commercial Unit is intended is for any commercial purposes as permitted by applicable zoning requirements of the City of New York.

This conveyance is made in the regular course of business actually conducted by the Party of the First Part.

The word "Party" shall be construed as if it read "Parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the Party of the First Part has duly executed this deed the day and year first above written.

BEDFORD AVE CONDOS, LLC

By:_____

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the _____ day of _____ in the year 20__, before me, the undersigned, a Notary Public in and for said state, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his or her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE G

DESCRIPTION OF PROPERTY (SPECIFICATIONS AND BUILDING CONDITION)

T. F. CUSANELLI & FILLETTI ARCHITECTS P.C.

Dated: June 10, 2021

Stuyford Haus Condominium

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

Location and Use of Property:	1021 Bedford Ave. Brooklyn, NY 11205 Block: 1788 Lot(s): 5 Zoning: C2-4/R7A Property and proposed Use will comply with all zoning and use requirements at time of closing. Sponsor to cure all property violation before closing. Property is under a single ownership, single tax lot, and single zoning lot. Zoning lot declaration exhibit-1 recorded 3/20/19 crfn#2019000089832. Prior existing lots 4 and 5 were joined as one tax and zoning lot, lot 5. Zoning lot declaration exhibit-3 recorded 3/20/19 crfn#2019000089833.
Lot line Declarations	There will be no lot line declaration.
Zoning lot declaration	There is no zoning lot restrictive declaration.
Permissible Use:	R7A is a medium density residential zoning district in New York City. A few examples of neighborhoods with R7A zoning would be Prospect Park in Brooklyn, Jackson Heights in Queens, and Harlem & East Village in Manhattan. R7A districts have multifamily buildings often about 6 or 7 stories high. The Sponsor filed the building plans utilizing the Quality Housing Option. The Quality Housing Program consists of four components: building interior, recreation space and planting, safety and security, and parking requirements. The building interior component sets forth special refuse storage and disposal systems, and encourages laundry facilities and daylight in corridors. The recreation and planting component establishes minimum space standards for indoor and outdoor recreation space and requires planting of open areas between the front building wall and the street. The safety and security component encourages fewer dwelling units per corridor. This project does not require any parking spaces. The zoning on this lot permits a maximum FAR of 3.45 and the maximum building height of eighty (80) feet.

Status of Construction:	Project start date: 09/01/2019 Project under construction Anticipated completion date: December 2021. Class of Construction: 1B (2014 Building Code) DOB application number: 321385032 Complies with NYC 2014 Construction Code DOB Permit #321385032-01 was first issued on 07/10/2019, it was renewed on 01/07/2020, and again renewed on 03/17/2020. As of, 02/03/2020, the work completed includes: Concrete superstructure has been completed from the cellar up to roof slab (rebar completed and concrete poured).
Current Construction:	The construction class of this building is 1B. (Fire-Resistive Non-Combustible Construction, includes buildings and spaces in which the bearing walls and other major structural elements are generally of two-hour fire-resistance rating.) No Certificate of Occupancy exists at this time. The sponsor will obtain a Temporary Certificate of Occupancy, or Permanent Certificate of Occupancy if available, once construction of the building is completed, prior to units closing.
Site:	The lot size of the property is 40.00' x 80.00’ or 3,200 square feet. There is one (1) building on the site. Curbing and sidewalks are poured concrete and provide access to the building at a ¼” per foot pitch allowing for water runoff and maintaining handicap accessibility. Sidewalks, comply with NYCDOT’s, Local Law, and ADA requirements. Condominium will be responsible for maintaining the sidewalk in accordance with the requirements of the NYC Transit Authority having jurisdiction. Sidewalk is pitched to street for drainage, nearest city catch basin is 10’ north of the property and is in working condition.
Use:	The building is a mixed-use building consisting of cellar, first through sixth floors, and roof. Fifteen (15) residential units on floors two through six, and commercial space on the first floor.
Streets and Lighting:	The building is located on the east side of Bedford Ave., which is a public street paved with asphalt concrete, in good condition. The curb is brand new concrete. The avenue and street are fairly flat, pitched towards catch basins. The catch basin is in good condition, and is maintained by the Department of Environmental Protection. A fire hydrant is located right in front of the street property line. The street is illuminated by pole mounted lights. The city street aluminum lighting poles are in good condition. These items are in conformity with, and approved by the Department of Highways.

Utility Providers:	Water:	New York City Water Board
	Combined Sewer:	NYC DEP
	Gas:	National Grid
	Electricity:	Con Edison

Utilities: Unit owners will be obligated to pay the common charge for all the water, sewer, and gas, and electric for the common area only. Electric for the units and telephone is metered/ installed individually and is the responsibility of each Unit Owner.

Sub-soil Conditions: Test borings were taken August 4, 2018, which indicate at ten (10) to thirty-seven (37) feet below curb the soil is medium dense brown f-m sand, some c-f gravel (SW) Class 3b, which indicates a 3.0 ton per square foot load bearing capacity which is sufficient to support the building. No uneven foundation movement or settling has been noted throughout the foundation. There is no danger of seepage or flooding due to the water table, or from other bodies of water as groundwater was encountered at 51.4' below grade. There is no evidence of moisture or seepage or ground water infiltration. No potential for mudslides or erosion have been noted from any of the landscape area surrounding the building, or in close proximity. The bottom surface of foundation footing shall be carried down at least four feet below level of the adjoining ground or pavement surface that is exposed to frost. All sub-grade foundation walls to receive waterproof fabric membrane over tar coating for sub-grade drainage system.

There is no evidence of land subsidence or expansive soils. There are (3) environmental restrictions (Hazmat, Noise, & Air). Hazardous Materials restriction requires Phase I and Phase II Testing Protocol. Noise restriction requires Window Wall Attenuation & Alternate Ventilation. Air Quality restriction requires HVAC fuel to be limited to natural gas. The sponsor is in contract with an environmental consultant to have these restrictions remediated with NYC Office of Environmental Remediation. The OER Notice to Proceed for this project was issued on April 10, 2019, stating the descriptions of selected remedy for Hazardous Materials, Air Quality, and Noise. Please see OER Notice to Proceed, indicating description of approved remedial action plan to remedy all (3) environmental restrictions.

This project is not located in an area designated as a flood zone by any local, state, or federal agency.

Landscaping and Enclosures: The rear yard will have a pavered terrace patio with a 4'-6" high wrought iron fence. The first 8' of the rear yard will be a cellar areaway patio. There are no gates. There is a 10” concrete retaining wall with reinforced steel rebar with a concrete footing reinforced with steel rebar in good condition at the rear cellar areaway patio.

Building Size: The total building height from ground to roof is 63’-0". The first floor has a ceiling height of 10'-10", the second through fifth floors have a ceiling height of 8'-10", and the sixth floor has a ceiling height of 9'-10".

There are no crawl spaces and there are no attic spaces.

There is one cellar.

Auxiliary services for the building including, gas meter room, electric meter room, trash room, water meter/sprinkler room, elevator machine room, mechanical equipment room are located in cellar. There is also a mechanical equipment room located on the roof for hot water heaters and mechanical equipment on the roof itself.

This building is a six (6) story building. The parapet wall measures at least three feet and six inches tall (3'-6').

Structural System:

The structural system is a reinforced poured-in-place concrete structure, consisting of concrete footings and foundation walls below first floor level, and concrete columns and shear-walls extending the entire height of the building. The typical floors are made up of a reinforced eight inch (8") concrete slab.

The demising walls in the common areas and between each unit are constructed with 2 layers of 5/8" type "X" gypsum on each side with fire rating. All partition walls within the Units are constructed of 2-1/2" metal studs with 1 layer of 5/8" gypsum Board on each side with no fire rating. The partition walls between units and common area are constructed of 2 layers of 5/8" type "X" gypsum board on each side with a 2 hour fire rating. All interior partitions are sound proofed with 4" batt insulation. All floors are sound proofed with 12" batt insulation, providing a noise impact rating of STC 50 minimum.

There is underpinning in the rear and north side in connection to this project.

The foundation floor slab is poured on sand and gravel with polyethylene which is adequate to prevent water seepage from the floor slab. The foundation walls are also waterproofed with polyethylene.

Exterior of Building:

For floors two through six, all exterior walls in the front and rear will be standard size face brick with 2-1/2" rigid insulation, 5/8" dens glass gold sheathing, 3-5/8" metal stud with R-15 fiberglass batt insulation and 5/8" type "X" gypsum board. All masonry components are engineered and certified by manufacturer for NYC Department of Building guidelines. All exterior masonry walls are insulated with (3) 1" extruded polystyrene panels for an 'R' value of minimum R15. Insulation is in compliance with Energy Conservation Construction Code of NY State. The inner face is finished with 1 layer of 5/8" type X gypsum Board. The masonry wall is reinforced with #5 rebar at twenty four (24") inches on center minimum for first through fifth floor. Continuous fabric flashing is installed at the floor level of each floor to weep excess moisture or water penetrated into building cavity thru mortar joints.

All windows to be installed are vinyl frame insulated double-glazing windows by Pella Windows. All windows are caulked with clear silicon caulking from the exterior. All windows have a minimum of 28 OITC rating, as approved by the OER Notice to proceed, dated April 10, 2019. All windows include a Polyamide thermal barrier. All window screens are from Pella Windows. The air infiltration level will be kept to the minimum and inspected and certified by an independent Engineer.
The ability to stand the cold weather is adequate in terms of ambient in the Borough of Queens. Lintels are of steel beams and/or steel angles. No lot line windows exist on the building. The manufacturer provides warranty for one year.

The building does not have landmark status.

Parapets & Coping:

The parapets are 4" face brick and 4" load bearing stud walls. All parapets walls have galvanized baked aluminum coping firmly secured in place. Fasteners are corrosion resistant.

Chimneys and Caps:

There are no chimneys through the building, as the hot water tanks are on a mechanical room in the roof.

Balconies, Terraces and Patios:

There are twelve apartments with balconies on the 3rd floor through the 6th floor. The second floor apartments will have Juliette balconies not for occupancy.

All balconies have a maximum occupancy of 3 persons.

Balcony railings to be constructed of 1 ½" steel top rail supported by a row of minimum ½" vertical steel balusters at 4" on center on bottom rail with intermediate supports at 6'-0" maximum in between fastened directly onto the deck's structure, with a powder coat rustproof finish. The railings will not create a ladder effect. All exterior metals, including fasteners, shall be corrosion resistant. All of the studio apartment balconies will be Pella Windows Quad Sliding Doors, and all other apartments will have a single Pella Windows In-Swing door. Weather stripping, thermal barrier, caulking, and flashing are provided for all doors. Top of balcony floor is sloped to pitch storm water drainage with bottom drip edge.

Balconies/Terraces must remain open as-built.

There is a residential terrace on the rear of the first floor, accessible by all apartments. The roof of this terrace space will have a 30 year warranty. This terrace will have 2" thick Hanover Tudor style pavers which will withstand daily foot-traffic. All components of the roof are included in the 30 year warranty, with the exception of the pavers. This terrace will include 68 sf. of commercial storage space. Also there is an eight-foot wide area way in the rear of the cellar, accessible from the gym and tenant lounge.

Top of areaway and terrace patio floors are sloped to pitch storm water drainage to drain in the center of each.

There are no balcony copings, drains and soffits.

The undersides of balconies are concrete superstructure finished with off white colored stucco.

Exterior Entrances:

There are two front doors of the building, one which leads directly into the residential vestibule, and the other that leads directly into the retail space. Both entrances are 6'-0" wide glass doors by Gamco Corp. The roof door is a 5'-0" glass sliding door by Pella Windows, which is in compliance with BC 1008.1.4.3. The exterior lighting will be wall mounted LED lights. Exterior entrances shall be built free of tripping hazard and ADA compliant.

Fifteen mailboxes are located in the lobby on the first floor residential lobby with the entrance on Bedford Avenue. They are constructed of aluminum and are mounted inside a sheet rocked wall. Mailboxes are U.S. Postal Services approved, standard horizontal mailboxes, heavy gage aluminum, front loading type. Each mailbox will have its own individual lock.

Interior Doors and Frames:

All interior doors at stairwell, apartment entry, garbage room, roof entry, boiler room, storage room, elevator room, mechanical room, and exterior doors other than front storefront entrance door are 1.5 hours rated fireproof doors. Self-closing as per code. These doors are tagged at jambs and inspected by DOB. All steel door frames are steel and fire rated.

The interior doors within the Apartment units are solid core 2 panel square Masonite MDF doors. All frames are wood. All apartment interior hardware is dull chrome color, straight lever.

Wood Flooring within Apartment units is 4” Select Red Oak, ¾” thick. Flooring from The Barefoot Mill, distributed by Gold Coast Flooring. Floors are scraped, sanded and finished with 1 coat clear sealer and 2 coats high gloss polyurethane. Underlayment ¾” plywood, drilled, screwed and staggered with polyurethane vapor barrier between concrete subfloor and plywood.

Roof and Roof Structure:

The roof of the building is constructed of an 8" reinforced poured concrete slab. Roofing material is torch applied Roofing Systems, modified Bitumen roofing by “Firestone”, pitched towards roof drains; which storm run-off water flows into the city combined sewer. Thickness of asphalt (per ply) is 25 pounds. All exterior metals, including fasteners shall be corrosion resistant. Warranty to be 20 years, no dollars limits (NDL) manufacturer’s warranty for materials and labor, which commences upon installation. The Sponsor will provide a one (1) year guarantee. A minimum of R-20 rigid insulation is to be installed above the deck. The bulkheads for the stairs and elevator are also made out of reinforced poured concrete. All flashing and counter flashing at bulkhead is aluminum. Controlled flow roof drains are located on flat roof and bulkhead. The finished roof will be rubber. The air conditioning heat pump units are located on the roof of the bulkhead. All rooftop mounted equipment is mounted on vibration isolation pads.

The elevator and stairs bulkheads are constructed of 8" concrete walls. The exterior side of the elevator bulkhead will have a cement stucco finish. The stair walls open to a corridor connecting the two bulkhead areas along with the mechanical room, which make up the complete roof bulkhead. The exterior walls of the main bulkhead will be standard size face brick with 2-1/2" rigid insulation, 5/8" dens glass gold sheathing, 3-5/8" metal stud with R-15 fiberglass batt insulation and 5/8" type "X" gypsum board.

There is one black rust proof steel vertical ladder providing access to bulkhead.

The finished roof will be rubber. The roof will not be landscaped. Flashing to be aluminum, 0.032" thick (20 gauge). Install base and cap flashings between vertical surfaces and roof deck in all locations.

The enclosed rooftop bulkhead will include a mechanical room, elevator bulkhead, and two stairwell landings. There are no rooftop, cell phone towers or lightening protection equipment.

Storm Drainage System:

The roof will have two (2) controlled roof drains. There will be one (1) controlled roof drain at the bulkhead. There will be one (1) controlled drain at the 1st floor terrace. The drains in the rear areaway in the cellar will discharge unrestricted to the combined sewer. Controlled roof drains will also discharge to combined sewer. All controlled roof drains will have a secondary emergency overflow drain, which are 3" in diameter, and are located 2 to 4 inches above the low point of the roof, where the primary drains are located. There are no gutters, leaders, or scuppers.

City sewer is a combined sewer. Interior waste water and building storm water are piped and trapped separately. They are then joined together by a cast iron "Y" at the property line, leading to the combined city sewer which will be inspected and Signed off by NYCDEP.

Skylights:

As required by the NYC Building Code there are two skylights, a minimum of three square feet in area each, glazed with plain glass with wire screen over and under, and provided with fixed ventilator. It is located above the stair bulkhead to provide ventilation within stair enclosure. Skylight is mounted on 8" high curb. One year manufacturer's warranty is provided.

Fire Escapes:

There are no fire escapes. The building is completely sprinklered.

Yards and Courts:

There is no front yard in this building, as it extends to the front property line.

The rear yard will consist of a concrete patio with a 3'-8" masonry parapet wall perimeter. There are two area drains connected to the storm sewer that drains out to the main line in

the street. There are no gates. There is a 8' wide area way in the cellar at the farthest east side of the rear yard, which also has area drains that connect to the storm sewer.

Interior Stairs:

There are two interior scissor stairs in the building, which provide egress access from each floor, cellar and roof bulkhead. The stairs are constructed of 12 Gauge metal pans with a 1.5" lip for in-filled poured in place concrete. The risers will be made up of the 12 gauge metal. The stairs are 36" wide. The handrails are one inch diameter steel pipe railing that are 42" high which are used throughout the staircase. The fire resistive rating of stair enclosure is two (2) hours.

Doors into interior stairs to be hollow metal door and frame with fire resistive rating of one and half (1 ½) hour, fireproof self-closing type (FPSC).

The interior stairs enclosure is constructed of 8" concrete walls, which are directly painted on with a white paint finish.

Elevator:

There is one (1) elevator located in the building. The elevator serves the cellar through sixth floors. The elevator is a seven stop front opening elevator.

The seven stop elevator is a MRL 3300 Schindler elevator system. The capacity is 3000lbs @ 150 FPM. The passenger capacity is 6 passengers. The machine room is located in the cellar. A natural fresh air intake is provided via fire rated enclosed sheet metal ductwork. Ventilation is adequate.

An electric alarm bell shall be provided in or adjacent to the elevator hoist ways. This bell will be connected to the alarm button in the cars operating panel. The cars operating panels contain emergency car lights with battery, emergency stop switches, alarm buttons, emergency speakers, & keys for light & fans. An emergency stop switch shall be provided in the elevator pits, designed to cut off current simply to motor and “down” direction valves and bring the car to rest independent of regular operating devices. Both regular and emergency lighting will be fluorescent.

Elevator Cab:

The cab enclosure for the elevator is standard design. The interior car door is finished in stainless steel. The walls are finished in Laminate M999. The floor is carpet. The ceiling is a stainless steel ceiling with LED Down Lights, and emergency lighting is provided.

Garbage Disposal:

There is a compactor for garbage with access to the compactor chute on each floor. The chute provided is 24" in diameter and fabricated out of 16 gauge aluminized steel. The trash compactor provided is an Apple-Pak solid waste compactor, model AP-100. It is located in the cellar, in a 2-hour fire rated room that has metal stud walls with two layers of type-x gypsum board on each side. The room provides the required 50 cubic feet of refuse storage and removal space. This trash compactor

	room is accessible by the elevator. Pick up schedule is per NYC Sanitation Rules and Regulations.
Laundry Facility Room:	None. Each Unit will have its own electric vent-less washer and dryer. The one-bedroom apartments will have a stackable LG washer (model WM1388HW) and LG vent-less dryer (model DLEC888W) in a dedicated closet. The studio apartments will have a LG combo washer-dryer unit (model WM3488HW), installed under the kitchenette counter. All washers and dryers will be manufactured by LG.
Bicycle Storage:	There are 8 bicycle parking spaces in the cellar. They are located in a 2-hour fire rated room that has metal stud walls with two layers of type-x gypsum board on each side. The room will be only accessible to residential unit owners and tenants via electronic key fob, provided by Virtual Doorman. Each bicycle is to be chained or locked on a vertical wall-hung bike rack.
Tenant Storage:	There are individual tenant storage spaces for each apartment, in the cellar. Each individual storage space is made of pre-painted corrugated metal doors and partitions with hardware ready to receive individual locks (locks by unit owners, not sponsor) and will only be accessible by the respectable apartment owner. They are located in a 2-hour fire rated room that has metal stud walls with two layers of type-x gypsum board on each side. The room will be only accessible to residential unit owners and tenants via electronic key fob, provided by Virtual Doorman.
Mail Package Room:	A mail package room is located on the first floor. This room has metal stud walls with gypsum board, and has a 1-hour separation on the wall adjacent to the retail space. The room will be only accessible to residential unit owners, tenants, and authorized mail carriers via electronic key fob, provided by Virtual Doorman.
Plumbing and Drainage:	Domestic water is supplied by ductile iron service pipe from a city water main. Water usage is billed according to a water meter. The material of water pipe is copper, ½" – ¾" in diameter and will be Inspected and Signed off by a NYC Plumbing Inspector. Water is provided by the New York City Water Supply System. The water pressure is maintained by domestic water pressure pump. A hydrant flow test was requested to the Department of Environmental Protection. Static pressure from the 12-inch water main feeding the building is 49 pounds per square inch. The residual pressure is 48 pounds per square inch when 500 gallons of water per minute were flowing from Bedford Avenue. Hot & cold water piping shall be insulated though-out. Back-flow prevention device installed between water meter and domestic water piping / sprinkler piping. The building is fully sprinklered from the cellar to roof. The style is upright, pendant and conventional. All pipes, fittings and elbows meet the requirements of A.S.T.M. code. The sprinkler

system is made up of cast iron piping. 163 heads for a wet sprinkler piping system are located in common hallways and residential Units throughout the building.

Main shutoff valve will be located at the entrance of water supply at front of building in cellar sprinkler room.

There are no water storage tanks in this building.

The Plumbing Permit is # 321285032-01-PL, and was issued on 08/04/2020.

Sewage System:

The sanitary house line, house trap, and house sewer of cellar through all six (6) floors are connected by gravity with 6” cast iron pipe throughout the property to a 48" city owned combined sewer on Bedford Avenue.

Plumbing permit will be obtained by licensed plumber.

Heating:

Heating for the retail space and residential hallways is provided by Rheem packaged units. Heating for all apartments, 1st floor hallway, tenant lounge, and gym is provided by LG Heat Pump Split Systems. There are two (2) gas 100 gallon AO Smith BTH-150 hot water heaters, located on the roof that provide hot water for all common and residential areas. There is one (1) electric 10 gallon AO Smith EJC-10 hot water heater for the retail space.

The heating system will maintain an inside temperature of 68 Degrees Fahrenheit with an outside temperature of 0 degrees Fahrenheit with an allowance for a 3 degree Fahrenheit swing, enabling the building to maintain legally required conditions under anticipated weather conditions. The heating and distribution of domestic hot water is capable of providing peak required services to the whole building. Warranty for hot water is six (6) years warranty.

All copper water and heat lines in boiler room covered by fiberglass pipe insulation. ½” – ¾” ø.

Gas Supply:

The fuel will be natural gas. The gas will be mastered metered from Con Edison and be used for space heating, cooking, and domestic hot water heating. Gas piping will be schedule 40 steel screwed to malleable iron fittings. The building has a total of three (3) gas meters. The fifteen (15) residential units will share one (1) gas meter (located in cellar), which provides gas for cooking for all apartments. One (1) gas meter is provided for the retail space, providing gas for heating. One (1) house gas meter provided gas for heating of common spaces, cooking for residential common area, barbeque and water heating for the entire building.

Air Conditioning:

Air Conditioning for the retail space and residential hallways is provided by Rheem packaged units. The unit for the retail space is located in the rear terrace, and the unit for the residential hallways is located on the roof. Air Conditioning for all apartments, 1st floor hallway, tenant lounge, and gym is

provided by LG Mini Split Systems. The exterior units for all of the apartments (15) are located on the bulkhead roof, the unit for the 1st floor hallway is located in the rear terrace, and the units for the tenant lounge and gym are located in the rear areaway. Each apartment has an individual ducted LG indoor unit in the ceiling. Each of the other spaces has an individual ductless LG indoor unit in the ceiling. All spaces are provided with individual programmable thermostats. These units are sufficient to maintain an internal temperature of all habitable rooms at a minimum of 50 degrees F at an outdoor temperature of 95 degrees F. Warranty for air conditioning systems is 1 year parts and labor, from the manufacturer. All Freon lines are insulated with 1.5" insulation. There are no water lines on the roof. All units located on the roof are equipped with vibration-pads to prevent vibration and noise from reverberating below.

Ventilation:

The toilets and kitchens are exhausted with fan by means of duct shafts through the roof. All kitchens are ventilated via 100 cubic feet per minute exhaust fans to the outside. All bathrooms are ventilated via 50 cfm exhaust fans to the outside. The trash rooms are exhausted with fan by means of duct shafts through the roof. The meter rooms will be vented out and towards the front of the building.

All apartments will receive fresh air ventilation from Energy Recovery Ventilator Units, located on the roof.

Electrical System:

All electrical wiring will be installed in accordance with the requirements of the City Of New York, Electrical Control Bureau and the New York Board of Fire Underwriters. Electrical service main underground from Con Edison located in the street. The building has a three phase, 1200 AMP main power supply.

There are a total of seventeen (17) electric meters in the building. All the units in the building have their own individual electric meter, the commercial space has its own electric meter, and the remaining meter is designated for the elevator, hallway and exterior lighting for the building. The electrical contractor states the electrical system is adequate for modern usage. AFCI and GFCI shall be provided. Electrical system is adequate to handle modern usage and appliances such as air conditioners, dish washers and dryers. Water-Resistant receptacles (GFI) are provided for exterior use. All electric will be inspected and signed off by the NYCDOB Electrical division.

All public and exterior lighting is more than adequate.

There are no provisions for electricity supply during outages.

Intercommunication, Door Signal systems:

The building will have a video intercom with door release. Each Unit will be equipped with a color hand free monitor. The video intercom used in this building is Airphone GT series. No other security systems or security closed circuit TV provided are provided.

Recreation Areas	A tenant recreation lounge that is 395 square feet, is located in the cellar. The lighting in this room is to be provided by recessed high-hat fixtures on the ceiling. This space has a counter that includes a sink. The recreation area will be accessed by elevator. A tenant fitness room that is 264 square feet, is located in the cellar. The lighting in this room is to be provided by recessed high-hat fixtures on the ceiling. The fitness room will be accessed by elevator. The fitness room will be equipped with Ecore Bounce Rubber Backed Vinyl flooring with baseboard to match, accent mirror on one wall, and a 40" TV. A 702 square feet outdoor tenant recreation space is located rear terrace. This area is illuminated by LED wall-mounted scone lights. This space has an exterior counter, which includes a sink and a gas-fired BBQ grill. There are no beach/lakefront boating facilities, golf courses, or game/sport courts in this building.
Public Area Lighting:	The public lighting in the entrances, halls and stairs, corridors, basements and yards are adequate and meet the requirements of New York City building codes. Twenty-four (24) hour light connected to emergency circuit at all public area.
Garages and Parking Areas:	There is no off-street parking required.
Unit Information	There are ten (10) 1-bedroom apartments and five (5) studio apartments in the building. Each floor has two (2) 1-bedroom apartments and one (1) studio. There is no carpet to be used within units. Wood flooring within Apartment units is 4" Select Red Oak, ¾" thick flooring from the Barefoot Mill, distributed by Gold Coast Flooring. Floors are scraped, sanded, and finished with 1 coat clear stain and 3 coats of semi-gloss finish. Underlayment is ¾" plywood, drilled screwed and staggered with red rosin paper in between concrete sub-floor and plywood. Walls to receive 1-coat of tinted primer and 2-coats of White finish. The floor-to-ceiling heights in the apartments from the 2nd to the 5th floor are 8'-10", the apartments on the 6th floor have a floor-to-ceiling height of 9'-10". All faucets are Matte Black Delta faucets. All bathtubs are 32" x 60" American Standard white bathtubs. All toilers are Kohler One-Piece toilets. The toilets for the common areas (cellar/lobby/commercial space) are two-piece by ProFlo. All kitchen counters are either natural white Carrera marble or engineered pure white quartz and kitchen cabinets are high end modern Italian, model Ar-Tre, smooth white flat panel with pull out garbage and spice racks with soft close system.

	All apartment kitchens are equipped with a Bloomberg refrigerator (model BRFB1822SSLN or alternate equal), a Whirlpool dishwasher (model WDT920SADM or alternate equal), a Whirlpool gas range (model WFG745HOFS or alternate equal), and a Whirlpool over-the-range microwave (model WMH31017AD or alternate equal).
Swimming pool(s):	There will be no swimming pools.
Violations:	Sponsor will cure any outstanding violations prior to the closing.

Unit Hallway Lobby Information:

Unit #	# of Rooms*	# of bedrooms
201	2.5	0
202	3.5	1
203	3.5	1
301	2.5	0
302	3.5	1
303	3.5	1
401	2.5	0
402	3.5	1
403	3.5	1
501	2.5	0
502	3.5	1
503	3.5	1
601	2.5	0
602	3.5	1
603	3.5	1

* The number of rooms in all of the units was calculated in accordance with industry standards, by counting each bedroom as one room, the kitchenette as one room, the living/dining area as one room, and the bathroom as 1/2 a room.

Abbreviations:				
	GR	Granite	CT	Ceramic Tile
	BR	Brick	GWB	Gypsum Wall Board
	CB	Concrete Block	SV	Sheet Vinyl
	CONC	Concrete	VT	Vinyl Tile
	WD	Hard Wood Flooring		
	PNT	Painting*	MR	Moisture Resistant
	L/D RM	Living/Dining Room	ST	Stone Tile
	WCB	Waterproof Cement Board	VWC	Vinyl Wall Covering

* painting consists of one coat of primer and one coat of paint.

	Sub-Floor	Floor	Walls	Ceilings
Cellar	CONC	CONC/CT	GWB/PNT	GWB/PNT
All, 2nd, 3rd, 4th 5th & 6th floor units:				
Living Room/Dining:	CONC	WD	GWB/PNT	GWB/PNT
Kitchen:	CONC	WD	GWB/CT	GWB/PNT
Bedroom:	CONC	WD	GWB/PNT	GWB/PNT
Bathroom:	CONC	CT	WCB/CT	WCB/CT, PNT

The bathroom fixtures, kitchens for all of the Units will all be brand new.

Finished Schedule of Spaces Other Than Units

LEVEL	ROOM	SUB-FL	FLOOR	WALLS	CEILING
Cellar	Mechanical Rooms	CONC	CT	GWB/PNT	GWB/PNT
1st Floor	Vestibule	CONC	GR	GWB/PNT	GWB/PNT
All Levels	Hallways	CONC	CT	GWB/PNT	GWB/PNT
1st Floor	Lobby	CONC	CT	GWB/PNT	GWB/PNT

Safety and Warning Devices:

Minimum one ionization type combination smoke and carbon dioxide detector is installed in each unit as required by law. The entire building will be provided with an automatic sprinkler system.

Fire alarm panel is located in the electric meter room in the cellar. There is a one year warranty.

Additional Testing at Discretion of Department of Law:

Both Sponsor and I are aware that the Department of Law may, in its discretion, direct that an independent engineer or testing laboratory be retained to perform such tests or monitoring as may be necessary in order to make adequate disclosure in the event that certain conditions in this building cannot be adequately evaluated by a visual examination.

Further Development:

No further development is anticipated.

Light and Air:

Light and Air is provided in each Unit in compliance with all applicable codes.
The calculations of light and air are as follows:
A minimum of 10% of a habitable room area is for light;
A minimum of 5% of a habitable room area is for air.

Building Drawings:

Final as built drawings will be transmitted to the Condominium upon transfer of control.

Asbestos:

No Materials containing asbestos were used in the construction of this building.

Lead-Based Paint:

No paint containing lead was used when constructing and completing this building.

ADDITIONAL INFORMATION

Local Law 58/1987 Handicapped Access Law
The proposed building is in full compliance with the LL 58/87 by providing handicap adaptable units on all floor units.
“To the best of my knowledge, belief and professional judgment, these plans and specification are in compliance with the Energy Conservation Code of New York State, using Chapter 6”

Documents to be transferred to the Condominium Board of Managers
The following documents that service the building and are located in the common elements, shall be transferred to the Board of Managers:
Manuals for mechanical equipment, as well as test and balancing report.
Manuals for electronic systems
Equipment warrantees
Roof warrantees
Major equipment start-up sheets
Final As- built drawings, approved by DOB

COMMON ELEMENTS: The common elements of the property are all areas of the land and building less the deed description of the sum of the individual units. Examples of common elements are the land, foundation, walls, floors, roof, halls, stairs, entrances, and exits, parking area, meter and boiler rooms. All installation for services such as power, light, telephone, hot and cold water, sewer, including all pipes, ducts, wires, cables and conduits used in connection therewith, whether located in the common elements or in the Units, and all other mechanical equipment. In general, all parts of the property for common use or necessary or convenient to the existence, maintenance or safety of the property.

In the event the Architect’s Report does not agree with the Building Department Plans the Architect will amend the plans to agree to the Architect’s Report. During construction minor changes are made and the final plans are changed prior to a Certificate of Occupancy.

The Architect’s report is accurate, it should be noted that the sponsor will not close on any units until a Certificate of Occupancy is issued from the New York City Department of Buildings.

The above statement is accurate to the best of my knowledge; however this statement is not intended as a guarantee or warranty of the physical condition of the property.

See unit plans provided by T.F. Cusanelli & Filletti Architects, P.C.

Victor A. Filletti

T.F. Cusanelli & Filletti Architects, P.C.

The City of New York

OFFICE OF ENVIRONMENTAL REMEDIATION
100 Gold Street – 2nd Floor
New York, New York 10038

Mark P. McIntyre, Esq.
Director
Tel: (212) 788-8841

NOTICE TO PROCEED
DOB Job Number NB 321385032

April 10, 2019

Re: 1021 Bedford Avenue
1021-1023 Bedford Avenue
Brooklyn Block 1788, Lots 4, 5
Hazardous Materials, Air Quality, and Noise "E" Designation
E-285: Bedford Stuyvesant North Rezoning - CEQR 12DCP156Y - 10/11/2012
OER Project Number 19EHAN167K / 19CVCP062K

Dear Brooklyn Borough Commissioner:

The New York City Office of Environmental Remediation (OER) hereby issues a Notice to Proceed for the above-referenced Department of Buildings Job Number. This correspondence is provided pursuant to OER's responsibilities as established in Chapter 24 of Title 15 of the Rules of the City of New York and Section 11-15 of the Zoning Resolution of the City of New York. The Applicant has filed a Hazardous Materials remedial action work plan, Noise remedial action plan, and Air Quality remedial action plan that are acceptable to this Office and has prepared a Construction Health and Safety Plan for implementation on this project. OER's Decision Document that defines the remedial actions required for this project has been prepared and filed and is available on request.

At the conclusion of remedial activities required under this action, the Zoning Resolution and §24-07 of the Rules of the City of New York requires that OER issue a Notice of Satisfaction signifying that all remedial action requirements established for this project have been satisfied prior to issuance of the Certificate of Occupancy or Temporary Certificate of Occupancy by Department of Buildings.

If you have any questions or comments, please feel free to contact Myrna Hanna at 212-341-2077.

Sincerely,

Shaminder Chawla
Deputy Director

cc: Jonathan Kramer, Bedford Ave Condos, LLC / FBS Realty, LLC - manhassethomesny@gmail.com
Victor Filletti, RA., T.F.Cosanelli & Filletti - tfcnj@optonline.net
Chawinie Reilly, Environmental Business Consultants - creilly@ebcincny.com
Mark McIntyre, Shaminder Chawla, Zach Schreiber, Maurizio Bertini, Sarah Pong
Myrna Hanna, PMA-OER

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OFFICE OF ENVIRONMENTAL REMEDIATION
100 Gold Street – 2nd Floor
New York, New York 10038

Mark P. McIntyre, Esq.
Director
Tel: (212) 788-8841

DECISION DOCUMENT
NYC VCP and E-Designation
Remedial Action Work Plan Approval

April 10, 2019

Re: 1021 Bedford Avenue
1021-1023 Bedford Avenue
Brooklyn Block 1788, Lots 4, 5
Hazardous Materials, Air Quality and Noise E-Designation
E-285: Bedford Stuyvesant North Rezoning - CEQR 12DCP156Y - 10/11/2012
OER Project Number 19EHAN167K / 19CVCP062K

The New York City Office of Environmental Remediation (OER) has completed its review of the Remedial Action Work Plan (RAWP) dated March 26, 2019 with Stipulation Letter dated April 1, 2019 and the Remedial Action Plan for Air Quality and Noise dated April 8, 2019 for the above-referenced project. These Plans were submitted to OER under the NYC Voluntary Cleanup Program and E-Designation Program.

The RAWP was released for public comment for 30 days as required by program rule. That comment period will end on April 22, 2019. NYS DEC and NYC DOHMH were briefed in April 2019.

Project Description
The development project consists of redeveloping the lot with a 7-story mixed-use residential and commercial building with a cellar and areaway. The project will be a full build out. The cellar and areaway will cover 100% of the Site. The cellar will consist of a sprinkler/ fire pump/ water meter/ house trap room, a gas meter room, an electric meter room, a bicycle parking room, a trash room, a tenant storage, a telecom room, a tenant lounge, gym, an areaway, a restroom, an elevator and a stairwell. The first floor will consist of a commercial space, a commercial courtyard, a residential corridor/ lobby, a mail room, a community facility, a building courtyard, an elevator and a stairwell. The second through seventh floors will consist of residential apartments. The cellar footprint will cover the first 72 feet of the lot and the remaining 8 feet will consist of a cellar grade areaway. The redevelopment plans will require excavation to a depth of approximately 12 feet below grade across the entire Site with additional excavation to 17 feet below grade for the elevator pit. Therefore, an estimated 1,433 cubic yards (2,150 tons) of soil will require excavation for the new building's cellar. The water table is expected at approximately 39.78 feet below grade surface (bgs) and will therefore not be encountered during excavation.

Statement of Purpose and Basis
This document presents the remedial action for the NYC Voluntary Cleanup Program and E-Designation Program project known as "1021 Bedford Avenue" pursuant to Title 43 of the Rules of the City of New York Chapter 14, Subchapter 1 and the Zoning Resolution and §24 - 07 of the Rules of the City of New York.

Description of Selected Remedy for Hazardous Materials
The remedial action selected for the 1021 Bedford Avenue site is protective of public health and the environment. The elements of the selected remedy are as follows:

The proposed remedial action will consist of:

1. Preparation of a Community Protection Statement and performance of all required NYC VCP Citizen Participation activities according to an approved Citizen Participation Plan.
2. Performance of a Community Air Monitoring Program for particulates and volatile organic carbon compounds.
3. Establishment of Site-Specific (Track 4) Soil Cleanup Objectives (SCOs).
4. Site mobilization involving Site security setup, equipment mobilization, utility mark outs and marking & staking excavation areas.
5. Completion of a Waste Characterization Study prior to excavation activities. Waste characterization soil samples will be collected at a frequency dictated by disposal facility. A Waste Characterization Report documenting sample procedures, location, analytical results shall be submitted to NYCOER prior to start of remedial action.
6. Excavation and removal of soil/fill exceeding Site-Specific (Track 4) SCOs. For development purposes, the cellar level will require excavation to a depth of approximately 12 feet below grade across the entirety of the Site and excavation to a depth of approximately 17 feet below grade for the elevator pit. Approximately 2,150
tons of soil/fill will be removed.
7. Screening of excavated soil/fill during intrusive work for indications of contamination by visual means, odor, and monitoring with a PID.
8. Management of excavated materials including temporarily stockpiling and segregating to prevent co-mingling of contaminated material and non-contaminated materials.
9. Removal of any underground storage tanks (if encountered). Registration of tanks and reporting of any petroleum spills associated with UST’s. The closure of petroleum spills (if evidence of a spill/leak is encountered during Site excavation) will be conducted in compliance with applicable local, State and Federal laws and regulations.
10. Transportation and off-Site disposal of all soil/fill material at permitted facilities in accordance with applicable laws and regulations for handling, transport, and disposal, and this plan. Sampling and analysis of excavated media as required by disposal facilities. Appropriate segregation of excavated media on-Site.
11. Collection and analysis of four post-excavation end-point samples to determine the performance of the remedy with respect to attainment of SCOs. Endpoints will be sampled for VOCs, SVOCs, PCBs, pesticides and metals.
12. Import of materials to be used for backfill and cover in compliance with this plan and in accordance with applicable laws and regulations.
13. Installation of a vapor barrier system below the concrete slab and outside of all sub-grade foundation sidewalls. The vapor barrier system will consist of the 20-mil VaporBlock Plus VBP20 membrane manufactured by Raven Industries or an equivalent system. All weld, seams and penetrations will be properly sealed to prevent preferential pathways for vapor migration. The vapor barrier system is an Engineering Control for the remedial action. The remedial engineer will certify in the RAR that the vapor barrier system was designed and properly installed to mitigate soil vapor migration into the building.
14. Construction and maintenance of an engineered composite cover consisting of the 4 to 6- inch-thick concrete building slab underlain by a 4-inch clean, granular sub-base under the cellar of the new building. The new building slab will cover the entire footprint of the Site.
15. Performance of all activities required for the remedial action, including permitting requirements and pre-treatment requirements, in compliance with applicable laws and regulations.
16. Implementation of storm-water pollution prevention measures in compliance with applicable laws and regulations.
17. Submission of an approved Site Management Plan (SMP) in the RAR for long-term management of residual contamination, including plans for operation, maintenance, monitoring, inspection and certification of Engineering and Institutional Controls and reporting at a specified frequency.
18. Submission of a Remedial Action Report (RAR) that describes the remedial activities, certifies that the remedial requirements have been achieved, defines the Site boundaries, and describes all Engineering and Institutional Controls to be implemented at the Site, and lists any changes from this RAWP.

19. The property will continue to be registered with an E-Designation by the NYC Buildings Department. Establishment of Engineering Controls and Institutional Controls in this RAWP and a requirement that management of these controls must be in compliance with an approved SMP. Institutional Controls will include prohibition of the following: (1) vegetable gardening and farming; (2) use of groundwater without treatment rendering it safe for the intended use; (3) disturbance of residual contaminated material unless it is conducted in accordance with the SMP; and (4) higher level of land usage without OER approval.

Description of Selected Remedy for Air Quality
The elements of the remedial action selected for Air Quality for the 1021 Bedford Avenue site are as follows:

In order to satisfy the requirements of the E-designation, natural gas and electric equipment will be utilized at the site for space heating, hot water, or HVAC systems.

Hot water heaters for the residential units are manufactured by AO Smith and are model number BTH-150. These units (HWH-1 and HWH-2) run on natural gas and are located on the roof. The hot water heaters for the commercial space are manufactured by AO Smith; model number EJC-10 and run on electricity.

Heating and cooling for residential units, tenant lounge and gym are provided by a LG split system. The indoor heat pump located in the units is manufactured by LG and has the following model numbers ARNU243BHA4 and ARNU123L2G4. The outdoor units are located on the roof and manufactured by LG and associated with the following model numbers; ARUN024GSS4 and LUU127HV4. These units run on electricity.

Heating and cooling for the retail space is provided by packaged HVAC unit manufactured by Rheem. This unit is located on the 1st floor and run off of electricity and natural gas. This unit is noted as ACPU-1 on the mechanical plans and is manufactured by Rheem model number: RGEA1403AJDO81AAAJA.

Description of Selected Remedy for Noise
The elements of the remedial action selected for Noise for the 1021 Bedford Avenue site are as follows:

In order to meet the requirements of the E-Designation, the following window/wall attenuation will be achieved at the locations described below:

1. 28 dBA for all facades

The following windows and doors will be installed:

Façade Floor Range	OITC Rating	OITC Certification	Manufacturer and Model	Glazing
Front Façade 2nd to 6th Floors Residential Areas	28	ASTM E-90 Lab Test Report; Data File No. C3501.01D; included in Appendix G	Crystal Window and Door Systems LTD; 1240 Aluminum; sliding door; Type 1 and Type 8	1" IG (1/4" laminated exterior, 5/8" air space, 1/8 tempered interior)
Front and Rear Façades; Cellar to 6th Floors; Residential Areas and Accessory Spaces	32	ASTM E-90 Lab Test Report; Data File No. E7807.01; included in Appendix G	Crystal Window and Door Systems LTD; 8800; casement window; Type 2, 3 and 9	1 ¼" IG (1/8" annealed exterior, 5/8" air space, ½" laminated interior)

Façade Floor Range	OITC Rating	OITC Certification	Manufacturer and Model	Glazing
Front and Rear Façades 1st to 6th Floors Residential Areas and a Accessory Spaces	29	ASTM E-90 Lab Test Report; Data File No. F9425.01A; included in Appendix G	Crystal Window and Door Systems LTD; 1450; Terrace Door; Type 4	1 ¼" IG (3/16" tempered, 7/8" air space, 3/16" tempered)
Rear Façade Cellar to 6th Floors and Residential Areas and a Accessory Spaces	29	ASTM E-90 Lab Test Report; Data File No. F9417.01A; included in Appendix G	Crystal Window and Door Systems LTD; 8510; fixed beside casement window; Type 5 and 10	1 ¼ " IG (1/4" annealed exterior, 13/16" air space, 3/16" annealed interior)
Front Façade 1st Floors Commercial Area	32	ASTM E-90 Lab Test Report; Data File No. E6085.01; included in Appendix G	Gamco Corporation; CW250; curtain wall windows; Type 6, 7, 11, 12 and 13	1" IG (1/4" tempered exterior, ½" argon, ¼" laminated interior), ¼" tempered interior secondary glass panel

The acoustical reports described above are representative of the acoustical performance of all proposed windows/doors/curtain walls.

In order to satisfy the requirements of the E Designation, Alternate Means of Ventilation (AMV) will be installed in order to maintain a closed window condition. AMV for this project will be achieved by:

1. Central System: Installing energy recovery ventilators (ERV) manufactured by Fantech model number SER 3204D will meet AMV requirements. The ERV units will be located on the roof and ducting to each living room and bedroom from the ERV is noted on the mechanical plans. Air enters the ERVs on the roof and then is distributed to each living room and bedroom via duct work. The path of AMV is noted on the mechanical plans in green. In all cases, the rate of outside air (cfm) delivered to each habitable space (bedrooms and living spaces) will meet or exceed that specified in the 2014 New York City Mechanical Code table 403.3. These rates will be the greater of 0.35 air changes per hour or 15 cfm per person, representing the outdoor ventilation otherwise provided by the operable windows. Fresh air intakes are located on the roof as part of the ERV. P.E./R.A. certified mechanical drawings depicting the AMV system and the pathway of fresh air delivery into each of the living spaces (bedrooms and living rooms) are provided.

2. Compliance with Mechanical Code: Providing outside air to commercial spaces and common areas such as lobbies and corridors in accordance with the NYC Mechanical Code.

The remedies for Hazardous Materials, Air Quality and Noise E- Designation described above conforms to the promulgated standards and criteria that are directly applicable, or that are relevant and appropriate and takes into consideration OER guidance, as appropriate.

April 10, 2019

Date

Myrna Hanna
Project Manager

April 10, 2019

Date

Maurizio Bertini, PhD
Assistant Director

April 10, 2019

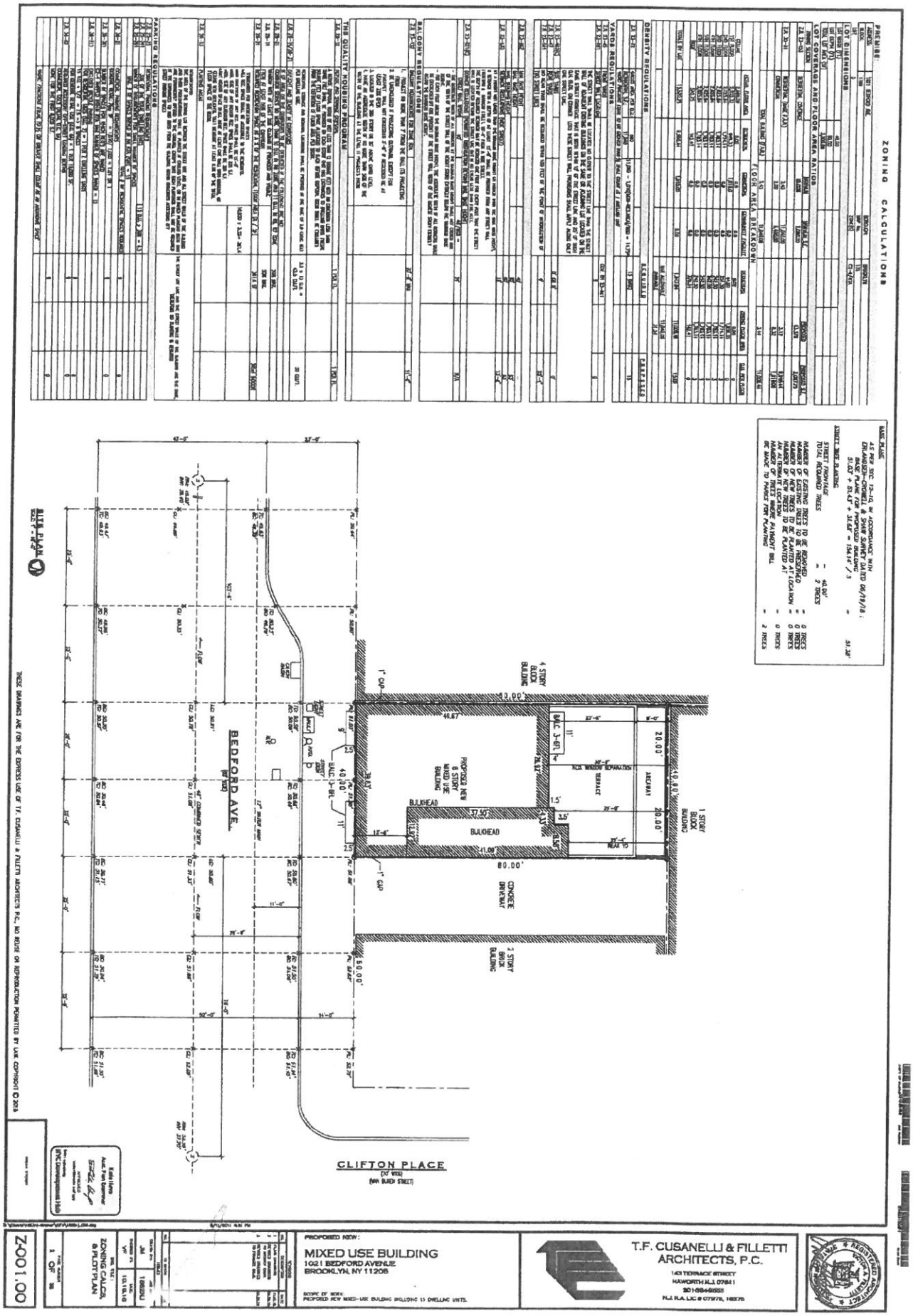
Date

Shaminder Chawla
Deputy Director

cc: Jonathan Kramer, Bedford Ave Condos, LLC / FBS Realty, LLC - manhassethomesny@gmail.com
Victor Filletti, RA., T.F.Cosanelli & Filletti - tfcnj@optonline.net
Chawinie Reilly, Environmental Business Consultants - creilly@ebcincny.com
Mark McIntyre, Shaminder Chawla, Zach Schreiber, Maurizio Bertini, Sarah Pong
Myrna Hanna, PMA-OER

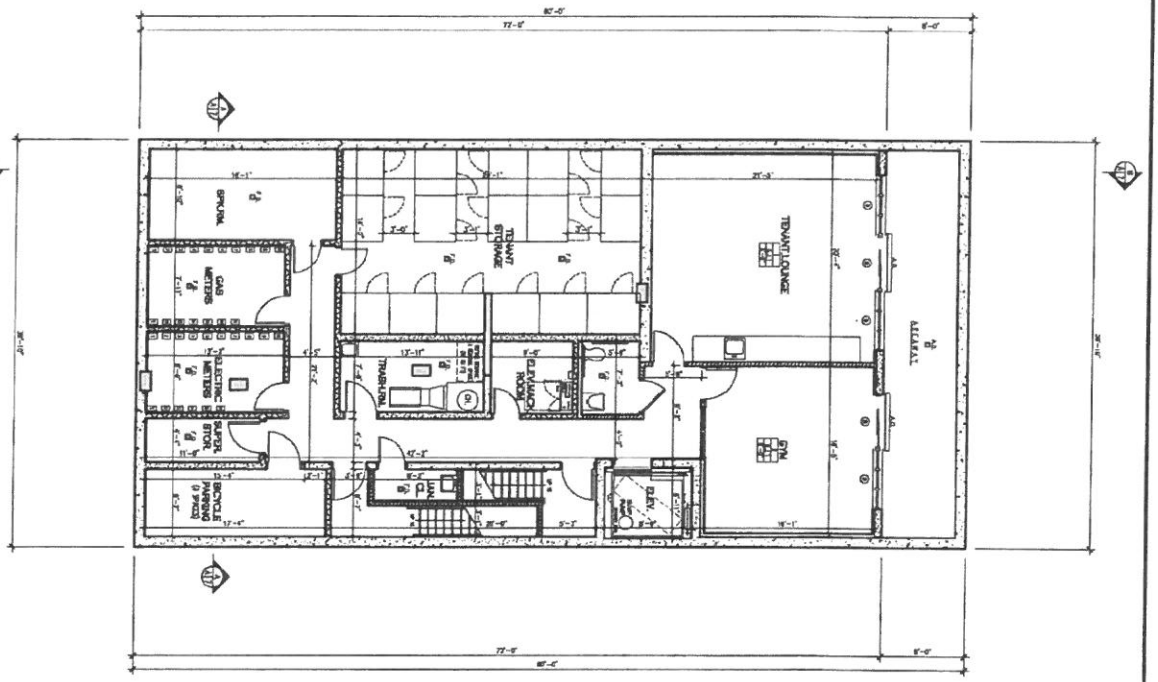
SCHEDULE G-1

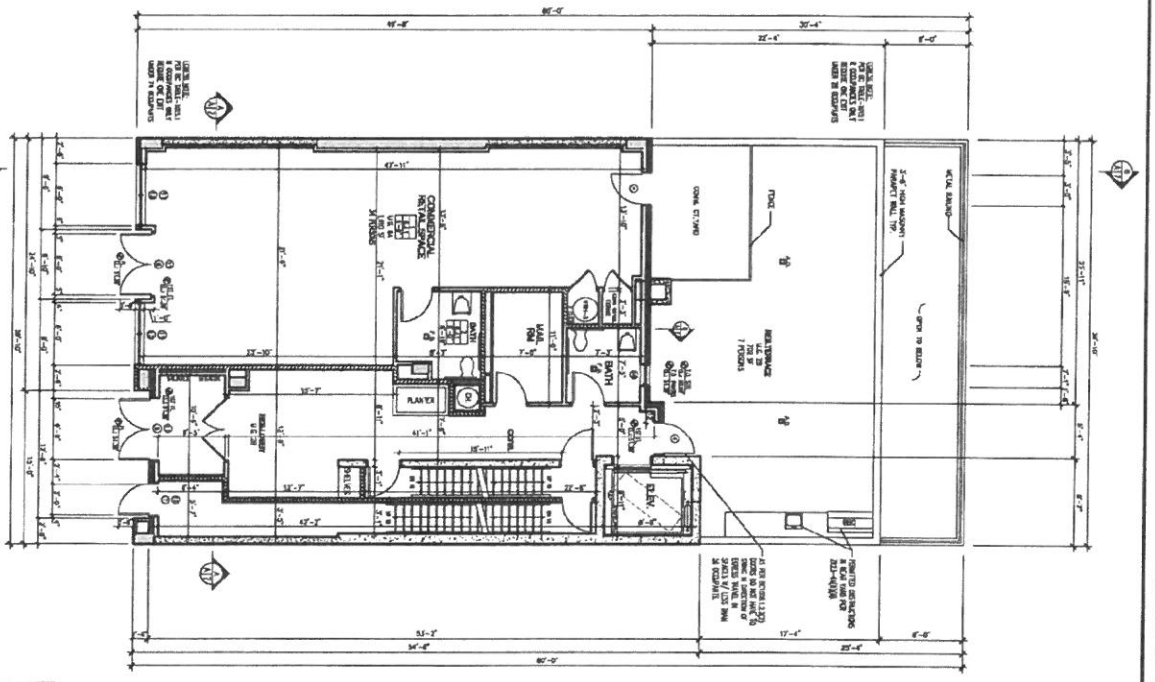
SITE PLAN


ZONING CALCULATIONS
BASE PLANE
STREET TREE PLANTING
BEDFORD AVE.
CLIFTON PLACE
BULKHEAD
CONCRETE DRIVEWAY
PROPOSED NEW 6 STORY MIXED USE BUILDING
4 STORY BRICK BUILDING
1 STORY BRICK BUILDING
2 STORY BRICK BUILDING
MIXED USE BUILDING
1021 BEDFORD AVENUE
BROOKLYN, NY 11205
T.F. CUSANELLI & FILLETTI ARCHITECTS, P.C.
143 TERRACE STREET
HAWORTH, N.J. 07641
Z001.00

SCHEDULE G-2

FLOOR PLANS





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PROPOSED NEW:

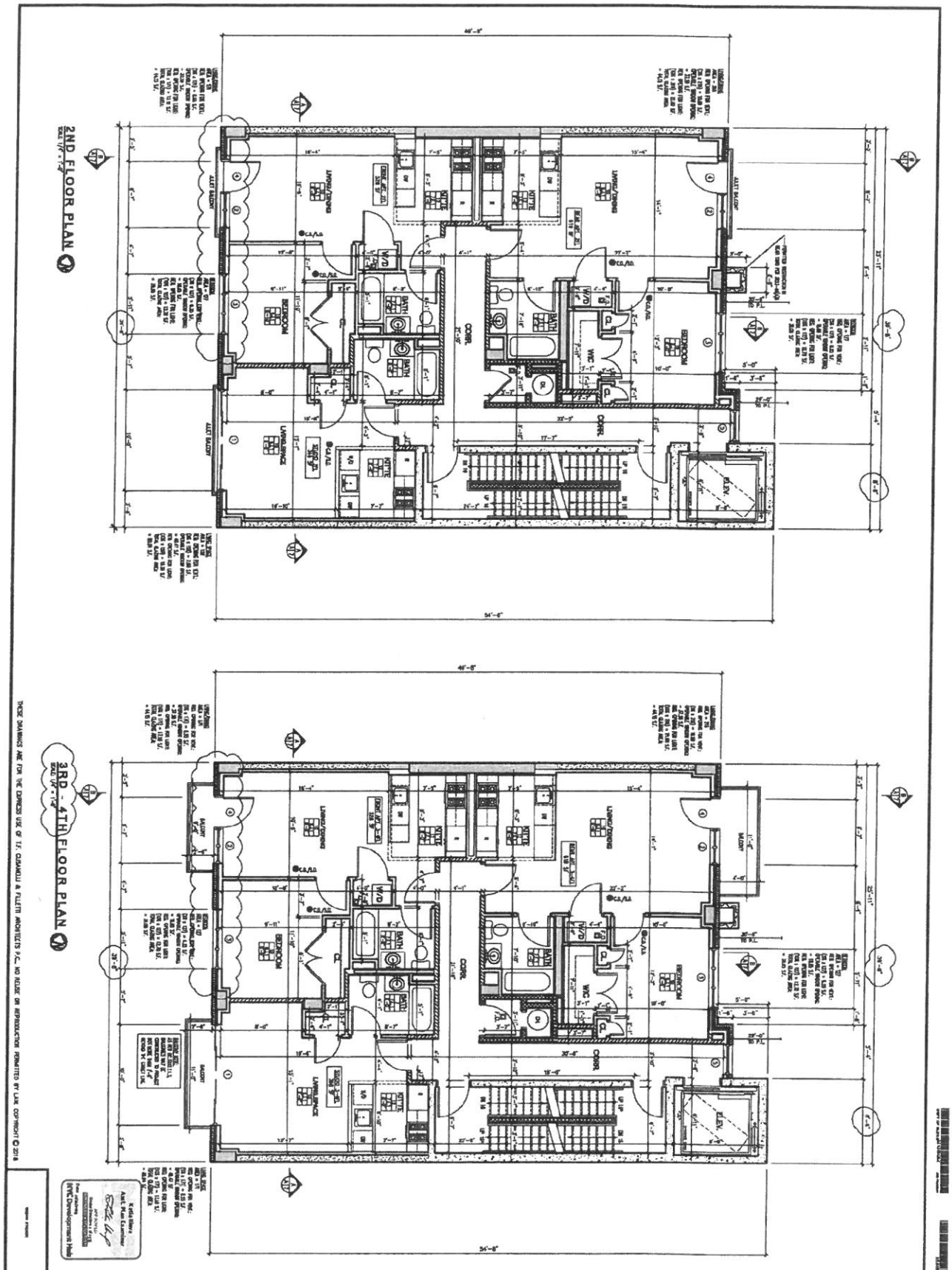
MIXED USE BUILDING
1021 BEDFORD AVENUE
BROOKLYN, NY 11205

SCOPE OF WORK:
PROPOSED NEW MIXED-USE BUILDING INCLUDING 10 DWELLING UNITS.

T.F. CUSANELLI & FILLETTI
ARCHITECTS, P.C.
143 TERRACE STREET
HAWORTH N.J. 07641
201-384-6262
N.J. R.A. LIC # 013776, 16376

CELLAR AND 1ST FLOOR PLANS

A001.00


2ND FLOOR PLAN
3RD - 4TH FLOOR PLAN
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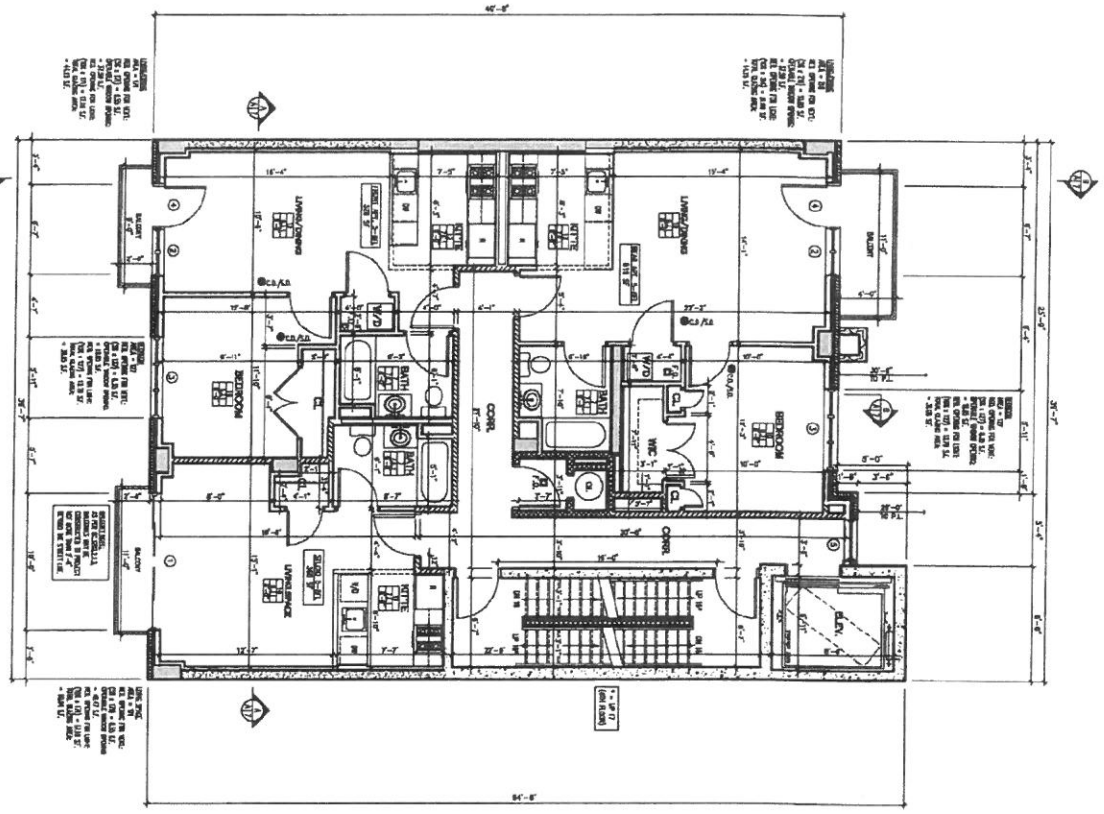
PROPOSED NEW:
MIXED USE BUILDING
1021 BEDFORD AVENUE
BROOKLYN, NY 11205
SCOPE OF WORK:
PROPOSED NEW MIXED-USE BUILDING INCLUDING 10 DWELLING UNITS.
T.F. CUSANELLI & FILLETTI
ARCHITECTS, P.C.
143 TERRACE STREET
HAWORTH NJ 07641
201-384-0001
N.J. R.A. LIC # 21976, 16376
2ND - 4TH FLOOR PLANS
A-002.01



5TH - 6TH FLOOR PLAN

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PROPOSED NEW:

MIXED USE BUILDING
1021 BEDFORD AVENUE
BROOKLYN, NY 11205

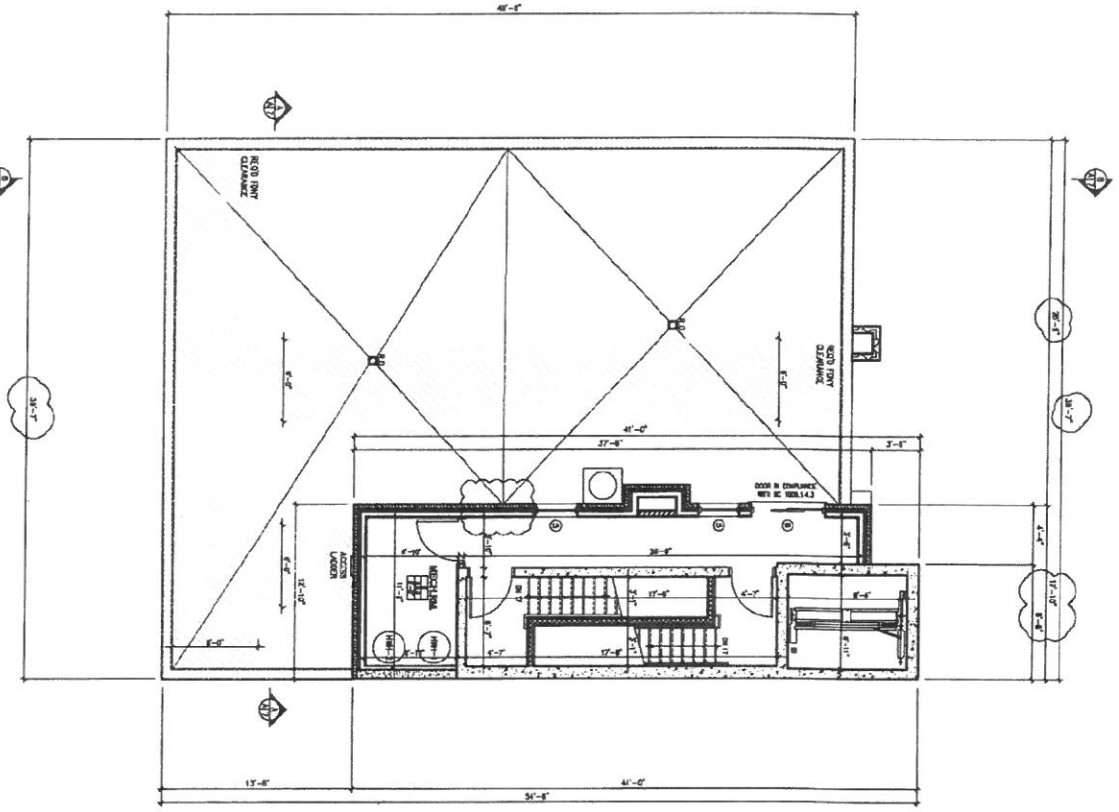
SCOPE OF WORK:
PROPOSED NEW MIXED-USE [illegible] INCLUDING 10 DWELLING UNITS.

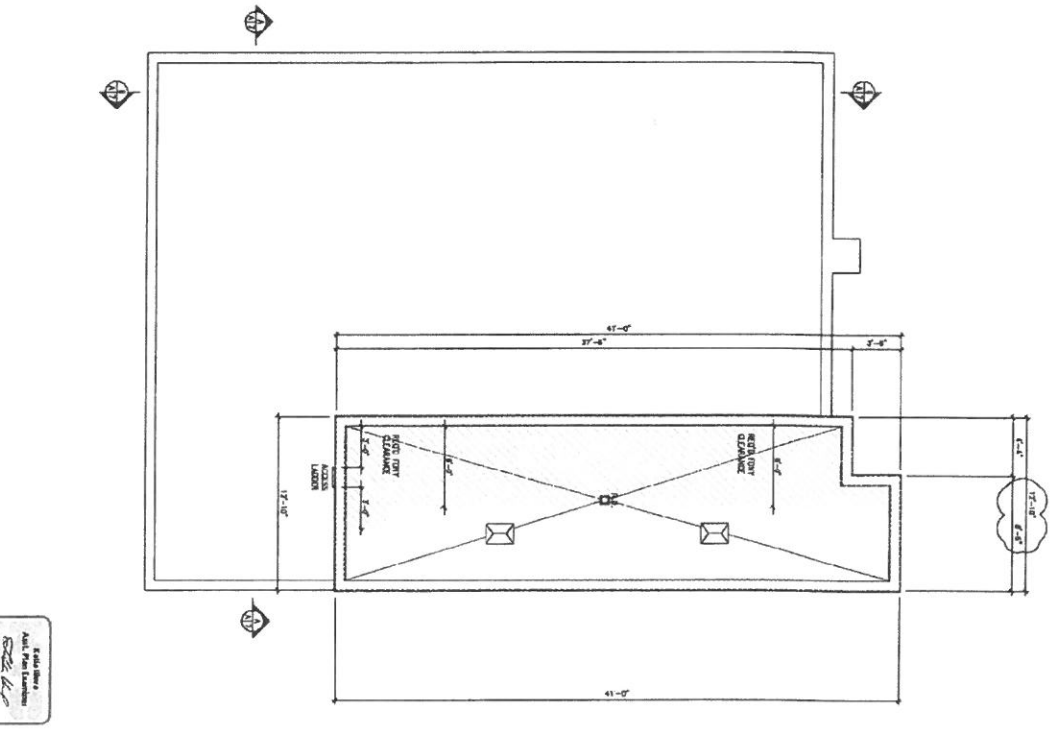
T.F. CUSANELLI & FILLETTI
ARCHITECTS, P.C.
143 TERRACE STREET
HAWORTH, N.J. 07641
201-384-6000
N.J. R.A. LIC # 07976, 16378

5TH - 6TH FLOOR PLANS

A-002.1.00

8 OF 8





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Exam Date:
Advis. Plan Examiner
Date:
Approved:
NYC Department of Buildings

PROPOSED NEW:

MIXED USE BUILDING
1021 BEDFORD AVENUE
BROOKLYN, NY 11205

SCOPE OF WORK:
PROPOSED NEW MIXED-USE BUILDING INCLUDING 13 DWELLING UNITS.

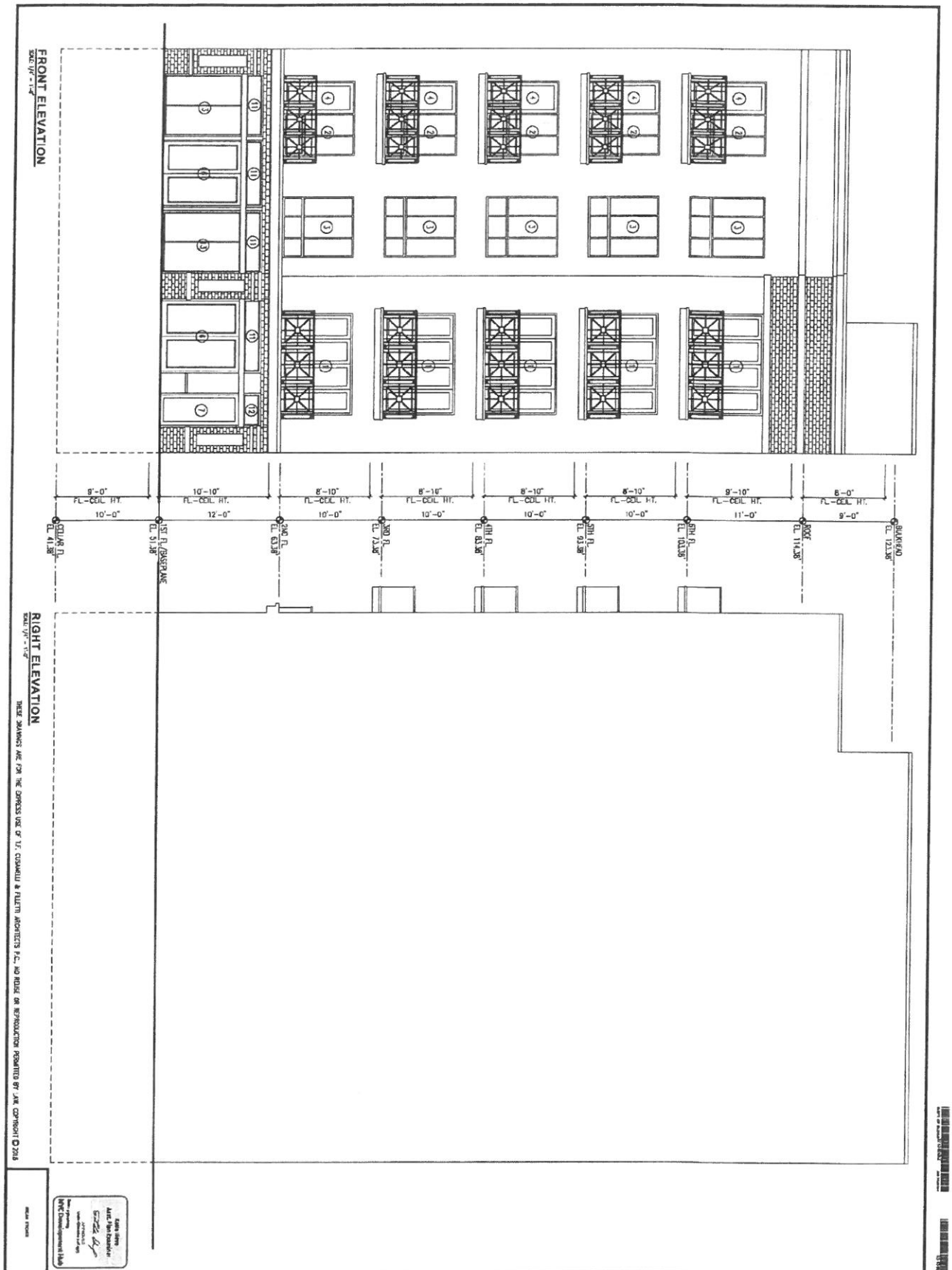
T.F. CUSANELLI & FILLETTI
ARCHITECTS, P.C.
143 TERRACE STREET
HAWORTH, N.J. 07641
201-384-0522
N.J. R.A. LIC # 07676, 16378

DRAWN BY:	JM
CHECKED BY:	VF
JOB NO.	1862NJ
DATE:	10.15.18

6TH FLOOR
-ROOF
PLANS

SHT. NO. 6 OF 16

A-003.01


FRONT ELEVATION
SCALE: 1/4" = 1'-0"
8'-0" FL-TO-FL HT.
10'-0"
10'-10" FL-TO-FL HT.
12'-0"
8'-10" FL-TO-FL HT.
10'-0"
8'-10" FL-TO-FL HT.
10'-0"
8'-10" FL-TO-FL HT.
10'-0"
8'-10" FL-TO-FL HT.
10'-0"
9'-10" FL-TO-FL HT.
11'-0"
8'-0" FL-TO-FL HT.
9'-0"
CELLAR FL EL. 41.38'
1ST FL / PASSEPARE EL. 51.38'
2ND FL EL. 63.38'
3RD FL EL. 73.38'
4TH FL EL. 83.38'
5TH FL EL. 93.38'
6TH FL EL. 103.38'
ROOF EL. 114.38'
PARAPET EL. 123.38'
RIGHT ELEVATION
SCALE: 1/4" = 1'-0"
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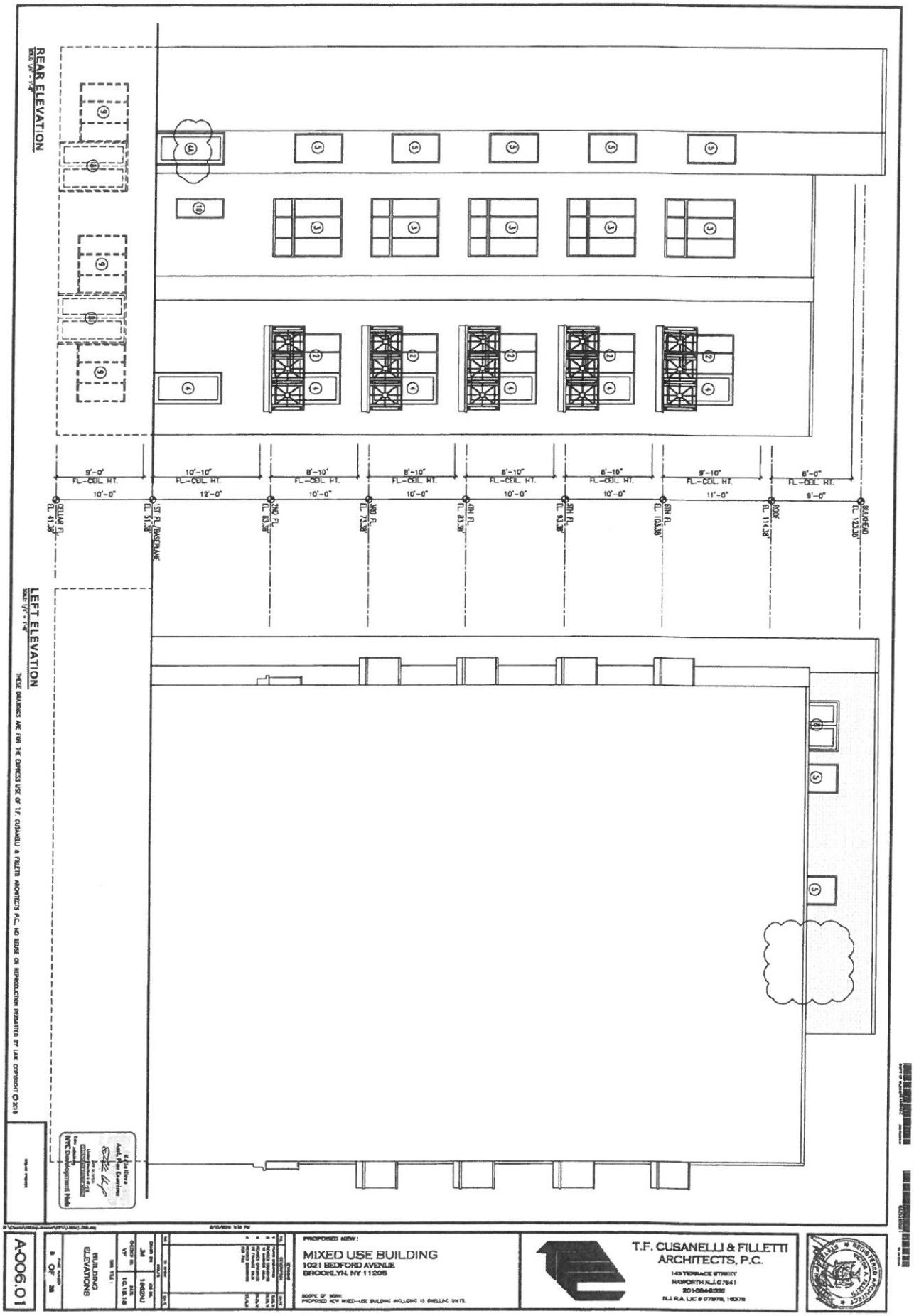
PROPOSED NEW:
MIXED USE BUILDING
1021 BEDFORD AVENUE
BROOKLYN, NY 11208
SCOPE OF WORK:
PROPOSED NEW MIXED-USE BUILDING INCLUDING 13 DWELLING UNITS.
T.F. CUSANELLI & FILLETTI
ARCHITECTS, P.C.
143 TERRACE STREET
HAWORTH N.J. 07641
201-384-0666
N.J. R.A. LIC # 07978, 18278
BUILDING ELEVATIONS
A-005.00


REAR ELEVATION
LEFT ELEVATION
9'-0" FL.-CEIL. HT.
10'-10" FL.-CEIL. HT.
8'-10" FL.-CEIL. HT.
8'-10" FL.-CEIL. HT.
8'-10" FL.-CEIL. HT.
8'-10" FL.-CEIL. HT.
9'-10" FL.-CEIL. HT.
8'-0" FL.-CEIL. HT.
10'-0"
12'-0"
10'-0"
10'-0"
10'-0"
10'-0"
11'-0"
9'-0"
CELLAR FL. EL. 41.38'
1ST FL. (BASEPLANE EL. 51.38'
2ND FL. EL. 63.38'
3RD FL. EL. 73.38'
4TH FL. EL. 83.38'
5TH FL. EL. 93.38'
6TH FL. EL. 103.38'
ROOF EL. 114.38'
BULKHEAD EL. 123.38'
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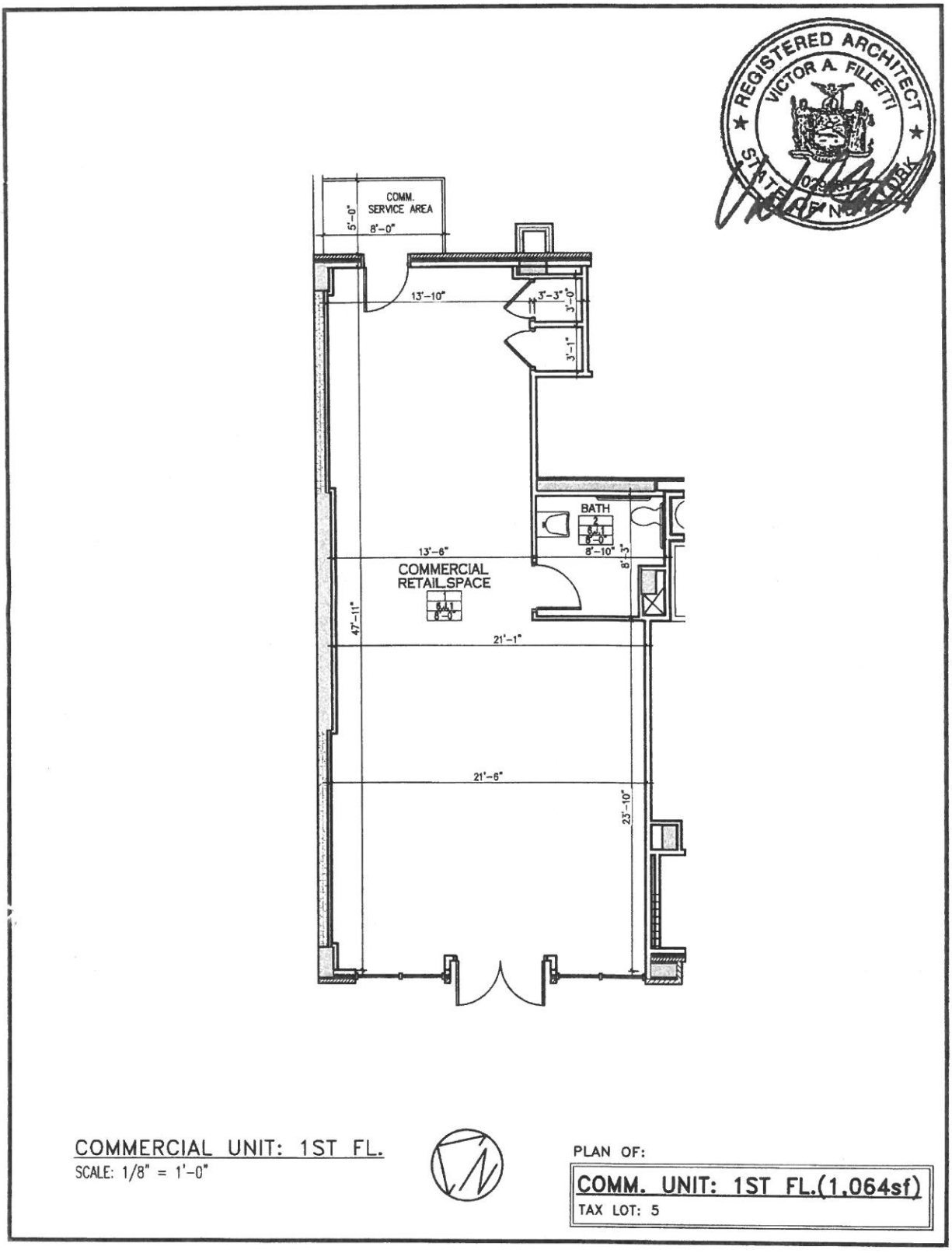
NYC Department of Buildings
Approved
Plan Examiner
Borough Commissioner's Office
PROPOSED NEW:
MIXED USE BUILDING
1021 BEDFORD AVENUE
BROOKLYN, NY 11205
SCOPE OF WORK:
PROPOSED NEW MIXED-USE BUILDING INCLUDING 13 DWELLING UNITS.
T.F. CUSANELLI & FILLETTI
ARCHITECTS, P.C.
143 TERRACE STREET
HAWORTH, N.J. 07641
201-384-5555
N.J. R.A. LIC # 07975, 16376
BUILDING ELEVATIONS
A-006.01



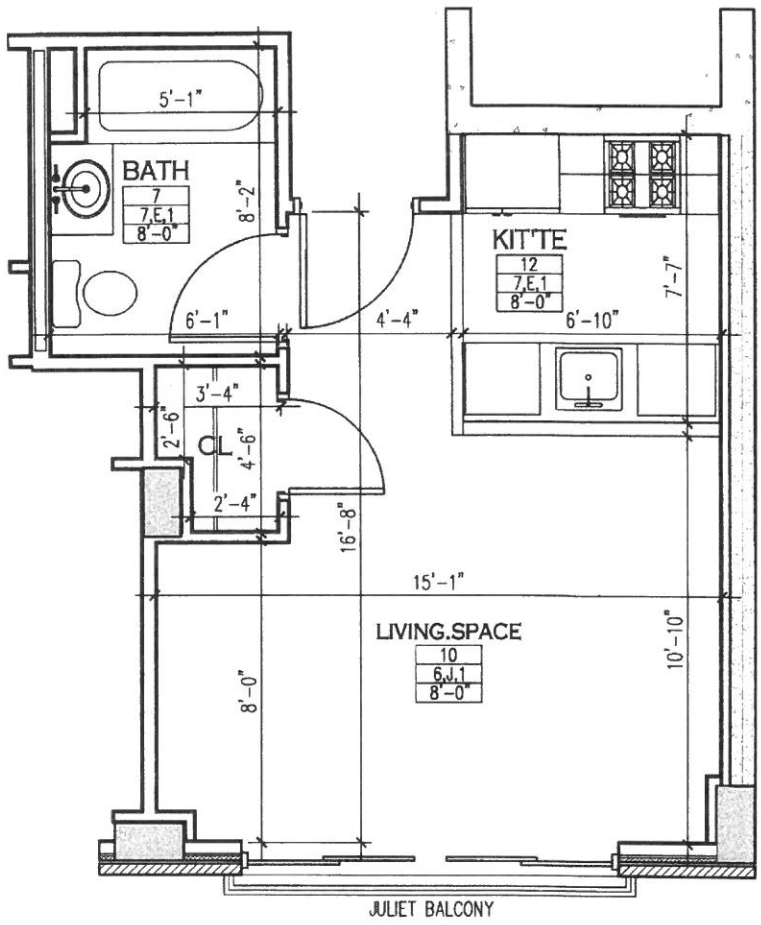
COMMERCIAL UNIT: 1ST FL.

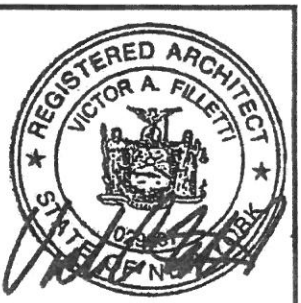
SCALE: 1/8" = 1'-0"

PLAN OF:

COMM. UNIT: 1ST FL.(1,064sf)

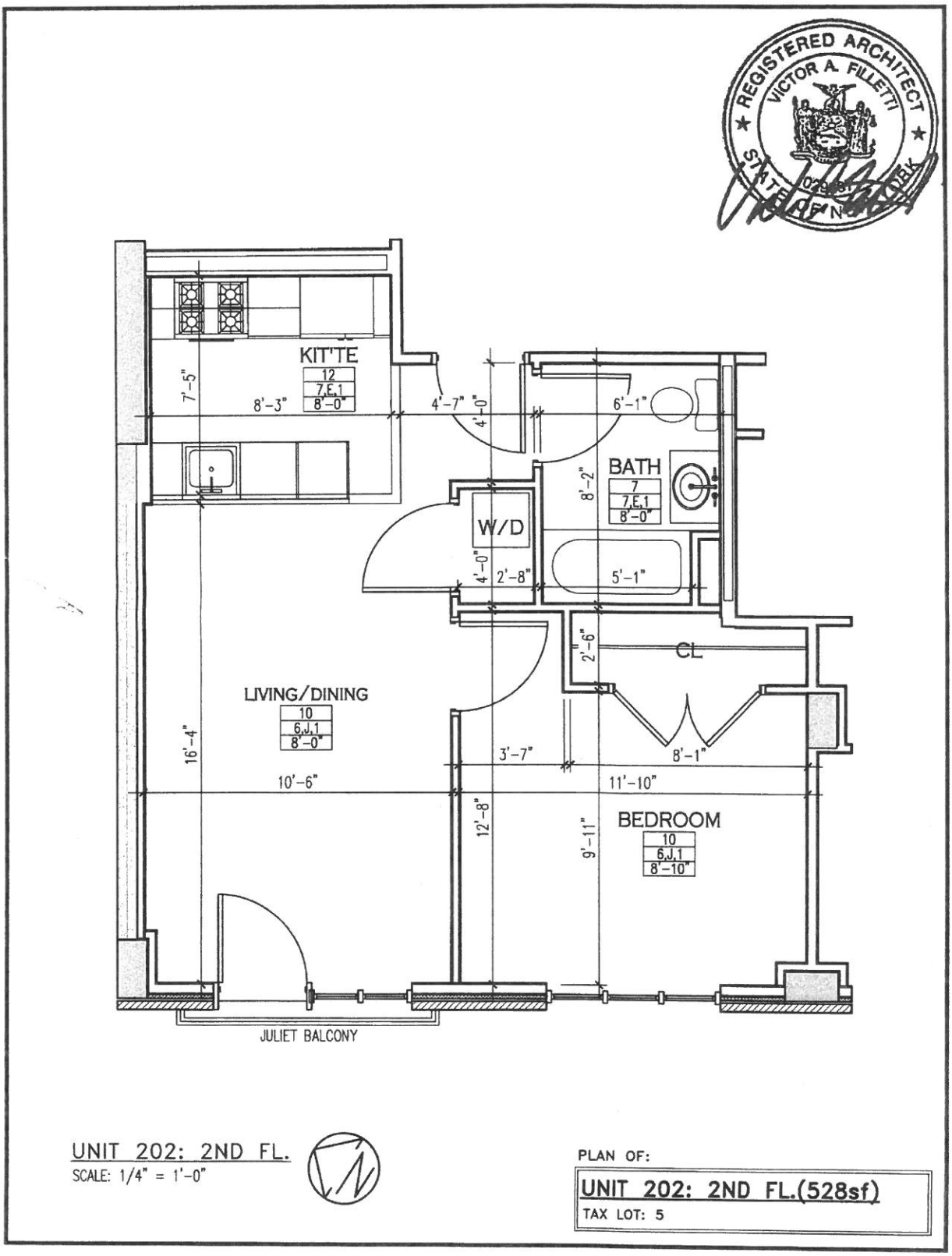
TAX LOT: 5





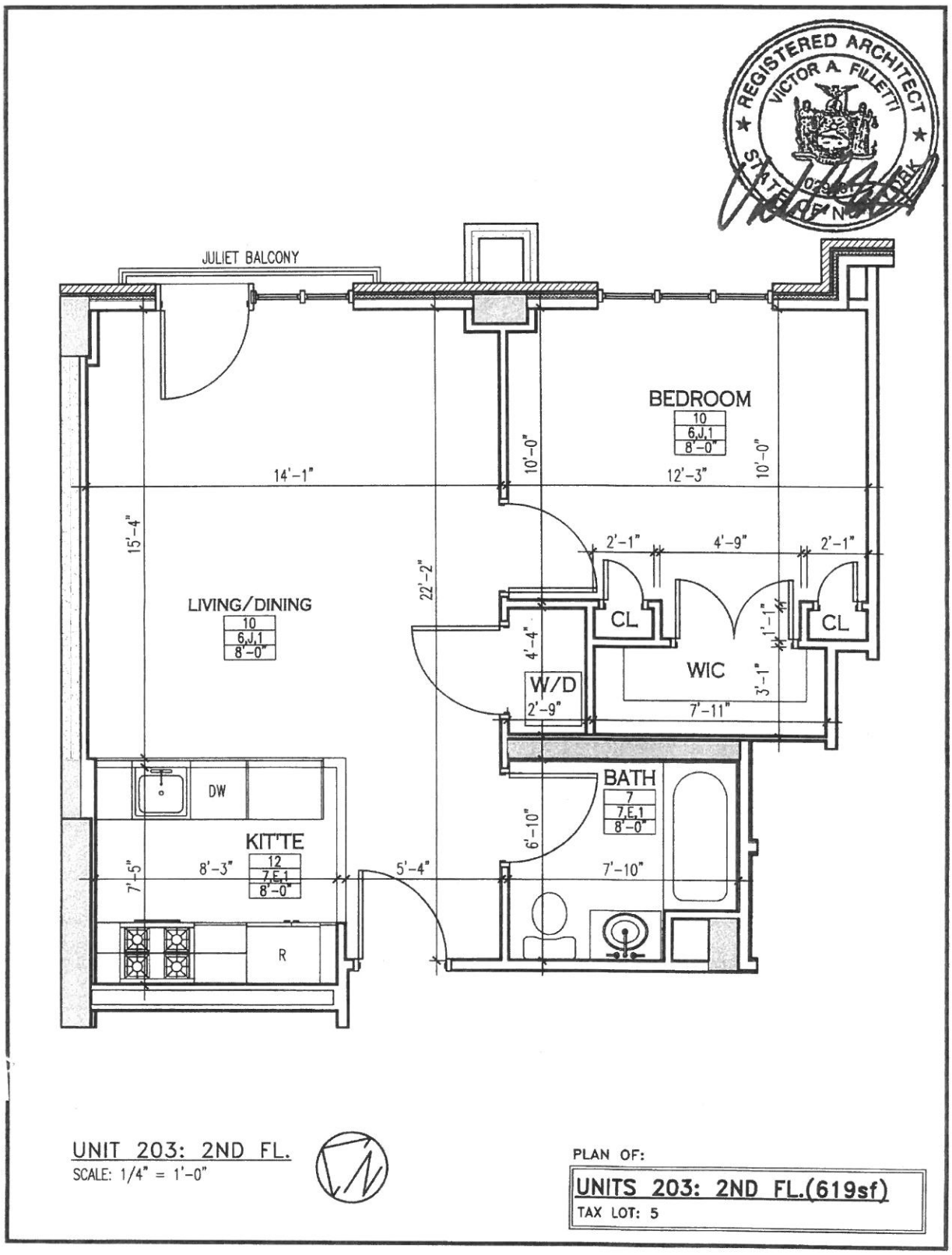
UNIT 201: 2ND FL.
SCALE: 1/4" = 1'-0"

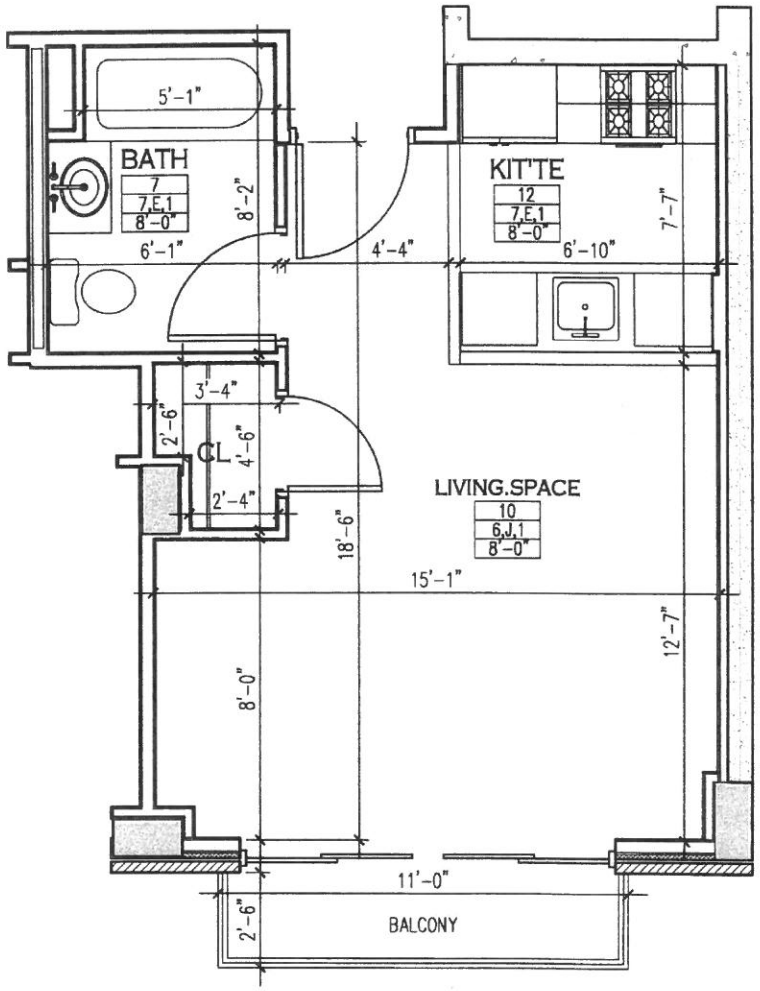
PLAN OF:
UNIT 201: 2ND FL.(346sf)
TAX LOT: 5



UNIT 202: 2ND FL.
SCALE: 1/4" = 1'-0"

PLAN OF:
UNIT 202: 2ND FL.(528sf)
TAX LOT: 5


REGISTERED ARCHITECT
VICTOR A. FILLETTI
STATE OF NEW YORK
JULIET BALCONY
BEDROOM
10
6,J,1
8'-0"
14'-1"
10'-0"
12'-3"
10'-0"
15'-4"
2'-1"
4'-9"
2'-1"
22'-2"
LIVING/DINING
10
6,J,1
8'-0"
CL
CL
WIC
1'-1"
3'-1"
4'-4"
W/D
2'-9"
7'-11"
BATH
7
7,E,1
8'-0"
6'-10"
DW
KIT'TE
12
7,E,1
8'-0"
7'-5"
8'-3"
5'-4"
7'-10"
R
UNIT 203: 2ND FL.
SCALE: 1/4" = 1'-0"
PLAN OF:
UNITS 203: 2ND FL.(619sf)
TAX LOT: 5



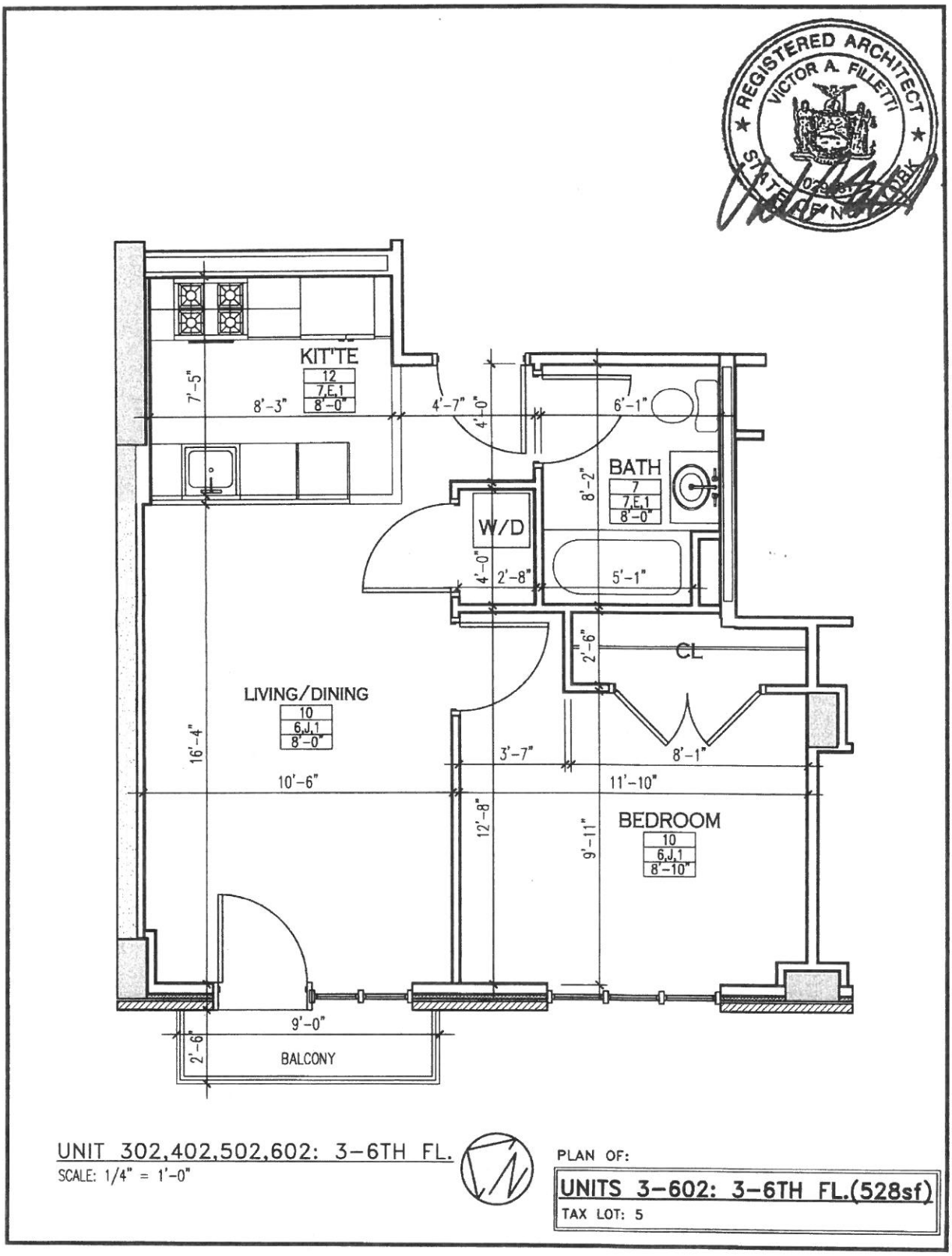
UNIT 301,401,501,601: 2ND FL.

SCALE: 1/4" = 1'-0"

PLAN OF:

UNITS 3-601: 3-6TH FL.(368sf)

TAX LOT: 5



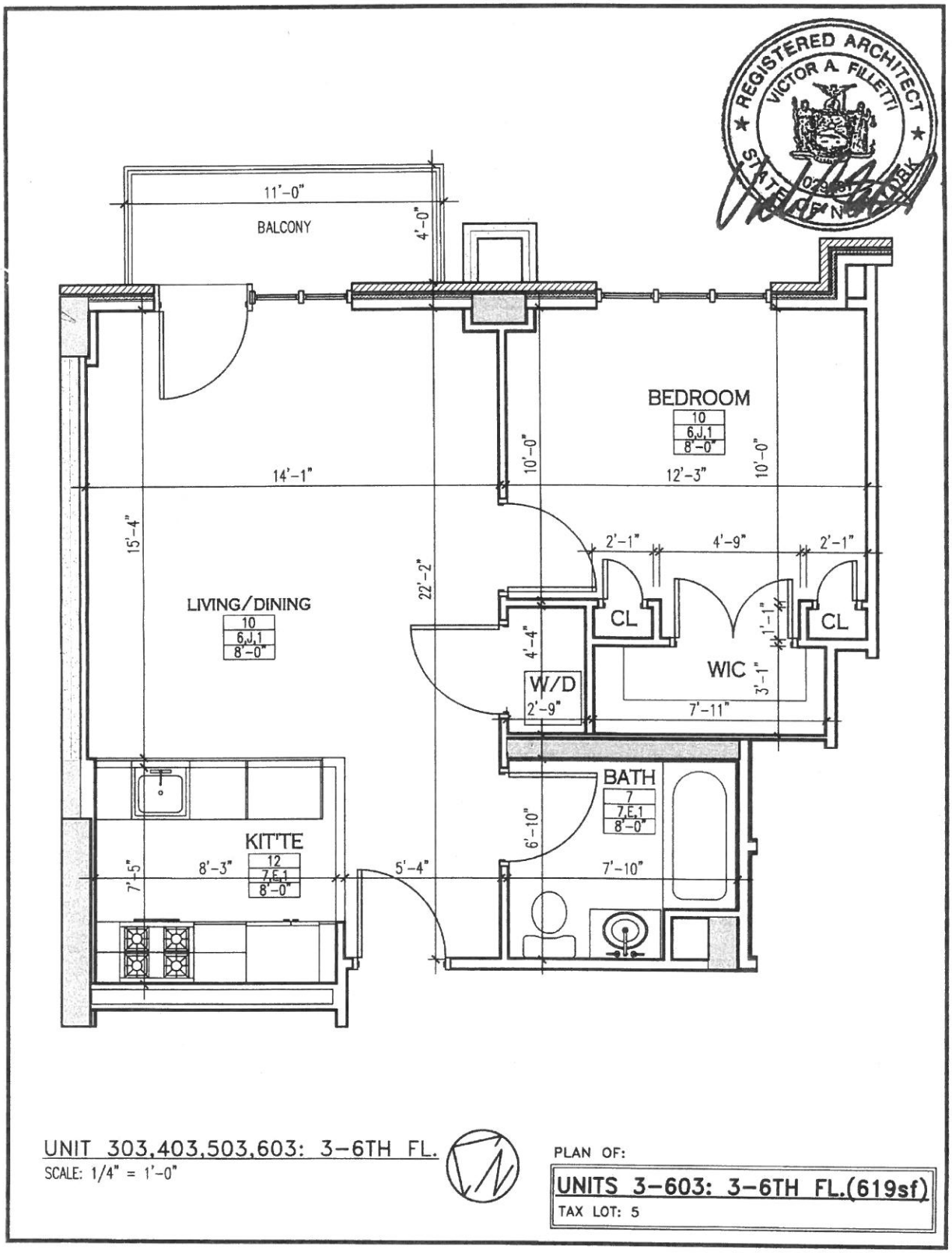
UNIT 302,402,502,602: 3-6TH FL.

SCALE: 1/4" = 1'-0"

PLAN OF:

UNITS 3-602: 3-6TH FL.(528sf)

TAX LOT: 5



UNIT 303,403,503,603: 3-6TH FL.

SCALE: 1/4" = 1'-0"

PLAN OF:

UNITS 3-603: 3-6TH FL.(619sf)

TAX LOT: 5

SCHEDULE H

FEE TITLE DESCRIPTION

FEE TITLE DESCRIPTION

A "Unit" as hereinafter referred to shall be defined as follows:

The approximate floor area of each Unit has been measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits are not deducted) to the centerline of the partitions separating one Unit from another Unit, or the exterior of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit. Each Unit consists of the area measured vertically from the top of the concrete floor slab below to the underside of the finished ceiling.

SCHEDULE I

DECLARATION OF CONDOMINIUM

DECLARATION OF CONDOMINIUM

THE STUYFORD HAUS CONDOMINIUM
CONDO #_____

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED AT 1021 BEDFORD AVENUE,
BROOKLYN, NEW YORK
BOROUGH OF BROOKLYN AND
KINGS COUNTY, CITY AND STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

DECLARANT: **Bedford Ave Condos, LLC**
37-36 75th Street
Jackson Heights, New York 11372

DATE OF DECLARATION:

BLOCK:

FKA LOT(S):

NKA LOTS:

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Donna-Marie Korth, Esq.
90 Merrick Avenue, 9th Floor
East Meadow, NY 11554

SCHEDULE I

TABLE OF CONTENTS

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SCHEDULE A	Legal Description
SCHEDULE B	Schedule of Residential Unit Information
SCHEDULE C	By-Laws of Condominium

PLAN OF CONDOMINIUM RESIDENTIAL UNIT OWNERSHIP

DECLARATION OF THE STUYFORD HAUS CONDOMINIUM PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK

In the Borough of Brooklyn, Kings County, City and State of New York on this ____ day of _____, 201_, Bedford Ave Condos, LLC, a New York limited liability company, organized and existing under the laws of the State of New York, with an office situated in Jackson Heights, New York, hereinafter referred to as the "Declarant" or "Sponsor" represented in this Declaration by Edgardo Kramer, who is fully empowered and qualified to execute this Declaration on behalf of the company does hereby state:

FIRST: SUBMISSION OF PROPERTY.

By this Declaration the Declarant submits the property described in this Declaration, including the land and the Building and all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith, to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: DESCRIPTION OF PROPERTY.

The Declarant owns all that certain plot, piece or parcel of land, with the Building and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, Kings County, City and State of New York, and more particularly bounded and described on Schedule A annexed hereto and made a part hereto. The property will consist of fifteen (15) Residential Units and one (1) Commercial Unit, and the Common Elements located in a building containing six (6) floors and a cellar. The architect who prepared and certified the Plans is: Victor A. Filletti of T.F. Cusanelli & Filletti Architects P.C., with offices located at 143 Terrace Street, Haworth, NJ 07641.

THIRD: DEFINITIONS.

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

1. "Commercial Area" – The area of the Condominium consisting of the Commercial Unit and the Commercial Unit's Limited Common Elements.

2. "Common Charges" - Each Unit Owner's proportionate share of Common Expenses of the Condominium.

3. "Common Elements" - All portions of the Condominium, other than the Units. Common Elements are divided into General Common Elements which are Common Elements shared by all Unit Owners and include the drainage system, sewers and/or storm sewer pipes; the Commercial Unit's

Limited Common Elements which are Common Elements that are irrevocably restricted and for the exclusive use of the Commercial Unit Owner; Individual Residential Unit's Limited Common Elements which are Common Elements that are irrevocably restricted for the exclusive use of an individual Residential Unit Owner; and General Residential Units' Limited Common Elements which are Common Elements that are irrevocably restricted for use by all the Residential Unit Owners.

4. "Common Expenses" - (a) Expenses incurred by all Unit Owners for the purpose of paying costs of the Condominium in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to the General Common Elements; and (b) All sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.

5. "Community" or "Development" - As used herein is equivalent in meaning to the term "Condominium" as same is used in Article 9-B of the Real Property Law.

6. "Condominium" – The Stuyford Haus Condominium which includes the Residential Unit Owners, Residential Units, Commercial Unit Owner, Commercial Unit, and the Common Elements.

7. "Condominium Act" - Article 9-B of the Real Property Law of the State of New York.

8. "Declaration of Condominium" - The instrument by which the Property is submitted to the provisions of the Condominium Act, as such instrument may from time to time be amended, consistent with the provisions of the Condominium Act and of the By-Laws.

9. "Department of Finance" – The Department of Finance of the City of New York which department is responsible for the review and determination of the ICAP abatement as it applies to this Condominium.

10. "Deposit" or "Down Payment" – The amount deposited by a Purchaser towards the Purchase Price of a Unit upon execution of the Purchase Agreement.

11. "Equal or Better Quality" – Comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and classifications, as applicable.

12. "Escrow Account" – The attorneys' accounts where a Purchaser's Deposit will be held as provided for in Section XI of the Offering Plan.

13. "Escrow Agent" – The attorneys or law firms overseeing the Escrow Accounts as provided for in Section XI of the Offering Plan.

14. "Extras" – All funds received by Sponsor from Purchaser for upgrades, options, extras, custom or special work that is not included in the base price of the Unit.

15. "First Annual Meeting" – The date of the first annual meeting of the Unit Owners as disclosed in the Offering Plan.

16. "First Board of Managers" – The initial Board of Managers designated by the Sponsor.

17. "Grantee" – The person to whom an interest in real property is conveyed.

18. "Grantor" – The person conveying an interest in real property.

19. "HPD" – The Department of Housing Preservation and Development of the City of New York which department is responsible for the review and determination of the 421-a (16) Tax Abatement as it applies to this Condominium.

20. "ICAP" – The Industrial and Commercial Abatement Program administered by the City of New York, whereunder a portion of the increase in real property taxes due to new construction, modernization or rehabilitation of industrial/commercial buildings, are reduced for qualified projects for up to a maximum of twenty-five years.

21. "Institutional Mortgage" - A first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor, its successor, designee or assignee to a purchaser of a Unit or in which the Sponsor, its successor, designee or assignee participates with one of the above.

22. "Lender" – Maspeth Federal Savings and Loan Association, 56-18 69th Street, Maspeth, New York 11378.

23. "Notice for Closing" – The written notice of the date of the closing of title to a Unit provided to a Purchaser.

24. "Officer" – One (1) of the officers of the Condominium chosen by the Board of Managers as provided for in Article IV of the By-Laws of the Condominium including the President, Vice President, Secretary and Treasurer.

25. "Percentage of Common Interest" - The proportionate, undivided interest each Residential Unit Owner has in the Common Elements.

26. "Post-Completion Assessment Cap Requirement" – The requirement that one hundred percent (100%) of the Units in a Homeownership Project must have an average assessed value at or below $65,000 upon the first assessment following the Completion Date, under the 421-a (16) Affordable New York Housing Program.

27. "Primary Residence Requirement" – The requirement that the owner of a Residential Unit in a Homeownership Project anticipating 421-a (16) Affordable New York Housing Program Benefits, must for no less than five (5) years from acquisition of such unit occupy it in accordance with the criteria set forth for rental dwelling units in Section 2520.6(u) of the Rent Stabilization Code. Notwithstanding the foregoing, the minimum five (5) year period of occupancy necessary to establish whether such unit is in owner's primary residence shall not be deemed to be interrupted by any period during which such owner temporarily relocates because he or she: (i) is engaged in military duty; (ii) is enrolled as a full-time student; (iii) is not in residence at the apartment pursuant to a court order not involving any terms or provisions of the lease/occupancy agreement, and not involving any grounds specified in the Real Property Actions and Proceedings Law; (iv) is engaged in employment requiring temporary relocation from such unit; (v) is hospitalized temporarily for medical treatment; or (vi) has other reasonable grounds that shall be determined by the Agency.

28. "Property" – The overall land area of the Condominium.

29. "Purchase Agreement" – (i) A contract to purchase a dwelling unit in a Homeownership Project anticipating 421-(16) Affordable New York Housing Program Benefits, that contains the Building Size Requirement, the Primary Residence Requirement and the Post-Completion Assessment Cap Requirement and which document is to be executed by the Purchaser and which will obligate the Purchaser to acquire the Residential Unit in the Condominium and which will obligate the Sponsor to sell to the Purchaser the Residential Unit in the Condominium or (ii) A contract to purchase the Commercial Unit in the Condominium which will obligate the Purchaser to acquire the Commercial Unit in the Condominium, and which will obligate the Sponsor to sell to the Purchaser the Commercial Unit in the Condominium.

30. "Purchaser" – The person(s) who have entered into a Purchase Agreement to acquire a Unit in the Condominium.

31. "Residential Area" – The area of the Condominium consisting of the Residential Units of the Condominium, the General Residential Units' Limited Common Elements and Individual Residential Unit's Limited Common Elements.

32. "Units" – Includes all the Units in the Condominium. They are designated as follows:

(a) "Residential Units" – The fifteen (15) Residential Units designated in Schedule A of the Declaration of Condominium for residential use.

(b) "Commercial Unit" – The one (1) Commercial Unit designated in Schedule A of the Declaration of Condominium to be used for any use permitted by New York City.

As used herein the terms "Residential" and "Commercial" are equivalent to the term "Unit" in Article 9-B of the Real Property Law of the State of New York.

As used herein the term "Unit" shall include all the Units in the Condominium.

33. "Unit Owner" – A Unit Owner includes all the Unit Owners in the Condominium which are divided as follows:

(a) "Residential Unit Owner" – The owner of a Residential Unit in the Condominium.

(b) "Commercial Unit Owner" – The owner of the Commercial Unit in the Condominium.

34. "Restrictive Covenant" – The restrictive covenant that is required to be recorded against this Building as required by the 421-a (16) Tax Abatement, a copy of which is contained in Schedule N of the Offering Plan.

35. "Rules and Regulations" – The Rules and Regulations contained in Article VIII of the By-Laws as the same may be amended, altered, waived or added to by the Board of Managers.

36. "Special Assessment" – A Common Expense of the Condominium that is not included in the monthly Common Charges applicable to a Unit.

37. "Sponsor" or "Developer" or "Declarant" – Bedford Ave Condos, LLC a New York limited liability company and its successors, assigns and designees.

38. "Sponsor Control Period" – The period of time the Sponsor has the right to retain control of the Board of Managers of the Condominium.

39. "Sponsor's Counsel" – Certilman Balin Adler & Hyman LLP, 90 Merrick Avenue, East Meadow, New York 11554.

40. "Tax Act" – The Federal Tax Cuts and Jobs Act of 2017.

41. "Tax Consultant" – The tax expert who has provided the opinion letter regarding real estate taxes and the application of the 421-a (16) Tax Abatement and ICAP Abatement applicable to this Condominium.

42. "Unsold or Untitled Unit" - Any Unit in which title is retained by the Sponsor and any successors or assigns or designees until such time as the same has been sold and title conveyed to a third party. It shall not include a Residential Unit which is used for personal occupancy of the Sponsor, any of its principals or any of its successors or assigns or designees.

FOURTH: COMMUNITY/MEASUREMENT OF UNIT.

A. Community - The Declarant is constructing on the described parcel a Condominium Community known as The Stuyford Haus Condominium, according to the plans filed simultaneously with the recording of this Declaration in the New York City Register's Office, Kings County, which plans set forth a description of the Building stating the number of stories and number of Units. The architect who prepared and certified the plans is: Victor A. Filletti of T.F. Cusanelli & Filletti Architects P.C., with offices located at 143 Terrace Street, Haworth, NJ 07641.

The Condominium will consist of fifteen (15) Residential Units and one (1) Commercial Unit in a six (6) story building with cellar.

The structural system is comprised of bearing walls and steel joists system consisting of poured in place reinforced concrete footing and foundation walls below first floor level. Each of the Units has access to a public street upon which the Condominium abuts by means of a walk, hallway, or lobby. For the purposes of describing the location of the Building, approximate area, type and number of rooms of each Unit and the Common Elements to which each Unit has immediate access, each Unit is described as shown on Schedule B annexed hereto. Each Unit will be sold to one or more Unit Owners, each I Unit Owner obtaining fee ownership, together with an undivided Percentage of Interest in the Common Elements of the Condominium, as listed hereinafter in this Declaration and referred to as the "Common Elements," all of the above in accordance with Article 9-B of the Real Property Law of the State of New York. The designation of the number of rooms, interior partitions and kitchen (if applicable), and bathroom facilities may be changed by mutual consent of the Sponsor and the Unit Owner at the time of construction of the Unit.

The aforesaid Condominium has a plot area of approximately 3,200 square feet.

B. Measurement of Units – The approximate physical dimensions of each Unit consists of the area measured horizontally from the exterior side of the exterior wall (columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, and mechanical equipment spaces or any Common Elements not within a unit or to the exterior side of the opposite exterior walls. Each Unit is measured vertically from the top of the concrete floor slab below to the underside of the ceiling. Any Common Element located within a Unit will not be considered a part of such Unit.

FIFTH: COMMON ELEMENTS

The Common Elements will consist of the entire Property, including all parts of the Condominium and improvements thereon, other than the Units, and will consist of the following:

1. General Common Elements – General Common Elements are those shared by all Residential Unit Owners and include all portions of the Condominium except for the individual Residential Units, and the Individual Residential Unit's Limited Common Elements, and include without limitation the following:

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

b. All portions of the roof, including any gutters and leaders, ladders, parapets, copings, roof drains, flashing and bulkheads, that are not restricted in use to a specific Unit and are intended for the common use and service of the entire Building;

c. All exterior walls of the Building;

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

e. Stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units:

f. All improved and unimproved areas of the Condominium located outside the boundaries of the Units;

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

but not limited to boiler room, refuse rooms, electric, gas and water, utility meters and rooms, telephone and cable rooms and water sprinkler room that are intended for the common use of the Condominium;

h. All drainage systems, sanitary systems, sanitary house line, house trap, sewers and/or storm sewer, pipes, backflow prevention device, drywells, or detention tanks or facilities intended for the common use of the Condominium;

i. Any heating, cooling or other mechanical system located in the Common Elements intended for the common use of the Condominium;

j. Any fire protection/sprinkler system including standpipes/combined standpipe sprinkler risers, fire hose valve, sprinkler heads and Siamese connections that services the Building;

k. All tanks, pumps, motors, fans, compressors and control equipment intended for the common use of the Condominium;

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

m. All flues, chimneys and vent caps for the common use and service of the Condominium; and

n. All other parts of the Condominium, Building and all apparatus and installations existing in the Building or Property for common use and necessary or convenient to the existence, maintenance or safety of the Condominium.

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

1. General Residential Units' Limited Common Elements- General Residential Units' Limited Common Elements are those shared by all Residential Unit Owners and include all portions of the Residential Area of the Condominium except for the individual Residential Units and the Individual Residential Unit Limited

Common Elements (irrevocably restricted in use to a specified Residential Unit(s) or Residential Unit Owner(s), include without limitation the following:

a. Any portion of the roof, parapets, copings and bulkheads that are for the exclusive use of the Residential Area of the Condominium;

b. All foundations, footings, columns, girders, beams, supports, floor slabs and ceilings that are not part of a Unit and any interior load bearing walls that are not part of a Unit and that are for the exclusive use of the Residential Area of the Condominium;

c. All parts of the exterior walls and facades that are for the exclusive use of the Residential Area of the Condominium;

d. Stairs, stairways, common hallways which are not located wholly within a Unit and entrances and exits to and from the Condominium other than entrances to the individual Units which are for the exclusive use of the Residential Area or Residential Units of the Building;

e. The compactor and the refuse rooms with chutes located on each floor intended for the common use of the residents of the Condominium;

f. All improved and unimproved areas of the Condominium located outside the boundaries of the Units that are for the exclusive use of the Residential Area of the Condominium;

g. All central and appurtenant installations in the Common Elements for services such as power, light, telephone, television, gas, hot and cold water and heat (including all boilers, pipes, cooling towers, condensers, electric and hot water cabinet unit heaters, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces that are for the exclusive use of the Residential Area or two (2) or more Residential Units of the Condominium;

h. All drainage systems, pumps, sewers, storm sewer and/or water pipes, drywells, catch basins, yard and roof drains, sump pit, detention tanks or facilities that are for the exclusive use of the Residential Area of the Condominium;

i. All mechanical equipment, equipment rooms, machine rooms, telephone and cable rooms, meter rooms, utility meters, storage areas and any other mechanical rooms or areas, if applicable, that are for the exclusive use of the

Residential Area of the Condominium;

j. Any heating, cooling or other mechanical system located in the Common Elements that are for the exclusive use of the Residential Area or two (2) or more Residential Units of the Condominium;

k. All tanks, pumps, motors, fans, compressors, cooling towers, condensers and control equipment that are for the exclusive use of the Residential Area or two (2) or more Residential Units of the Condominium;

l. The intercom system that are for the exclusive use of the Residential Units;

m. The elevator, elevator cab and elevator machine room that are for the exclusive use of the Residential Area of the Condominium;

n. Any fire protection/ sprinkler system located in the Common Elements that is for the exclusive use of the Residential Area of the Condominium and related equipment/apparatus;

o. Any compactor and trash chutes that are for the exclusive use of the Residential Area of the Condominium;

p. The rear yard courtyard and gas barbeque for the exclusive use of the Residential Unit Owners of the Condominium;

q. One storage unit in cellar reserved for possible future Superintendent;

r. The residential lobby for the exclusive use of the Residential Area and the Residential Unit Owners of the Condominium;

s. The portions of the cellar for the exclusive use of the Residential Unit Owners of the Condominium including the storage area, bicycle storage area, lounge, gym, and lavatory;

t. The outdoor Areaway adjacent to the cellar for the exclusive use of the Residential Unit Owners;

u. All other parts of the Residential Area of the Condominium and all apparatus and installations existing in the Residential Area of the Condominium or Property for common use or necessary or convenient exclusively to the existence, maintenance or safety of the Residential Area and/or Residential Unit Owners of the Condominium.

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

   a. Any balcony or terrace or privacy structure attached to a balcony or terrace appurtenant to a Residential Unit;

   b. Skylights located in any Residential Unit;

   c. Storage Unit assigned to a Residential Unit;

   d. Any hot water tank, boiler, air conditioning condenser, fireplace, heat pumps and any other heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements;

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

All structural repairs and replacements to any balcony, terrace or privacy structure attached to a balcony or terrace that are designated as an Individual Residential Unit's Limited Common Element will be the responsibility of the Condominium and a Common Expense. All general maintenance and repairs of a balcony, terrace or privacy structure attached to a balcony or terrace, including cleaning, snow removal and all repairs not structural in nature, (including the repair of leaks and the repair or replacement of the surface of the balcony, terrace or privacy structure attached to a balcony or terrace), shall be the responsibility of the Residential Unit Owner whose balcony, terrace or privacy structure attached to a balcony or terrace is appurtenant to their Residential Unit and is an individual Residential Unit's Limited Common Element of their Residential Unit. The Board of Managers shall have the right to designate or approve a contractor or contractors to do the necessary work to the balcony, terrace and/or privacy structure that is the Residential Unit Owner's responsibility at the Residential Unit Owner's sole cost.

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

3. Commercial Unit's Limited Common Elements - The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of the owner of the Commercial Unit, if applicable and are herein sometimes collectively referred to as the "Commercial Unit's Limited Common Elements":

a. The entrances to and exits from the Commercial Unit;

b. The equipment and facilities exclusively serving only the Commercial Unit if located outside the Commercial Unit and all other apparatus, installations, systems equipment and facilities in the Condominium (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit the Commercial Unit exclusively;

c. Any portion of the roof, including any roof equipment area, that services the Commercial Unit exclusively;

d. Any stairs, stairways, hallways which service the Commercial Unit exclusively;

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

f. All drainage systems, sewer and/or storm sewer pipes, drywells or detention tanks and facilities, if applicable, that service the Commercial Unit exclusively;

g. All mechanical equipment, utility meters, storage areas, if applicable, that service the Commercial Unit exclusively;

h. Any heating, cooling or other mechanical system located in the Common Elements servicing the Commercial Unit exclusively;

i. Any intercom system that services the Commercial Unit exclusively;

j. Any fire protection/sprinkler system located in the Common Elements that is for the exclusive use of the Commercial Area of the Condominium and related equipment/apparatus.

k. All telephone and cable rooms, meter rooms, compactor rooms, refuse/recycle rooms, equipment rooms and any other mechanical rooms or areas that service the Commercial Unit exclusively;

l. The Commercial lobby for the exclusive use of the Commercial area and the Commercial Unit Owner of the Condominium;

m. The enclosed portion of the rear yard patio/terrace containing the HVAC unit exclusively servicing the Commercial Unit; and

n. All other parts of the Condominium and all apparatus and installations existing in the Condominium for the exclusive use of the Commercial Unit.

4. Provisions Applicable to All Common Elements -

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

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

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

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

SIXTH: EASEMENTS.

Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all mechanical equipment, pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in other Units and/or an Individual Unit's Limited Common Element and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, sewers and/or drainage lines, wires, conduits and public utility lines servicing such other Units located in such Unit and/or an Individual Unit's Limited Common Elements. The Board of Managers shall have a right of access to each Unit and/or Individual Unit's Limited Common Elements for maintenance, repair or improvements to any mechanical equipment, pipes, sewers and/or drainage lines, wires, conduits and public utility lines and any other equipment or infrastructure located

in any Unit and/or Individual Unit's Limited Common Elements and servicing the Building, the Condominium Property and/or any other Unit or causing damage or in imminent danger of causing damage to the Building, the Condominium Property and/or any other Unit or any Common Element, no matter how classified. The cost of such maintenance, replacement and/or repairs shall be a Common Expense unless any damage was the result of the negligence of a Unit Owner or tenant (if rentals are permitted), occupant, employee or other person a Unit Owner may be responsible for, in which case the cost of such maintenance, replacement and/or repairs shall be the responsibility of the Unit Owner who is responsible or whose tenant (if rentals are permitted), occupant, employee or other person the Unit Owner is responsible for causing such damage. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair, replacement, inspection and/or improvement whether such Common Elements are restricted or not. All mechanical equipment, pipes, sewers and/or drainage lines and wires, conduits and public utility lines located within each Unit for the exclusive use of a Unit shall be maintained by such Unit Owner at the Unit Owner's sole cost and expense. Any portion of such mechanical equipment, pipes, sewers and/or drainage lines and wires, conduits and public utility lines located in the Common Elements or in an Individual Unit's Limited Common Elements that service two (2) or more Units will be a General Common Element and all maintenance, repairs, improvements and replacement thereto shall be a Common Expense and the responsibility of the Condominium.

The owner(s) of a Commercial Unit and any Units resulting from the subdivision and/or consolidation of a Commercial Unit shall have easements for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical lines and fixtures and equipment on the exterior walls, the roof and through the Common Elements of the Condominium, and in, through under and over any Commercial Unit and any Units resulting from the subdivision or consolidation of the Commercial Unit; (ii) access in and through the Common Elements of the Condominium for all required work to permit the subdivision or consolidation of a Commercial Unit; (iii) through the Common Elements of the Condominium for the use of any Commercial Limited Common Element including any storage area, cellar, outdoor area, and roof equipment and for access to any portion of the Building for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located in or on the Building that service a Commercial Unit including any roof equipment, outdoor equipment, cellar equipment, and any storage area, provided, however, that except in the case of an emergency, the right of access for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located in or on the Building that service a Commercial Unit may be exercised only on weekdays between the hours of 8:00 AM to 6:00 PM. A Commercial Unit and any Units resulting from the subdivision or consolidation of a Commercial Unit shall be subject to easements in favor of any other Unit(s) and any Unit resulting from the subdivision or consolidation of a Commercial Unit for the installation, maintenance, repair and replacement of gas, electricity, heating, air-conditioning, ventilating and water and other mechanical lines and fixtures and equipment serving a Commercial Unit and any Units resulting from the subdivision or consolidation of a Commercial Unit. The

owner and tenants of a Commercial Unit shall have the right at their sole expense to install separate heating and cooling systems for a Commercial Unit and any Units resulting from the subdivision of a Commercial Unit and an easement is herewith granted in, over, under and through the applicable portions of the entire Building for (i) the installation, maintenance, repair and replacement of the heating and cooling systems and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith if such right is exercised; (ii) for access to any equipment that services a Commercial Unit and which is located in the Residential Area of the Condominium or the General Residential Units' Limited Common Elements and (iii) to erect, maintain and replace one or more signs on the Property permitted by law and as permitted during the Sponsor Control Period for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Condominium.

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

Each utility and cable company servicing any mechanical equipment, water pipes, sewer lines, sewer pipes, drainage lines or pipes, gas pipes, electric lines, electric wires, cable lines, cable towers, conduits or any other facility the utility or cable company services in or on the Property of the Condominium, shall have a right of access in, under, over and through the Property of the Condominium (including all Common Elements, no matter how classified and the individual Units) for maintenance, repair, inspections or improvements to any mechanical equipment, water pipes, sewer lines, sewer pipes, drainage lines or pipes, gas pipes, electric lines, electric wires, cable lines, cable towers, conduits or any other facility the utility or cable company services in or on the Property of the Condominium. Access in, under, over and through the Property of the Condominium shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants (if rentals are permitted) or occupants unless access is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the

safety of Condominium residents or other persons or required to avoid the suspension of any necessary service to the Condominium.

The Board of Managers shall have the right to grant such additional electric, gas, water, sewer, drainage or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Managers shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes unless required by law. Access in, under, over and through the Property of the Condominium shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants (if rentals are permitted) or occupants unless access is immediately necessary for the preservation or safety of the Condominium or its Property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

The Board of Managers shall have an easement in, through, under and over the Units and/or Individual Unit's Limited Common Elements for access, installation, inspection, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical equipment, lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Condominium.

Declarant shall have and each Unit Owner shall be deemed to grant a right of access in, under, over and through the Unit and/or Individual Unit's Limited Common Elements to Declarant or its designee, assignee or successor and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, inspection, replacement, or change being performed or to be performed by or on behalf of Declarant with respect to the Common Elements, no matter how classified, and/or the Units.

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

The Board of Managers will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements and Individual Unit's Limited Common Elements that have been delegated to and are the obligation of the Condominium to repair, maintain and replace, located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain, repair and/or replace any encroachment on any Unit or Common Elements, no matter how designated, resulting from the repair, alteration, rebuilding, restoration and/or replacement of the General Common Elements or Individual Unit's Limited Common Elements.

Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs, and exterior walls) supporting or serving the Building and any replacement thereof and additions thereto and an easement of necessity, and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements, no matter how designated.

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

Each Unit will have an easement for the continuance of encroachments on any Unit and the Common Elements by other Units or portions of the Common Elements, now existing by reason of the construction of the Units, or hereafter occurring by reason of the settling or shifting of the Units, or by reason of the repair and/or restoration by the Board of Managers of the Units or such other Units or such Common Elements, after damage by fire or other casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration to the Common Elements made by the Board of Managers, so that any such encroachments may remain as long as the Units stand.

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

Each Unit Owner will have a right and easement to use its Unit and the Individual Unit's Limited Common Elements, subject to and in accordance with the terms and conditions of the Declaration and By-Laws.

All Unit Owners, residents, guests, tenants (if rentals are permitted) and anyone else needing access to a Unit shall have an easement of ingress and egress, in, through and over the Property of the Condominium, including the Common Elements regardless of how classified for access to their Unit.

The Board of Managers on behalf of the Condominium will have an easement and unlimited access to all Units and to any Individual Unit's Limited Common Elements for the purpose of making inspections, maintenance, repairs or rebuilding of the Condominium.

All emergency vehicles and personnel, including, but not limited to, police, fire and medical vehicles and personnel shall be granted an easement of ingress and egress over, upon and through all areas of the Property. This provision may not be amended by the Unit Owners in the Condominium.

SEVENTH: SERVICE OF PROCESS:

The Board of Managers on behalf of the Condominium designates the Secretary of State of New York as its agent for service. Service of process on the Residential Unit Owners in any action with relation to the Common Elements shall be made upon the Secretary of State as the agent of the Board of Managers of the Condominium. The post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon the Secretary of State as agent for service of this Condominium during the period the Declarant controls the Board of Managers is: c/o Bedford Ave Condos, LLC, 37-36 75th Street, Jackson Heights, New York 11372. Once the Declarant no longer controls the Board of Managers, the Board of Managers must notify the Secretary of State that the post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon the Board of Managers as agent of this Condominium is: Board of Managers, 1021 Bedford Avenue, Brooklyn, New York 11205 or such other address as the Board of Managers of the Condominium selects.

EIGHTH: PERCENTAGE OF COMMON INTEREST.

Each Unit Owner shall have such Percentage of Common Interest in the Common Elements as is set forth in Schedule B attached hereto and shall be responsible for its pro rata share of the Common Expenses of the Condominium based upon such Percentage of Common Interest except as otherwise described in the Declaration or By-Laws. Each Unit Owner shall have one vote for each Unit Owner for all voting purposes at any meeting of the Unit Owners. The Percentage of Common Interest of each Unit has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and overall dimensions of the particular Unit. Said method of determining the Percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i(1) (iv) of the Real Property Law of the State of New York.

NINTH: ADMINISTRATION.

The administration of the Condominium, and parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto as Exhibit B.

TENTH: AMENDMENTS AND WITHDRAWAL.

1. The dedication of the Property to Condominium ownership herein shall not be revoked or the Property withdrawn from Condominium ownership unless eighty (80%) percent of the Unit Owners in number and in common interest and the first mortgagees, if any, of each of these same Units agree to such revocation or removal of the Property from the Plan by duly recorded instruments.

2. The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number held at a duly-called meeting of the Unit Owners, provided however, that:

a. No amendment altering a Unit Owner's Percentage of Common Interest shall be made without the consent of all Unit Owners affected.

b. No amendment shall be passed which shall affect, impair or prejudice the validity, interest, rights and priorities of mortgagees.

c. No amendment, modification, addition or deletion of, to or from the Declaration shall be effective in any way against Sponsor or its designee, assignee or successor or any Unsold Unit, as long as the Sponsor, its designee, assignee or successor owns an Unsold Unit in the Condominium unless Sponsor, its designee, assignee or successor has given its prior written consent thereto. This provision is not subject to amendment.

d. Notwithstanding any provision contained herein to the contrary, an Amendment to the Declaration which solely affects the Residential Unit(s) or the Individual Unit's Limited Common Elements may only be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of only the Residential Unit Owners.

e. No amendment to the Declaration which shall affect the General Residential Units' Limited Common Elements may be adopted without the written consent of at least sixty-six and two-thirds (66⅔%) percent in number of the Residential Unit Owners.

f. As long as the Sponsor, its successor, assignee or designee retains at least one (1) Commercial Unit, no amendment to the Declaration or any provision hereof which solely affects the Commercial Unit(s) may be adopted without the written consent of Sponsor, its successor, assignee or designee. Thereafter no amendment to the Declaration or any provision hereof which solely affects a Commercial Unit may be adopted without the written consent of at least sixty six and two thirds (66⅔%) percent in number of the then Commercial Unit Owner(s).

g. The Board of Managers and the Sponsor, as long as the Sponsor owns an Unsold Unit in the Condominium, shall have the right to amend the Declaration without the vote or consent of the Unit Owners or the holders of any Unit mortgages and to execute and record in the New York City Registrar's Office such amendment as

may be required to reflect (i) changes in the Declaration (including Schedule B), As-Built Floor Plans and Condominium or Unit Designation Map that are corrective in nature or (ii) to resolve or clarify any inconsistency or which is patently a mistake or a scrivener's error, or (iii) technical corrections, or (iv) to comply with any federal, state or city law or regulation that may affect the Condominium. In connection therewith, each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest to the Board of Managers of the Condominium and to the Sponsor to amend the Declaration of Condominium for said purposes.

h. A Purchaser or Unit Owner who purchases or owns two (2) adjoining Units and is desirous of consolidating the two (2) Units into one (1) Unit may do so subject to obtaining all approvals required by the New York City Department of Buildings, New York City Department of Finance and any other required municipal approvals and obtaining whatever insurance and/or surety is required by the Board of Managers to do whatever work is necessary to consolidate the two (2) Units. The Board of Managers shall be required to cooperate with the Purchaser in amending Schedule B to the Declaration to reflect the consolidation and to change the appurtenant Percentage of Common Interest so long as the new Percentage of Common Interest equals the Percentage of Common Interest of the Units that were consolidated and the Board of Managers shall have the right to amend said Schedule B without the vote or approval of the Unit Owners. All approvals, revisions, amendments to Schedule B of the Declaration and any other requirements including any legal, engineering, architectural or otherwise necessary to consolidate the Units shall be at the Purchaser's or Unit Owner's sole cost and expense.

i. In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of Common Elements; responsibility for maintenance and repairs; reallocation of interests in the General Common Elements or Individual Unit's Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI of the By-Laws; imposition of any restrictions on a Unit Owner's right to sell or

transfer the Unit Owner's Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the Declaration shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

j. There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

There shall be a presumption for a period of sixth (60) days subsequent to the recording of the amendment that the vote of the Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

3. The Declarant, its successors, assigns and purchasers of undeveloped or unsold Units shall have the right without vote or consent of the Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Register's Office of the City of New York, and elsewhere, if required by law, an amendment or amendments to this Declaration (together with such other documents, plan and maps as may be required to effectuate the same) to reflect (i) the certification by a registered architect or professional engineer, certifying that the floor plans and/or amended As-Built Floor Plans, Condominium or Unit Designation Map filed as part of an amended Declaration are an accurate copy of portions of the plans of the Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built, or (ii) utility easements, or (iii) technical corrections to the Declaration and By-Laws to conform to other documents including but not limited to the Offering Plan or as-built plans (iv) to amend Schedule B of this Declaration to conform the model type, square footage and type and number of rooms and any other required information for a specified Unit, so long as the appurtenant Percentage of Common Interest does not change for said Unit subject to the rights provided in subsections 3 (v), (vii) and (viii) hereof or (v) to amend Schedule B prior to the first closing, to effect a change in the Percentage of Common Interest of all or specific Units and revise Schedule B

accordingly or (vi) to amend Schedule B of this Declaration to assign or revise a Unit's Individual Unit's Limited Common Elements appurtenant to another Unit or (vii) to amend Schedule B of this Declaration to consolidate or subdivide Units subject to all necessary approvals by the Building Department of the City of New York, or other municipality or administrative agency, to revise the square footage and type and number of rooms and any other required information for a specified Unit and to change the appurtenant Percentage of Common Interest so long as the new Percentage of Common Interest equals the Percentage of Common Interest of the Units that were consolidated or subdivided, or (viii) to effectuate permissible changes in unsold Units including the Percentage of Common Interest of one (1) or more of the Unsold Units as long as it does not change the Percentage of Common Interest of a sold Unit and to amend Schedule B accordingly, or (ix) to amend Schedule B to make technical corrections to said Schedule including, but not limited to, square footage of Units, assign or revise Individual Unit's Limited Common Elements appurtenant to a Unit or to revise the number and description of rooms contained in a Unit or (x) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to, the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies, or (xi) to make corrections that are patent errors, inconsistencies, scrivener's errors and technical errors, or (xii) to comply with any federal, state or city law or regulation that may affect the Condominium; or (xiii) the carrying out of other provisions of the Offering Plan of the Condominium. Each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Declarant, its successors, assigns and purchasers of undeveloped or unsold Units to amend the Declaration of Condominium for the above purposes.

4. Any amendment to this Declaration shall not take effect until it is recorded in the New York City Register's Office.

Regardless of any other provision of this Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and building laws and codes.

ELEVENTH: SUBJECT TO DECLARATION, BY-LAWS, ETC.

All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the mere acquisition or rental of any of the Units of the Condominium or the mere act of occupancy of any of said Units shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be

covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof. Any and all leases and agreements for rental or use of a Unit shall contain a provision that the tenant or individual and/or entity entering into the lease and/or any other agreement for use of a Unit shall accept and abide by the provisions of the Declaration, By-Laws and Rules and Regulations of the Condominium.

TWELFTH: COMMON CHARGES.

Common Expenses of the Condominium shall be determined by the Board of Managers of the Condominium. The Common Expenses of the Condominium shall be assessed to and paid by the Unit Owners of the Units based upon each Unit's Percentage of Common Interest as reflected in Schedule B of this Declaration, except as provided below pursuant to Section 339-m of the Condominium Act. The assessments paid by the Unit Owners towards the Common Expenses of the Condominium shall be referred to as "Common Charges". All sums assessed as Common Charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York thereon, chargeable to any Unit Owner shall constitute a lien on the Unit Owner's Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivisions of any governmental authority, including but not limited to State and City taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees and costs of collection (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense. Each Unit Owner shall be personally liable for all unpaid Common Charges and any Special Assessments.

Notwithstanding the above, pursuant to Section 339-m of the Condominium Act, Common Charges, no matter how classified, may be adjusted based on allocations in accordance with sub-metering, contract allocations and usage (both projected and actual) for the Common Expenses based on special or exclusive use or availability or exclusive control of particular Units or Common Elements by particular Unit Owners. In the event of any dispute as to the allocation of Common Charges such dispute shall be submitted for arbitration pursuant to the provisions of Article XIII of the By-Laws of the Condominium.

In addition to the Board's right to bring an action to foreclose a lien on a Unit Owner's Unit, the Board (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges at the option of the Board, without foreclosing or waiving the lien securing such charges. In such an event, the Condominium shall be entitled to recover all costs of suit including reasonable attorneys' fees.

Every Unit Owner shall pay the Common Charges assessed against the Unit Owner when due as determined by the Board of Managers and no Unit Owner may be exempt from liability for the payment of the Common Charges assessed against the Unit Owner by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of a Unit. No person or entity who is a Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by the Unit Owner of such Unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws.

Notwithstanding any other provision in this Declaration or the By-Laws any mortgagee of an Institutional Mortgage as defined herein who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid Common Charges accrued before acquisition of the title to the Unit by the mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges, the mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges. The unpaid balance of such Common Charges and/or Special Assessments that may be waived will be charged to all other Unit Owners as a Common Expense. Upon acquisition of title the Institutional Mortgagee shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable.

THIRTEENTH: UNITS ACQUIRED BY THE BOARD.

In the event any Unit Owner shall convey their Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such Unit or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

FOURTEENTH: POWER OF ATTORNEY.

1. In order to carry out the provisions of Article Thirteenth of the Declaration and Article XI of the By-Laws, each Unit Owner shall, upon becoming such, grant an irrevocable power of attorney, coupled with an interest to the Board of Managers and their successors to acquire title or lease any such Unit acquired by the Board of Managers under whatever terms the Board of Managers may in its sole discretion deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board of Managers, in its sole discretion, shall deem proper.

2. Each Residential Unit Owner shall upon becoming a Residential Unit Owner shall further grant an irrevocable power of attorney, coupled with an interest to the Board of Managers to nominate, designate, constitute and appoint the Members of the Board of Managers of the Condominium

and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in the Residential Unit Owner's behalf to take any and all action necessary against any tenant(s) that may be residing in a Residential Unit Owner's Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium. This paragraph 2 of Article Fourteenth shall not apply to the Owner(s) of the Commercial Unit(s).

3. Each Unit Owner, upon becoming such, shall be deemed to have granted an irrevocable power of attorney, coupled with an interest to the Board of Managers, the Declarant and their successors, designees and/or assigns, to amend the Declaration and the By-Laws for the purposes set forth in Article Tenth, Section 2 (e) of the Declaration and Article X, Sections (c) and (f) of the By-Laws for the purposes set forth therein.

FIFTEENTH: ENCROACHMENTS.

The Unit Owners agree that if any portion of a Unit or the Common Elements (no matter how classified) encroaches upon another or shall hereinafter encroach upon another as a result of original construction or settling of the Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and is rebuilt the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Building shall stand.

SIXTEENTH: UNIT OWNERSHIP.

Upon the conveyance of title, via deed or otherwise, to a Unit a Purchaser shall automatically become a Unit Owner in the Condominium and shall remain such until such time as the Unit Owner ceases to own the Unit for any reason.

SEVENTEENTH: USE OF UNITS.

Residential Units shall be restricted to Residential Occupancy in accordance with the applicable zoning and use regulations and requirements of the City of New York. The Commercial Unit shall be for any use permitted by the applicable zoning and use regulations and requirements of the City of New York.

EIGHTEENTH: CONVEYANCE OF A UNIT.

In any conveyance of a Unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the Grantee of

the Unit shall be jointly and severally liable with the Grantor for any unpaid Common Charges and any Special Assessments against the latter assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefore. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charge against the Grantor and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for any unpaid Common Charge against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include the holder of an Institutional Mortgage as provided in Article Twelfth of this Declaration.

NINETEENTH: COVENANT OF FURTHER ASSURANCES.

If any Unit Owner or any other party subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within a reasonable period of time after request thereof by the Board of Managers, to take any action which the Unit Owner or such other party is required to take pursuant to this Declaration, the By-Laws and/or the Rules and Regulations, then the Board of Managers is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, or other party and such document or action shall be binding on such Unit Owner or other party.

If any Unit Owner or the Board of Managers or any other party who is subject to the terms of this Declaration fails or refuses to execute, acknowledge or deliver any instrument, or fails or refuses within a reasonable period of time after request therefor by the Board of Managers, to take any action that the Board of Managers, any Unit Owner, or other party is required to take pursuant to this Declaration, the By-Laws and/or the Rules and Regulations, at the request of Declarant or Declarant's designee, then Declarant or Declarant's designee, as the case may be, is hereby authorized as attorney-in-fact for the Board of Managers, such Unit Owner, or other party, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board of Managers, such Unit Owner, or other party, and such document or action shall be binding on the Board of Managers, such Unit Owner, or other party, as the case may be.

Each Unit Owner will have the affirmative duty to maintain its respective Unit in such a manner so as to reasonably prevent and avoid inflicting harm to other Unit Units, the Individual Unit Unit's Limited Common Elements, the General Common Elements or the Building. In addition to any other remedies and/or rights the Board of Managers may have in this Declaration, the By-Laws and/or the Rules and Regulations of the Condominium, in the event any Unit Owner causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Individual Unit's Limited Common Element, the General Common Elements or the Building, the Condominium Board will have the right to send written notice to such Unit Owner ("Remedy Notice") which Remedy Notice may include a request that the Unit Owner take specific steps to ameliorate such a condition. If the Unit Owner fails to

remedy the condition within a reasonable period of time as provided in such Remedy Notice, the Board of Managers may, upon additional notice to the Unit Owner within a reasonable period of time determined by the Board of Managers, enter into the Unit and effect a reasonable remedy, at the Unit Owner's sole cost and expense.

TWENTIETH: RULES AND REGULATIONS.

The use of a Unit by the Unit Owner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and the Rules and Regulations of the Board of Managers contained in Article VIII of the By-Laws as they may be amended, rescinded, modified, altered, waived or repealed pursuant to the provisions of Article VIII of the By-Laws.

TWENTY-FIRST: FIRST LIEN HOLDER'S RIGHTS.

1. Notices of Action. A holder, insurer or guarantor of a first mortgage, upon written request to the Condominium, (such request to state the name and address or such holder, insurer or guarantor and the Unit number), shall be entitled to timely written notice of:

   a. Any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (ii) the interest in the General Common Elements, Individual Unit's Limited Common Elements appertaining to any Unit, Units or the liability for Common Expenses appertaining thereto, (iii) the number of votes in the Condominium appertaining to any Unit or (iv) the purposes to which any Unit or the Common Elements are restricted;

   b. Any proposed termination of the Condominium regime;

   c. Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

   d. Any delinquency in the payment of assessments or charges owed by a Unit Owner of a Unit subject to the mortgage of such eligible holder, insurer or guarantor, which such delinquency has continued for a period of eight (8) days;

   e. Any lapse, cancellation or material modification of any insurance policy maintained by the Condominium; and

   f. Any proposed action that requires the consent of a specified percentage of mortgagees.

2. Other Provisions for First Lien Holders. To the extent permitted under applicable law, the following protections for the benefit of first mortgage holders will be legally binding with respect to the Condominium:

   a. Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units eligible to vote that are subject to mortgages held by such eligible holders are allocated, is obtained;

   b. Any election to terminate the Condominium regime after substantial destruction or a substantial taking in condemnation of the Property must require the approval of the eligible holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units eligible to vote that are subject to mortgages held by such eligible holders are allocated; and

   c. Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial destruction of the Condominium project is fixed in advance by the Declaration or by applicable law, no reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the Condominium project may be effected without the approval of the eligible holders of first mortgages on Units to which at least eighty (80%) percent of the votes of Units eligible to vote that are subject to mortgages held by such eligible holders are allocated.

As used in this section, the term "eligible holder, insurer or guarantor" shall mean a holder, insurer or guarantor of a first mortgage on a Unit in a Condominium which has requested notice in accordance with the provisions of (a) above.

TWENTY-SECOND: SPECIAL RIGHTS OF DECLARANT.

Notwithstanding anything to the contrary contained herein, Declarant, its successors, assignees and/or designees shall have, in addition to any rights granted elsewhere contained in the Declaration, By-Laws and/or Rules and Regulations, shall have the right, without requiring the consent of either the Condominium or Board of Managers, and without charge or limitation, the following rights:

1. The right to have its employees, contractors, subcontractors and sales agents present on the properties described in Schedule A and any Building erected thereon.

2. The right to erect and maintain signs and other promotional materials (including, without limitation, "For Sale", and "For Rent" signs), in connection with the promotion, sale, leasing, management, or operation of the Units or any other property, development or community the Declarant, its successors, assigns or designees so prescribe for the life of the Condominium.

3. The right to use any one or more Units as:

   a. model Units,

   b. offices for the promotion, sale, rental, management and/or operation of any unsold Units,

   c. offices in connection with any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or the Units; or any unsold Units; and/or

   d. for any other purpose.

4. The right to use any office in the Condominium for its exclusive use until such time as Declarant no longer owns any Units in the Condominium.

5. The right to do and cause to be done all of the things that are necessary, desirable or appropriate (including, without limitation, the use of the Common Elements, including any amenities, the Units and any unsold Residential Units) for the purpose of:

   a. the promotion, sale, rental, management and/or operation of any unsold Units,

   b. the performance and completion of installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements, and/or

   c. the exercise performance and discharge of Declarant's other rights and obligations under this Declaration, the By-Laws and/or the Rules and Regulations.

6. The right to make any other changes required by the Building Department of the City of New York or any other agency of the City of New York or other municipal or administrative agency.

In no event, however, shall Declarant or such designee be entitled to use any portion of the Common Elements in such a manner as will unreasonably interfere with the use of the same or of any Unit for its permitted purposes.

The provisions of this Article Twenty-Second cannot be amended without the written consent of the Declarant, or its designees, successors or assigns.

TWENTY-THIRD: INVALIDITY

Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no wise affect any of the remaining part or parts hereof, and the same shall continue in full force and effect.

BEDFORD AVE CONDOS, LLC

By: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the _____ day of _____ in the year 20__, before me, the undersigned a Notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that (s)he executed the same in his/her capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A TO THE DECLARATION

The Stuyford Haus Condominium
1021 Bedford Avenue
Brooklyn, New York 11205

Condo #

Block: FKA Lot: NKA Lots:

LEGAL DESCRIPTION TO BE
INSERTED PRIOR TO RECORDATION

SCHEDULE B TO THE DECLARATION

The Stuyford Haus Condominium
1021 Bedford Avenue
Brooklyn, New York 11205

Condo #

Block: FKA Lot: NKA Lots:

SCHEDULE OF UNIT INFORMATION TO BE INSERTED PRIOR TO RECORDATION

SCHEDULE J

CONDOMINIUM BY-LAWS

BY-LAWS

OF

THE STUYFORD HAUS CONDOMINIUM

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Sponsor
Attn: Donna-Marie Korth, Esq.
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East Meadow, New York 11554

SCHEDULE C TO THE DECLARATION OF CONDOMINIUM

SCHEDULE J

BY-LAWS
OF
THE STUYFORD HAUS CONDOMINIUM

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BY-LAWS

OF

THE STUYFORD HAUS CONDOMINIUM

ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Unit Ownership.

The property located at 1021 Bedford Avenue, Brooklyn, Kings County, City and State of New York, as specifically set forth in the Declaration and more commonly known as The Stuyford Haus Condominium has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

Section 2. By-Laws Applicability.

The provisions of these By-Laws are applicable to the Condominium. The term "Condominium" as used herein shall include the land and the Building and improvements thereon including the Condominium Units, hereinafter referred to as "Units") and the Common Elements and the use and occupancy thereof.

Section 3. Personal Application.

All present or future Unit Owners, mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental (if rentals are permitted) of any of the Units or the mere act of occupancy of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with.

Section 4. Definitions.

The definitions contained in the Declaration of Condominium shall be applicable to these By-Laws unless otherwise stated.

ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium.

The Condominium shall be limited to Unit Owners. "Residential Unit Owner" as referred to herein shall mean the owner of a Residential Unit. The owners of the Residential Units shall hereinafter be referred to as Residential Unit Owners. "Commercial Unit Owner" as referred to herein shall mean the owner of the Commercial Unit.

Section 2. Voting.

Each Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units), shall be entitled to cast one vote at all Unit Owners' meetings for each Unit owned by such Unit Owner subject to the restrictions contained herein, including the provisions regarding the election of Members to the Board of Managers as provided in Article III, Section 1 of these By-Laws. In the event the Board of Managers acquires a Unit on behalf of the Condominium it shall not cast any of its votes appurtenant to such Unit, for the election of any Member to the Board of Managers. Any Unit Owner in default of their Common Charges, Special Assessments, late fees or any other penalties imposed by the Board of Managers applicable to said Unit Owner's Unit shall be prohibited from voting at any annual, general or Special Meeting of the Unit Owners.

Section 3. Quorum.

So many Unit Owners as shall represent at least fifty-one (51%) percent of the total authorized votes of all Unit Owners present in person or represented by written proxy shall constitute a quorum at all meetings of the Unit Owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present or represented. At such adjourned meeting so many Unit Owners as shall represent at least thirty-three and one-third (33⅓%) percent of the total authorized votes of all Unit Owners shall constitute a quorum. At such adjourned meeting, so many Unit Owners as shall represent at least twenty five percent (25%) of the total authorized votes of all Unit Owners shall constitute a quorum. Any business may be transacted which might have been transacted at the meeting originally called.

Section 4. Vote Required to Transact Business.

When a quorum is present at any meeting, the vote of a majority of the Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. Right to Vote.

At any meeting of Unit Owners, every Unit Owner having the right to vote shall be entitled to vote in person, or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. Any Unit Owner in default of their Common Charges, Special Assessments, late fees or any other penalties imposed by the Board

of Managers applicable to said Unit Owner's Unit shall be prohibited from voting at any annual or Special Meeting of the Unit Owners.

Section 6. Proxies.

All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent.

Whenever the vote of Unit Owners at a meeting is required or permitted by any provision of the Declaration, Statutes or of these By-Laws or for an amendment to the Declaration or By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of Unit Owners may be dispensed with if all Unit Owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Place of Meetings.

Meetings shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 9. Annual Meetings/Control of Board of Managers by Declarant.

The Sponsor will have voting control and may designate all the Members of the Board of Managers of the Condominium until all of the Residential Units in the Condominium have been sold or transferred to Residential Unit Owners other than the Sponsor, its Principals, successors, assignees and/or designees ("Sponsor Control Period"). The initial Board of Managers will call for the First Annual Meeting of the Unit Owners to elect a new Board of Managers within a reasonable period after the Sponsor Control Period. Notwithstanding the First Board of Managers as defined in Article III, Section 1 of these By-Laws shall have the right to call for the First Annual Meeting prior thereto. At the First Annual Meeting, the Unit Owners will elect and Sponsor, if entitled will designate a new Board of Managers. Said Board will consist of three (3) members from the Residential Units and one (1) Member from the commercial Units. The Commercial Unit (or Commercial Units if subdivided) shall have the permanent right to one (1) seat on the Board, which member shall be elected by the then Commercial Unit Owner(s). The Sponsor shall have the right to voluntarily resign a position on the Board of Managers as per the provisions of Article III, Section 1 of these By-Laws. In the event the Board of Managers calls for the First Annual Meeting prior to the expiration of the Sponsor Control Period and the Sponsor still retains one (1) or more Residential Units the Sponsor shall have the right to designate one (1) Member to the Board of Managers. After the First Annual Meeting the annual meetings shall be held on or about the anniversary of such date each succeeding year or such other convenient date

as the Board of Managers may so designate (the "Annual Meeting"). At such Annual Meetings there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article III of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them.

In the event the Sponsor voluntarily relinquishes control of the Board of Managers prior to sale of all Residential Units the Sponsor will be entitled to designate one (1) Residential Member to the Board of Managers until the Sponsor no longer owns any Residential Units in the Condominium. When the Sponsor no longer owns a Residential Unit in the Condominium, Sponsor may not be entitled to designate any Residential Member to the Board of Managers.

Section 10. Special Meetings.

It shall be the duty of the President to call a Special Meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by a majority of the Unit Owners. The Secretary shall cause a notice of such Special Meeting stating the time, place and object thereof and the Officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 11 of this Article to each Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the Special Meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request pursuant to this Section 10 unless a later date is agreed to in writing by the Unit Owners of the Condominium entitled to vote or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such Special Meeting unless all Unit Owners of the Condominium are present in person or by proxy. As long as the Sponsor retains ownership of one (1) Commercial Unit the Sponsor shall have the right to remove or appoint the Commercial Unit's Member to the Board of Managers. Thereafter the Commercial Member representative of the Board of Managers of the Condominium may only be removed with or without cause by an affirmative vote of the then Commercial Unit Owner(s) and no special meeting for such purpose is necessary. Officers of the Condominium may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. Officers of the Condominium may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers.

Section 11. Notice of Meetings.

It shall be the duty of the Secretary or other designated agent the Board of Managers to provide written notice of the place, date and hour of each annual or Special Meeting, stating the purpose thereof at least ten (10) but not more than thirty (30) days prior to such meeting. A copy of the notice of any meeting shall be given, personally, by first class mail, facsimile telecommunications or by electronic mail to

each Unit Owner entitled to vote at such meeting. If mailed, such notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the Unit Owner at the Unit Owner's address as it appears on the record of Unit Owners or, if the Unit Owner shall have filed with the Secretary or designated agent a written request that notices to the Unit Owner be mailed to some other address, then such notice shall be directed to the Unit Owner's designated address. If the notice is sent by facsimile telecommunication or mailed electronically, such Notice is given when directed to the Unit Owners fax number or electronic mail address as it appears on the record of the Unit Owners, or, to such fax number or other electronic mail address as filed with the Secretary or designated agent. Notwithstanding the foregoing, such Notice shall not be deemed to have been given electronically (1) if the Secretary or designated agent of the Board of Managers is unable to deliver two consecutive Notices to the Unit Owner by facsimile telecommunication or electronic mail; or (2) the Secretary or the designated agent of the Board of Managers otherwise becomes aware that Notice cannot be delivered to the Unit Owner by facsimile telecommunication or electronic mail.

Section 12. Order of Business.

The order of business at all meetings shall be as follows:

(a) Roll Call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of Officers
(e) Report of committees
(f) Election of inspectors of election (in the event there is an election)
(g) Election of Members (in the event there is an election)
(h) Unfinished business
(i) New business

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term.

The affairs of the Condominium shall be governed by a Board of Managers. The initial Board of Managers (the "First Board of Managers") shall consist of three Members designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the First Annual Meeting of the Unit Owners. Until succeeded by the Members elected at the First Annual Meeting of Unit Owners, Members need not be Unit Owners; thereafter, all Members, other than designees or nominees of the Sponsor, shall be Unit Owners. The Members shall be elected or designated at the annual meeting of the Unit Owners. Unless called for sooner by the First Board of Managers, the First Annual Meeting shall occur within a reasonable period of time after the Sponsor Control Period.

At the First Annual Meeting of Unit Owners called pursuant to Section 9 of Article II a total of three (3) Members from the Residential Units and one (1) Member from the

Commercial Unit shall be elected or designated. The Commercial Unit (or Commercial Units if subdivided) shall have the permanent right to one (1) seat on the Board, which Member shall be elected by the then Commercial Unit Owner(s). The Sponsor shall have the right to voluntarily resign a position on the Board of Managers as per the provisions of Article III, Section 1 of these By-Laws. In the event the Board of Managers calls for the First Annual Meeting prior to the expiration of the Sponsor Control Period and the Sponsor still retains one (1) or more Residential Units the Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers. After the First Annual Meeting the annual meetings shall be held on or about the anniversary of such date each succeeding year or such other convenient date as the Board of Managers may so designate (the "Annual Meeting"). At such Annual Meetings there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article III of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them. All Members, other than those the Sponsor can designate, shall be elected by the Unit Owners at the annual meeting. As long as the Sponsor owns at least one (1) Unit in the Condominium, the number of Members of the Board of Managers may not be increased without the written consent of the Sponsor. After the First Annual Meeting, the Board of Managers may request nominations for the Members to the Board of Managers prior to the annual meeting in addition to nominations from Unit Owners at the annual meeting. The term of office of one (1) of the Residential Members shall be fixed for three (3) years, the term of office of one (1) of the Residential Members shall be fixed at two (2) years, and the term of office of one (1) of the Residential Members shall be fixed at one (1) year.

The one (1) Residential Unit Owner receiving the highest number of votes shall be elected to the three (3) year term, the one (1) Residential Unit Owner receiving the next highest number of votes shall be elected to a two (2) year term and the one (1) Residential Unit Owner receiving the next highest number of votes shall be elected to a one (1) year term. Each Unit Owner shall be entitled to cast one vote for each Member to be elected to the Board of Managers. At the expiration of the initial term of office of each respective Member, their successor shall be elected to serve a term of three (3) years. The Residential Members shall hold office until their successors have been elected and hold their first meeting. The Commercial Unit Member appointed and/or elected to the Board of Mangers shall serve until such time as the Member resigns or is replaced by the Commercial Unit Owner(s) at an Annual Meeting.

The Commercial Member representative to the Board of Managers shall be designated by the Sponsor, its successor, assignee or designee as long as the Sponsor retains ownership of one (1) Commercial Unit. At such time as the Sponsor no longer retains ownership of any Commercial Unit the one (1) Commercial Unit Owner representative to the Board of Managers shall be elected by the then Commercial Unit Owner(s).

Any Unit Owner in default of the payment of Common Charges, Special Assessments, late fees, interest and/or penalties shall be ineligible to be elected to the Board of Managers and/or vote at any general, annual or Special Meeting.

The Sponsor shall have the right to designate the Members of the Board of Managers until the expiration of the Sponsor Control Period. This Section may not be amended without the written consent of Sponsor.

In addition to the Members designated by the Sponsor, as long as Sponsor retains an unsold Residential Unit in the Condominium, Sponsor may vote as Sponsor so determines for any other Members, so long as the Members are not on Sponsor's slate of Members for the Board of Managers, Sponsor's payroll or as long as they did not receive other financial backing from the Sponsor other than any mortgage that may be held by the Sponsor or affiliated entity of the Sponsor, if applicable.

Sponsor is entitled to designate all the Members to the Board of Managers during the Sponsor Control Period. Sponsor Members shall be appointed for a one (1) year term. At the expiration of the Sponsor Member terms, if Sponsor is still entitled to nominate Members to the Board of Managers, the Sponsor Members shall thereafter continue to be appointed as Members for one (1) year terms until the Sponsor is required to relinquish the position or Sponsor voluntarily resigns the position. When the designated Members of the Board of Managers of the Sponsor are required to relinquish their position on the Board of Managers the Sponsor will call for the First Annual Meeting of the Residential Unit Owners as per the provisions of Article II, Section 9 of these By-Laws. The Sponsor shall have the right to voluntarily resign a position on the Board of Managers. In such an event the Board of Managers will either (a) call for a Special Meeting of the Residential Unit Owners pursuant to the provisions of Article II, Section 10 of these By-Laws to elect a Residential Unit Owner for the balance of the Sponsor Member term or (b) the remaining Residential Members of the Board of Managers will appoint a Residential Unit Owner to the Board of Managers for the balance of the Sponsor Member term. At the expiration of the term the Residential Unit Owners shall have a meeting to elect a Residential Unit Owner to a three (3) year term. Notwithstanding the aforementioned, in the event the Sponsor voluntarily relinquishes a position on the Board of Mangers before the Sponsor is obligated to do so, upon notice from the Sponsor to the Board of Managers that the Sponsor desires to reclaim said position the Member appointed or elected to said position shall resign and the Sponsor shall reappoint a Member to the Board.

This Section may not be amended without the written consent of the Sponsor.

Section 2. **Arbitration**

In the event the Board of Managers cannot unanimously agree on any issue, such issue will be submitted to mediation with the American Arbitration Association and if the dispute cannot be resolved by mediation, it shall be decided by binding arbitration. The costs involved in such mediation or arbitration will be shared equally by the two (2) Unit Owners.

Section 3. **Vacancy and Replacement.**

If the office of any Member or Members becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining Members, though less than a quorum, at a special meeting of Members duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. In the event of the failure to hold any election of the Residential Members of the Board of Managers at the time designated for the annual election of the Residential Members of the Board of Managers or in the event that the Residential Members of the Board of Managers shall not have filled any such vacancy, a special meeting of the Residential Unit Owners to elect new Residential Members to the Board of Managers or to fill such vacancy or vacancies may be called in the manner generally provided for the calling of special meetings of the Unit Owners. If the vacancy occurs with respect to any Member of the Board of Managers who has been designated by the Sponsor, only the Sponsor shall have the right to choose such Member's successor to fill the unexpired portion of the term. In addition, the Sponsor shall have the right to substitute its Board appointees at its discretion. If the vacancy occurs with respect to any Member of the Board of Managers who has been designated or elected by the Commercial Unit Owners, only the Commercial Unit Owners shall have the right to choose such Member's successor to fill the unexpired portion of the term of office. If the vacancy occurs with respect to any Member of the Board of Managers who has been elected by the Residential Unit Owners, only the Residential Unit Owner's remaining Member(s) on the Board of Managers shall have the right to choose such Member's successor to fill the unexpired portion of the term of office. In the alternative, the Board of Managers shall also have the right to call for a special meeting in accordance with Article II, Section 10 to elect the Member's successor to fill the unexpired portion of the term of office.

Section 4. **Removal.**

Any or all of the Residential Members of the Board of Managers of the Condominium, including Sponsor designees, may be removed with cause by a minimum vote of 66⅔ in number of the Residential Unit Owners of the Condominium at a special meeting called pursuant to this section if the meeting is called for such purpose. Any or all of the Residential Members of the Board of Managers of the Condominium, other than those designated by the Sponsor, may be removed without cause by a minimum vote of 66⅔ in number of the Residential Unit Owners of the Condominium at a special meeting called pursuant to this section if the meeting is called

for such purpose. Sponsor designated Members of the Board of Managers may only be removed by the Sponsor without cause. As long as the Sponsor retains ownership of one (1) Commercial Unit the Sponsor shall have the right to remove or appoint the Commercial Unit's Member to the Board of Managers. Thereafter the Commercial Unit Member of the Board of Managers of the Condominium may only be removed with or without cause by an affirmative vote of a majority of the Commercial Unit Owner(s) and no special meeting for such purpose is necessary. The Commercial Unit Member of the Board does not need to be a Commercial Unit Owner. No Member other than the Commercial Unit Member on the Board of Managers or a Member designated by the Sponsor shall continue to serve on the Board if, during their term of office, they shall cease to be a Unit Owner. Any Member of the Board in default of the payment of Common Charges, Special Assessments, late fees, penalties and/or interest shall be suspended from the Board until such time as all Common Charges, Special Assessments, late fees, penalties and/or interest are paid in full to the Condominium.

Section 5. **Resignation.**

Any Member may resign at any time by written notice delivered in person or sent by certified registered mail to an Officer of the Condominium. Such resignation shall take effect at the time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

Section 6. **Suspension.**

Any Member of the Board of Managers in default of the payment of Common Charges, Special Assessments, together with late charges, interest and expenses shall be suspended from the Board of Managers until all Common Charges, Special Assessments, together with late charges, interest and expenses, if any, are paid in full to the Condominium.

Section 7. **First Board of Managers.**

The First Board of Managers shall consist of three (3) Members appointed by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the First Annual Meeting of Unit Owners. Any of said Members shall be subject to replacement at the sole discretion of the Sponsor and/or in the event of resignation or death in the manner set forth in Section 2 of this Article.

Section 8. **Powers.**

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration or by these By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

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

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

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

4. Collect, use, and expend the Common Charges collected to maintain, care for and preserve the General Common Elements, General Residential Units' Limited Common Elements, and Individual Unit's Limited Common Elements that have been designated to the Condominium to repair, replace and maintain and any other Common Expenses of the Condominium.

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

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

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

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

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

10. The Residential Members of the Board of Managers shall be empowered to make reasonable Rules and Regulations applicable to the Residential Units and the Residential Unit Owners and to amend the same from time to time, and such Rules and Regulations and amendments shall be binding upon the Residential Unit Owners when the Residential Members of the Board have approved them in writing. A copy of such Rules and Regulations and all amendments thereto shall be delivered to each Residential Unit. The Board of Managers shall not be able to pass or adopt any Rule or Regulation affecting a Commercial Unit without the written consent of the Commercial Unit Member of the Board of Managers.

11. The entire Board of Managers shall be empowered to make reasonable Rules and Regulations applicable to all Units and all Unit Owners and to amend the same from time to time, and such Rules and Regulations and amendments shall be binding upon all the Unit Owners when the Board has approved them in writing. A copy of such Rules and Regulations and all amendments shall be delivered to each Unit Owner. In no event however, may any Rule or Regulation prevent a Commercial Unit Owner from engaging in the practice or operation of their business unless such practice is a violation of the law or applicable zoning. Further, the Board of Managers may not pass any Rule or Regulation which interferes with or affects the operation of a Commercial Unit or a Commercial Unit Limited Common Elements, without the Commercial Unit Owner's written consent, unless it affects the General Common Elements, General Residential Units' Limited Common Elements, the structural integrity of the Building and/or is a violation of any municipal or state code or statute.

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

13. Bring and defend actions by or against one (1) or more Unit Owners that are pertinent to the operation of the Condominium and to levy Special Assessments to pay for the cost of such litigation, subject to the provisions regarding the Sponsor as contained in Article III, section 8(c) of these By-Laws.

14. Acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner subject to any restrictions contained in these By-Laws, offer such Unit for sale or lease (if rentals are permitted) or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers.

15. The Residential Members of the Board shall be empowered to make additions, alterations, or improvements to the General Residential Units' Limited Common Elements. Any addition, alteration or improvement to the General Residential Units' Limited Common Elements shall be paid for solely by the Residential Unit Owners based upon their Residential Unit's square footage as reflected in Schedule B of the Declaration in relation to the total square footage of all the Residential Units as reflected in Schedule B of the Declaration.

16. Borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, or for capital expenditures such as repair or replacement of Building components or systems or to remedy a major Building defect, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owners of said Unit.

17. The Residential Members of the Board of Managers shall be empowered to borrow money on behalf of the Condominium when required in connection with any addition, alteration, improvement and for the operation, care, upkeep and maintenance of the General Residential Units' Limited Common Elements, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owners of said Unit(s). Monies borrowed pursuant to this section for the General Residential Units' Limited Common Elements shall be paid back solely by the Residential Unit Owners based upon their Residential Unit's square footage as reflected in Schedule B of the Declaration in relation to the total square footage of all the Residential Units as reflected in Schedule B of the Declaration.

18. Act as an agent for one (1) or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their I Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such an event, the Board of Managers could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro-rata share of expenses, disbursements and legal fees, based upon the Unit's Percentage of Common Interest as reflected in Schedule B of the Declaration of Condominium, the payment for which would be secured by a lien on each Unit. The Board of Managers is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners it will perform such service for.

19. Determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and/or Special Assessments and in violation of the Rules and Regulations. The Board of Managers shall have the right to revise the amount of such fees as the Board of Managers so determines.

20. Enter into contracts, settlement agreements and/or other matters on behalf of the Condominium.

21. Enter into revocable license agreements for the use of space within the Common Elements so long as the license agreement does not hinder or encroach upon the rights of Unit Owners to use the General Common Elements, and/or Individual Unit's Limited Common Elements.

22. Grant utility or other easements over or to the Common Elements that are required for the benefit of the Condominium and the Unit Owners without the necessity of the written consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the written consent of all such affected Unit Owners shall be required in writing before such easement shall be granted);

(b) The Board of Managers may, by resolution or resolutions passed by a majority of the whole Board of Managers, designate one or more committees, each of such committees to consist of at least one (1) Member of the Board of Managers, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business affairs of the

Condominium and may have power to sign all papers which may be required, provided said resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board of Managers as required.

(c) As long as the Sponsor retains at least one (1) Unsold Unit in the Condominium, the Board of Managers may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the Common Elements, or Individual Unit's Common Elements and/or to any Unit, costing cumulatively more than $50,000, the foregoing not to include necessary repairs and maintenance work, (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, (iii) hire any employee in addition to the employees referred to in the Budget for the first year of operation of the Condominium, (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the first Closing, (v) borrow money on behalf of the Condominium, (vi) reduce the services or maintenance set forth in the Condominium budget for the first year of operation, (vii) charge any Special Assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium, (viii) increase the Common Charges of the Condominium more than ten (10%) percent from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates, evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Condominium funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals. The provisions of this paragraph may not be amended without the written consent of the Sponsor.

(d) Notwithstanding Article III, Section 8(c) of these By-Laws Sponsor may not exercise veto power over expenses described in the proposed first year budget, as described in the Offering Plan, or over expenses required:

1. to comply with applicable laws or regulations; or

2. to remedy any notice of violation; or

3. to remedy any work order by an insurer, or

4. necessary for the preservation or safety of the Building or for the safety of occupants of the Building or required to avoid the suspension of any necessary service to the Building.

(e) Sponsor may exercise veto power over expenses described herein, other than those described in Article III, Section 8(d) of these By-Laws, for a period ending not more than five (5) years after the Closing of the first Residential Unit or whenever the unsold Residential Units constitute less than twenty-five (25%) percent of the common interest, whichever is sooner.

The provisions of this paragraph may not be amended without the written consent of Sponsor.

Section 9. Repairs and Maintenance.

Except as hereinafter provided, all maintenance, painting, repairs and replacement of the General Common Elements and General Residential Units' Limited Common Elements including but not limited to exterior walls, roof and roof members of the Building, as well as painting, repair and/or maintenance of the exterior surfaces, roof, windows and doors which open from the Building, as well as all maintenance, repairs and replacements of foyers and stairways of the Building, and of any pipes, wires, conduits and utility lines, or any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and utility lines as are located in the General Common Elements or General Residential Units' Limited Common Elements but serve two (2) or more Units shall be contracted for by and be the responsibility of the Board of Managers and the cost thereof shall be a General Common Expense except if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner.

All maintenance and repairs to the interior portion of Units, other than to any Common Elements contained therein, are the responsibility of the respective Unit Owners at their sole expense.

All maintenance (including electrical repairs and plumbing stoppages and repairs in the Residential Units and Commercial Units, cleaning of interior of windows and painting and decorating of the interior of the Residential Units and Commercial Unit), repairs and replacements to the Residential Units and Commercial Unit including doors which open from a Residential Unit and Commercial Unit on which painting is performed by the Board of Managers, and repairs to pipes, wires and conduits located in and servicing an individual Residential Unit or Commercial Unit, other than as set forth above shall be made by the respective Residential or Commercial Unit Owner at their own expense. This would include but not be limited to all painting and decorating to the interior of the Residential and Commercial Units, individual appliances, individual heating and cooling for the Residential and Commercial Units and the interior side of all entrance doors.

All maintenance and repairs to the interior portion of the window area and doors which open from a Unit are the responsibility of the Unit Owner. All maintenance, repair

and any replacement to the external portion of the window area, the actual window and external portion of the doors which open from a Unit will be the responsibility of the Condominium, unless the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from a Unit are caused as a direct result of the negligence or act of a Unit Owner. In such an event it shall be the Condominium's responsibility to repair or replace the external portion of the window, the window or the external portion of the doors which open from a Unit and the cost of such repair or replacement shall be charged to the Unit Owner as an additional Common Charge.

All structural repairs and replacements to any balcony and/or terrace area that is an Individual Residential Unit's Limited Common Element will be the responsibility of the Condominium and a Common Expense of the Condominium. All general maintenance and repairs of a balcony and/or terrace that is an Individual Unit's Limited Common Element, including cleaning, snow removal and all repairs not structural in nature (including the repair of leaks and the repair or replacement of the surface of the balcony and/or terrace), shall be the responsibility of the Residential Unit Owner whose balcony and/or terrace is appurtenant to their Unit and is an Individual Unit's Limited Common Element of their Unit. The Board of Managers shall have the right to designate or approve a contractor or contractors to do the necessary work to the balcony and/or terrace that is the Unit Owner's responsibility at the Residential Unit Owner's sole cost.

All structural repairs of the Storage Spaces shall be the responsibility of the Condominium and a General Expense of the Condominium. All general maintenance and repairs of the Storage Spaces shall be the responsibility of the Residential Unit Owner to which the Storage Space is assigned as an Individual Residential Unit's Limited Common Element.

Storage Spaces are to be used for storage of general items. The Residential Unit Owners will not be permitted to store any combustible material or other items in a Storage Space that may be illegal or cause the Condominium insurance to be increased or is not in compliance with the building code of the City of New York.

All repairs, maintenance and any replacement and all costs associated therewith of any hot water tank, boiler, heat pumps, fireplaces, air conditioning condenser or any other heating, cooling or other mechanical system servicing an individual Unit that is located in the Unit or is an individual Residential Unit or Commercial Unit Limited Common Element located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit a Unit exclusively shall be the responsibility of the Unit Owner for such equipment, services, etc.

Balconies and/or terraces are not permitted to be used for storage, not permitted to be enclosed and are not permitted to be used for any type of occupancy including but not limited to dining, sleeping, living room, recreation, office or similar use. No boxes,

hanging structures or items or antennas may be placed on the balconies, which are limited to outdoor furniture only. Drains located on a balcony or terrace must always be kept open to prevent flooding. Unit Owners will not be permitted to store any combustible material or other items in or on a balcony and/or terrace. Neither the Condominium nor any Unit Owner will be permitted to enclose or make any structural changes to a balcony and/or terrace except as required for repair or replacement.

All repairs and replacement of windows, and any snow removal from the General Common Elements and General Residential Units' Limited Common Elements shall be contracted for by the Board of Managers and the cost thereof shall be a Common Expense of the Condominium payable by all Unit Owner's based on their percentage of Common Interest except that the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of a Unit Owner or prior alteration of a Unit shall be assessed to and paid by the applicable Unit Owner.

The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements and General Residential Units' Limited Common Elements and the cost thereof shall be a Common Expense of the Condominium except that the cost of any damage to the Common Elements and any maintenance or repairs thereto caused by or necessitated due to the negligence, misuse or neglect of a Unit Owner shall be assessed to and paid by the applicable Unit Owner.

All maintenance, repairs and replacements to a Commercial Unit and Commercial Unit's Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, will be made by the respective Commercial Unit Owner at its/their sole expense.

All snow removal and cleaning of any sidewalks and entranceways that abut the Condominium and the Commercial Unit that is not done by the City of New York shall be the responsibility of the Condominium and a Common Expense of all the Units in the Condominium.

The Board of Managers and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any Common Elements, no matter how classified, contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or any other Common Element, no matter how classified, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its

property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of Managers, to the doors, windows, or the exterior surface of the Building or to any generally visible portion of the General Common Elements or General Residential Units' Limited Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor, unless varied by the Board of Managers.

In the event that a Unit Owner fails to maintain, repair or replace its Unit or any Limited Common Element for the Residential or Commercial Unit Owner's exclusive use, which maintenance, repair or replacement is necessary to protect any of the General Common Elements, General Residential Units' Limited Common Elements, any other portions of the Building or any other Unit or other Limited Common Element, the Board of Managers shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Residential or Commercial Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) of the Unit or Individual Limited Common Elements for a Unit's exclusive use and to charge said Residential or Commercial Unit Owner for the cost of all such repairs and/or maintenance and/or replacement. In the event that the Board of Managers charges a Residential or Commercial Unit Owner for repairs, maintenance and/or replacement to their Residential or Commercial Unit or for repairs to any Common Elements restricted in use to such Residential or Commercial Unit Owner, and the Residential Unit or Commercial Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Residential or Commercial Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

Section 10. Commercial Unit

As long as the Sponsor, its successor, assignee or designee retains ownership of a Commercial Unit the Sponsor, its successor, assignee or designee shall have the right to make any changes, structural or non-structural to a Commercial Unit without approval of the Board of Managers. In the event the Sponsor sells a Commercial Unit each Commercial Unit Owner shall be permitted to make a structural addition, alteration or improvement (of either a temporary or permanent nature) in or to the Commercial Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. In addition any Commercial Unit Owner other than the Sponsor, its successor, assignee or designee must notify the Board of Managers at least forty-five (45) days prior to any such structural addition, alteration or improvement and no Commercial Unit Owner shall make any structural addition, alteration or improvement in or to the Commercial Unit or any Limited Common Element for its exclusive use without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the

Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its Members and Officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Unit Owner shall pay the charges of such architect or engineer. The respective Commercial Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Commercial Unit or Limited Common Element for its exclusive use shall be completed by the Commercial Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

At the request of a Commercial Unit Owner, the Board will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair of the Commercial Unit or the operation thereof. The respective Commercial Unit Owner shall indemnify and hold the Board and the Unit Owners harmless from any liability resulting therefrom.

The Board of Managers will not have any right to restrict or limit the method of operation, use or appearance of any Commercial Unit which are permitted by law. No rules affecting the operation of a Commercial Unit maybe adopted or modified by the Board of Managers without the written consent of the respective Commercial Unit Owner.

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

Section 11. Compensation.

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

Section 12. Meetings.

(a) The first meeting of the Members of the Board of Managers newly elected by the Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The Annual Meeting of the Board of Managers shall be held at the same place as the Unit Owner meetings, and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board of Managers shall take place.

(b) Regularly scheduled meetings of the Board of Managers may be held without special notice.

(c) Special Meetings of the Board of Managers may be called by the President on two (2) days' notice to each Member either personally, by mail or by electronic mail. Special Meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of a majority of the Members of the Board of Managers.

(d) At all meetings of the Board of Managers, a majority of the Members shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the Members present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meetings of Members, the Members present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before or at any meeting of the Board of Managers, any Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any meeting of the Board of Managers shall be a waiver of notice by the Member of the time and place thereof. If all the Members are present at any meeting of the Board of Managers, no notice shall be required, and any business may be transacted at such meeting.

(f) Members of the Board of Managers may participate in a meeting by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting

can hear each other and such participation shall constitute presence at such meeting.

Section 13. Annual Statement.

The Board of Managers shall furnish all Unit Owners and shall present annually (at the Annual Meeting, but in no event later than four (4) months after the close of the fiscal year) and when called for by a vote of the Unit Owners at any Special Meeting of the Unit Owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement prepared by an independent public accountant and a statement regarding any taxable income attributable to the Unit Owner and a notice of the holding of the annual Unit Owners meeting. During the period the Sponsor retains a majority of the Members of the Board of Managers the annual statement shall be a certified statement verified by a certified public accountant.

As and to the extent required by Section 727 of New York's Business Corporation Law, at least once per year (i) every member of the Board shall be required to review Section 713 of the Business Corporation Law, concerning interested managers/directors; and (ii) the Board shall submit an annual report to the Unit Owners, which shall be signed by each member of the Board, containing information on any contracts made, entered into, or otherwise voted on by the Board, where one or more of the members of the Board was an interested manager/director pursuant to Section 713 of the Business Corporation Law. Such annual report shall, at a minimum, include: (1) a list of all contracts voted on by the Board, including information on the contract recipient, contract amount, and the purpose of entering into the contract; (2) the record of each meeting including Board member attendance, voting records for contracts, and how each member of the Board voted on such contracts; and (3) the date of each vote on each contract, and the date the contract would be and remain valid. In the event that, during the applicable period, no contract was made, entered into, or otherwise voted on by the Board, where one or more of the members of the Board was an interested manager/director pursuant to Section 713 of the Business Corporation Law, the Board shall instead submit to the Unit Owners a document, signed by each member of the Board, indicating: "No actions taken by the Board were subject to the annual report required pursuant to Section 727 of the Business Corporation Law".

Section 14. Fidelity Bonds.

The Board of Managers shall require that all Officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a Common Expense of the Condominium.

Section 15. Management Agent.

The Board of Managers may employ a management agent for the Condominium under a term contract or otherwise at compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize, including, but not limited to, all delegable duties of the Board of Managers listed in this Article.

Section 16. Liability of the Board of Managers, Officers and Unit Owners.

No Member of the Board of Managers or Officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in the Member's capacity as a Member of the Board of Managers or Officer of the Condominium, provided that this provision does not eliminate or limit the liability of a Member of the Board of Managers or Officer of the Condominium if a judgment or other final adjudication adverse to the Member establishes (a) that the Member's or Officer's acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that the Member or Officer personally gained in fact a financial profit or other advantage to which the Member was not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board of Managers or Officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that the Member, the Officer, the Member's or Officer's testator, was a Member of the Board of Managers, Officer of the Condominium or officer of the joint venture, trust, employee benefit plan or other enterprise in any capacity; provided that no indemnification may be made to or on behalf of any Member of the Board of Managers or Officer of the Condominium if a judgment establishes that the Member's or Officer's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that the Member or Officer personally gained in fact a financial profit or the advantage to which the Member or Officer was not legally entitled.

The Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers and Officers of the Condominium against all contractual liability to others arising out of contracts made by the Board of Managers or Officers of the Condominium on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the Members of the Board of Managers and Officers of the

Condominium shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the Board of Managers or Officer of the Condominium, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers, or Officer of the Condominium or out of the aforesaid indemnity in favor of the Member of the Board of Managers or Officer of the Condominium shall be limited to such proportion of the total liability thereunder as the Unit Owner's Percentage of Common Interest in the Common Elements bears to the Percentage of Common Interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers, a managing agent, by a Member of the Board of Managers or Officer of the Condominium on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the Member, or Officer of the Condominium as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners).

Each Unit Owner's liability pursuant to this Section shall be limited to such proportion of the total liability there under as the Unit Owner's Percentage of Common Interest in the Common Elements bears to the Percentage of Common Interest of all Unit Owners in the Common Elements.

Section 17. **Annual Reports Required By Section 519A of the Not-For Profit Corporation Law.**

(a) The Board of Managers shall provide an annual report to the Unit Owners of the Condominium, which shall be signed by each such Director, containing information on any contracts made, entered into, or otherwise transaction pursuant to section seven hundred fifteen of the Not-For-Profit Corporation Law of the State of New York.

(b) The annual report required in subsection (a) of this Section 15 shall include, but not be limited to, the following:

(1) a list of all contracts voted on by the Board of Managers, including information on the contract recipient, contract amount, and the purpose of entering into the contract;

(2) the record of each meeting including Board Members attending, voting records for contracts, and how each director voted on such contracts; and

(3) the date of each vote on each contract, and the date the contract would be and remain valid.

(c) If the annual report required by Subsection (a) of this Section 15 would, notwithstanding the requirements of this Section contain no information because of the absence of any actions taken by the Board that would otherwise qualify for inclusion in such annual report, then the Board of Managers shall instead submit to the Unit Owners a document signed by each Board Member of the Board of Managers indicating: "No actions taken by the Board were subject to the annual report required pursuant to Section 519-A of the Not-For-Profit Corporation Law".

ARTICLE IV. OFFICERS

Section 1. Elective Officers.

The Officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one or more Assistant Secretaries and Assistant Treasurers and such other Officers as in their judgment may be necessary. All Officers must be Unit Owners or Members of the Board of Managers. Appointed Officers do not need to be Unit Owners or a Member of the Board of Managers. Two (2) or more offices may be held by the same person, except the President, who can only hold the office of President.

Section 2. Election.

The Board of Managers at its first meeting after each annual Residential Unit Owners Meeting shall elect a President, a Vice President, a Secretary and a Treasurer. Since there are three (3) seats on the Board and four (4) Officer positions all Officers, other than the President, can hold two (2) offices.

Section 3. Appointive Officers.

The Board of Managers may appoint such other Officers and agents as it shall deem necessary that shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Managers.

Section 4. Term.

The Officers shall hold office until their successors are chosen and qualify in their stead. Any Officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. If the office of any Officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President.

The President shall be the chief executive Officer of the Condominium; shall preside at all meetings of the Unit Owners and Members of the Board of Managers, the President shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board of Managers are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a stock corporation organized under the Business Corporation of the State of New York. The President may delegate obligations and responsibilities to other officers.

Section 6. The Vice-President.

The Vice-President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a corporation organized under the Business Corporation Law of the State of New York.

Section 7. The Secretary.

The Secretary and/or Assistant Secretary shall attend all sessions of the Board of Managers and all Unit Owners meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all Annual Meetings, any Special Meetings and Meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision the Secretary shall be.

Section 8. The Treasurer.

The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium as the Treasurer may be ordered by the Board of Managers, making proper vouchers for such disbursements and shall render to the President and Members, at the regular meeting of the Board of Managers or whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Condominium.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Section 9. **Agreements, etc.**

All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Managers.

ARTICLE V. NOTICES

Section 1. **Definition.**

Whenever under the provisions of the Declaration or of these By-Laws, notice ("Notice") is required to be given to the Board of Managers, any Member of the Board of Managers or any Unit Owner, Notice shall be provided by first class mail, courier service, facsimile telecommunications or by electronic mail to the respective party in the same manner as provided for a Notice of Meeting contained in Article II, Section 11 of these By-Laws.

Section 2. **Service of Notice Waiver.**

Whenever any Notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI. FINANCES

Section 1. **Checks.**

All checks or demands for money and notes of the Condominium shall be signed by the President and Treasurer, or by such other Officer or Officers or such other person or persons as the Board of Managers may from time to time designate.

Section 2. **Assessments.**

The Board of Managers shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the budget and supplement to the budget to every Unit Owner. The Board of Managers shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the General Common Elements and Individual Unit's Limited Common Elements that are the obligation of the Condominium and other Common Expenses including but not limited to the Common Expenses provided in Article VI, Section 3 of these By-Laws, as well as charges to cover any deficits from prior years.

The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the provisions of Section 9 hereof.

Said assessments shall be payable monthly or in such other manner as determined by the Board of Managers and shall be referred to as Common Charges.

The Board of Managers may also charge assessments greater than the Common Charges for expenses not contemplated, foreseen, or which exceed the amount budgeted. Said assessments shall be known as Special Assessments. The Board of Managers shall be entitled to charge a Special Assessment as a single sum or over time as it may determine. Unit Owners shall pay their portion of any Special Assessments in accordance with Section 9 of Article VI of the By-Laws.

The Unit Owners agree to pay promptly when due the monthly Common Charges and all Special Assessments assessed against the Unit . In the event any Unit Owner fails to make payment of the Unit Owner's Common Charge payment, the Unit Owner who owns such Unit shall be obligated to pay (a) a "late fee" of $.15 for each $1.00 of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) all expenses, including, without limitation, attorneys' fees paid or incurred by the Board of Managers or by any Managing Agent in any proceeding brought to collect such unpaid Common Charges and/or Special Assessments or in an action to foreclose the lien on such Unit Owner's Unit arising from said unpaid Common Charges and/or Special Assessments in the manner permitted by applicable law. All such "late fees," interest and expenses shall be cumulative and shall be added to and shall constitute Common Charges payable by such Unit Owner.

In the event of a default in the payment of Common Charges by any Unit Owner, the Board of Managers, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board of Managers shall send notice to the delinquent Unit Owner and any mortgagee of such Unit giving the Unit Owner a five (5) day grace period in which to make the late payment.

The Board of Managers may place a lien and act to collect any past due Common Charges from any Unit Owner which remains unpaid as provided in Article IX of these By-Laws from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339-aa of the Real Property Law or otherwise.

No Unit Owner shall be liable for any Common Charges, Special Assessments or other charges against a Unit which accrue against the Unit Owner's Unit subsequent to a sale, transfer or other conveyance of the Unit Owner in accordance with these By-Laws and the Declaration. A Unit Owner shall be liable for the payment

of all Common Charges. Special Assessments or other charges assessed by the Board of Managers against the Unit after acquiring title to the Unit, as well as any unpaid Common Charges, Special Assessments or other charges assessed against the Unit by the Board of Managers at the time the Unit is conveyed by means of a deed or other legal means of the conveyance, except for a mortgagee of an Institutional Mortgage whom shall be exempt for a portion of the Common Charges as provided below.

Notwithstanding any other provision in the Declaration or these By-Laws any mortgagee of an Institutional Mortgage as defined in the Declaration of Condominium who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid Common Charges, Special Assessments or other charges accrued against the Unit before acquisition of the title to the Unit by the mortgagee unless otherwise required by law. If the Condominium's lien priority includes costs of collecting unpaid Common Charges, Special Assessments and/or other charges against the Unit , the mortgagee of the Institutional Mortgage will be liable for any fees or costs related to the collection of unpaid Common Charges, Special Assessments and/or other charges. The unpaid balance of such Common Charges, Special Assessments and/or other charges against the Unit that may be waived will be charged to all other Unit Owners as a Common Expense. Upon acquisition of title to a Unit such mortgagee of an Institutional Mortgagee; its successors and assigns shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable thereafter.

Section 3. Purpose of Common Charges

The Common Charges shall be used to pay for the Common Expenses of the Condominium including but not limited to operation, repair and maintenance of the General Common Elements and any Individual Unit's Limited Common Elements that have been delegated to the Condominium for repair, maintain and replacement as provided for in the Declaration of Condominium and/or these By-Laws. All Unit Owners are responsible for their pro-rata share of the Common Charges as determined in Section 9 of this Article VI regardless of whether or not a Unit or Unit Owner utilizes the services for which the Common Charges are spent. Said Common Expenses shall include the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Article VII and the fees and disbursements of any Insurance Trustee as provided in Article VII, drainage, sewer, water and/or storm systems (including sewers, storm sewer and/or water pipes, drywells, detention tanks or other facilities servicing the drainage, sewer water and/or storm systems as applicable), and other Building wide obligations of the Condominium contained in the Declaration and these By-Laws, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, insurance; common utilities; labor; common water and sewer charges; legal and accounting; services and supplies; management fees; contingencies and any other expenses that are Common Expenses of the Condominium and to make up any deficit in the Common Expenses from any

prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease (if rentals are permitted) by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease (if rentals are permitted) such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale.

Section 4. **Foreclosures of Liens for Unpaid Common Charges.**

The Board of Managers shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board of Managers to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board of Managers shall have the power to hold, lease (if rentals are permitted), mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit. In either event the Owner shall be liable for all costs of suit, including reasonable attorney's fees.

Section 5. **Statement of Common Charges.**

Upon the written request of any Unit Owner or their mortgagee, the Board of Managers shall promptly furnish such Unit Owner or their mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

Section 6. **Liability for Utilities.**

Any utility, including electricity and gas, individually metered or sub-metered to a Unit shall be the sole expense of each applicable Unit Owner.

Section 7. **Operating Account.**

There shall be established and maintained a cash deposit account to be known as the "Operating Account", into which shall be deposited the operating portion of all monthly Common Charges and Special Assessments as fixed and determined for all Unit s. Disbursements from said account shall be for the general need of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the Common Elements and Common Expenses and for the purchase, lease (if rentals are permitted), sale or other expenses resulting from the purchase or lease (if rentals are permitted) of a Unit.

Section 8. **Other Accounts.**

The Board of Managers shall maintain any other accounts it shall deem necessary to carry out its purpose including a reserve account and working capital account.

Section 9. **Determination of Common Expenses and Fixing of Common Charges.**

The Board of Managers shall from time to time, and at least annually, prepare a budget for the operation of the General Common Elements and the General Residential Units' Limited Common Elements and Common Expenses of the Condominium, determine the amount of the Common Charges payable by the Unit Owner(s) to meet the Common Expenses of the General Common Elements and the General Residential Units' Limited Common Elements and other Common Expenses of the Condominium, and allocate and assess such Common Charges and Common Expenses among all the Unit Owners in proportion to their respective Common Interests in the Condominium as reflected in Schedule B of the Declaration of Condominium.

The Common Expenses of the Condominium shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Article VIII and the fees and disbursements of the Insurance Trustee. The Common Expenses will also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the General Common Elements, including any applicable drainage, sewer, water and/or storm systems (including sewers, storm sewer and/or water pipes, drywells, detention tanks or other facilities servicing the drainage, sewer water and/or storm systems), and the General Residential Units' Limited Common Elements, and other Building wide obligations of the Condominium contained herein, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale. Common Expenses of the Condominium may also include real estate taxes prior to the date the Units are separately assessed by the local taxing authority.

Any addition, alteration or improvement to the General Residential Units' Limited Common Elements shall be paid for solely by the Residential Unit Owners based upon their Residential Unit's square footage as reflected in Schedule B of the Declaration in relation to the total square footage of all the Residential Units as reflected in Schedule B of the Declaration.

All maintenance, repairs and replacements to a Commercial Unit and Commercial Unit's Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, will be made by the respective Commercial Unit Owner at its/their sole expense.

The portion of any increase in any insurance premium which may result from the specific use of a Commercial Unit shall be borne by the respective Commercial Unit Owner pursuant to Section 339-bb of the

Real Property Law of the State of New York.

The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges and Expenses are based, to all Unit Owners.

The Sponsor or its designee shall be responsible for the Common Charges assessed against each Unit owned by the Sponsor until such Unit is sold to a bona fide purchaser.

ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board of Managers.

The Board of Managers shall be required to obtain and maintain, to the extent obtainable from generally acceptable insurance carriers, the following insurance: blanket property insurance, liability insurance as provided below, flood insurance (if applicable), fidelity bond coverage and worker's compensation, insuring all of the Common Elements, no matter how classified and the Units in the Building of the Condominium (except land, foundations, excavation and other items normally excluded from coverage) including fixtures, to the extent they are part of the Common Elements of the Condominium, building service equipment and supplies and other common personal property belonging to the Condominium. In addition, any fixtures, equipment or other property within the Units which are to be financed by a mortgage (regardless of whether or not such property is part of the Common Elements, but not including wall, ceiling or door decorations or floor coverings, floors (if damage results from casualty that emanates from, is caused by, or created in a particular Unit), furniture, furnishings or other personal property supplied or installed by the Unit Owner(s) in the Unit(s)) contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building, exclusive of land, foundation, excavation and other items normally excluded from coverage. Each of such policies shall be in favor of the Condominium, and shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, there under shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee as defined below, hereinafter set forth; and such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee, and that the net proceeds thereof, if $40,000 or less, shall be payable to the Board of Managers, and if more than $40,000 shall be payable to the Insurance Trustee. Each Unit Owner and each Unit Owner's mortgagee, if any, shall be beneficiaries of the policy in the Percentage of Common Interest applicable to said Unit.

The blanket property insurance as provided above will commence with the Closing of Title to the first Unit.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of a Unit. Duplicate originals of all policies of physical damage insurance and of all renewals thereof together with proof of payment of premiums, shall be delivered to all mortgagees of a Unit at least ten (10) days prior to expiration of the current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all the Common Elements appurtenant thereto to determine the amount of fire insurance to be affected pursuant to this Section.

All policies must also provide for the following: recognition of any, Insurance Trust Agreement; a waiver of the right of subrogation against Unit Owners individually; that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Unit Owners collectively; and that the policy is primary in the event the Unit Owner has other insurance covering the same loss. All policies shall include the standard form of a "Special Condominium Endorsement" or its equivalent. All policies shall include an "Agreed Amount Endorsement" and, if available, an "Inflation Guard Endorsement".

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering the Common Elements, each Member and Officer of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall be a minimum of $1,000,000 covering all claims for bodily injury, deaths and property damage arising out of one occurrence in connection with the operation, maintenance or use of the Common Elements, and legal liability arising out of lawsuits related to employment contracts of the Condominium. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Condominium and to each holder of a first mortgage on any Unit in the Condominium which in listed as a scheduled holder of a first mortgage in the insurance policy. Such coverage may also include protection against such other risks as are customarily covered with respect to condominiums similar in construction, location and use, including, but not limited to, host liquor liability, employer's liability insurance, contractual and all-written contract insurance, and comprehensive automobile liability insurance. Such public liability insurance shall commence on the closing of title to the first Unit .

In addition to the above, blanket fidelity bonds shall be required to be maintained by the Condominium for all officers, directors and employees of the Condominium and all other persons handling or responsible for, funds of or administered by the Condominium. In the event a management agent has the responsibility for handling or administering funds of the Condominium, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Condominium. Such fidelity bonds shall name the Condominium as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Condominium or the management agent, as the case may be, at any given time during the term of each bond. In no event may the aggregate amount of such bonds be less than a sum equal to *3* months aggregate assessments on all Units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Condominium as a Common Expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Condominium or Insurance Trustee. Such bonds shall also provide that, if applicable, the Federal National Mortgage Association, ("Fannie Mae") Servicers on behalf of Fannie Mae, also receive such notice of cancellation or modification.

Unit Owners shall be required to carry individual insurance on their Units as provided in Section 4 below.

The portion of any insurance premium which results from the specific use of the Commercial Units shall be borne by the Commercial Unit Owners pursuant to Section 339-bb of the Real Property Law of the State of New York.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit

Section 2. **The Insurance Trustee.**

The Board of Managers on behalf of the Condominium, shall name an authorized representative, including any trustee with whom the Condominium may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee") who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose subject to the adjustment of loss provision contained in the first paragraph of this Section 1 of Article VII. The Insurance Trustee shall be a bank or trust company located in the State of New York, designated by the Board of Managers and costs associated with the Insurance Trustee shall constitute a Common Expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust

company located in the State of New York. The Insurance Trustee shall have a capital, surplus and undivided profits of $10,000,000 or more.

Section 3. Restoration or Reconstruction After Fire or Other Casualty.

In the event of damage to or destruction of the Building as a result of fire or other casualty (unless seventy-five [75%] percent or more of the Units are destroyed or substantially damaged and seventy-five [75%] percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Unit , and any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or floor coverings, floors (if damage results from casualty that emanates from, is caused by, or created in a particular Unit), furniture, furnishings, fixtures or equipment installed by Unit Owner(s) in the Unit(s)), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration more than the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to the respective Percentage of Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his or her Unit, in the order of the priority of such liens.

If the proceeds of physical damage insurance or condemnation awards on account of a Taking are less than $40,000 and the loss is limited solely to the Commercial or a Commercial Unit's Limited Common Elements, such proceeds shall be paid (i) entirely to the owner of the Commercial Units, if no part of the General Common Elements, General Residential Units' Limited Common Elements, or other Units are involved or (ii) to the owner of the Commercial Unit(s) and the Board of Managers if the General Common Elements and the Commercial Unit's Limited Common Elements are involved. In the latter case the net insurance proceeds or condemnation awards shall be shared by the Commercial Unit Owner(s) and the Board of Managers in proportion to the cost of repairing and restoring the Commercial Unit(s) (and/or a Commercial Unit's Limited Common Elements), the General Common Elements, the General Residential

Units' Limited Common Elements and the other Units, respectively.

Notwithstanding the foregoing, if only a Commercial Unit (including a Commercial Unit's Limited Common Elements) is destroyed or damaged by fire or other casualty or taken in a Taking, the owner of the Commercial Unit will alone make all arrangements for the prompt repair and restoration thereof, and if the net insurance proceeds or condemnation awards are insufficient to cover, or exceed, the cost, the Commercial Unit Owner will bear the entire amount of the deficit or shall receive all of the excess.

Similarly, if only the Residential Unit(s) and/or the General Residential Units' Limited Common Elements are damaged or destroyed by fire or other casualty or taken in a Taking and the insurance proceeds or condemnation awards are not sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus will be borne or shared entirely by all the Residential Unit Owners in proportion to their respective Common Interest in the Building.

Section 4. **Unit Owner Insurance.**

Each Unit Owner is required to carry insurance covering their contents, fixtures, personal property and improvements and betterments (collectively "Contents") and liability insurance covering their Unit and extended to include the Board of Managers, the Condominium, any Managing Agent and other Homeowners as additional insured's. Such insurance is subject to the approval of the Board of Managers in advance of the purchase of a Unit, in the Board of Manager's sole discretion. The policy shall be extended to include any additional insured including but not limited to the Sponsor, other Unit Owners and any Mortgagees. All such insurance must be provided by a carrier that is recognized as a licensed admitted carrier in the State of New York with a rating equal to a Best Rating Guide of AV or better. The Board of Managers reserves the right to alter or increase the coverage required hereunder at any time and from time to time. In addition to the foregoing, Unit Owners are instructed to carry coverage for loss of rents, water damage, sewer and drain back up and such other coverage for their contents as they may determine to be in their best interests.

ARTICLE VIII. RULES AND REGULATIONS

Section 1. **General.**

In addition to the other provisions of these By-Laws, the following house rules and regulations ("Rules and Regulations") together with such additional Rules and Regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Unit and the conduct of all residents and occupants thereof.

Section 2. **Rules and Regulations Applicable to All Unit Owners.**

(a) Use.

(i) All Residential Units shall be used for residential purposes only in accordance with municipal regulations. All rentals (if permitted) other than rentals by the Sponsor must be subject to local zoning ordinances and any City and State requirements.

(ii) The Commercial Unit(s) may be used for any lawful purpose permitted by applicable zoning of the City of New York.

(b) Owners, members of their families, their employees, guests and their pets, (if permitted), shall not use or permit the use of the Property in any manner which would be illegal or disturbing or a nuisance to other said owners, or in such a way as to be injurious to the reputation of the Condominium.

(c) The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

(d) Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner or such other person for whose conduct the Unit Owner is legally responsible.

(e) Maintenance.

(i) Every Unit Owner must perform promptly all maintenance and repair work to their own Unit and any Limited Common Element for the Unit Owner's exclusive use which is their sole responsibility and, which if not done would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which the Unit forms a part, the Unit Owner being expressly responsible for the damages and liabilities that the failure to do so may engender.

(ii) All the repairs to internal installations of the Unit located in and servicing only that Unit, such as telephones and sanitary installations shall be at the Unit Owner's expense.

(f) Structural Changes.

(i) No Residential Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Residential Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. In addition, no structural addition, alteration or improvement to any balcony or terrace which is a Limited Common Element shall be permitted unless required as part of the general maintenance, repair or replacement of said balcony or terrace. The Board of Managers shall have the obligation to answer any written request by a Residential Unit

Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed structural addition, alteration or improvement. No Residential Unit Owner shall make any structural addition, alteration or improvement in or to any Residential Unit or any Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a Certificate of Insurance prior to the commencement of the work naming the Board of Managers of The Stuyford Haus Condominium as an Additional Insured, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its Members and Officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Residential Unit or Limited Common Element for its exclusive use shall be completed by the Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

These provisions shall not apply to Residential Units owned by the Sponsor or its designee until such Residential Units shall have been initially conveyed by the Sponsor or such designee.

(ii) No alteration, addition or change to any part of the General Common Elements or General Residential Units' Limited Common Elements may be made and no structure or other improvement (including landscaping) may be built or placed on any portion of the Common Elements or Limited Common Elements without the written consent of the Board of Managers.

(iii) A Commercial Unit Owner shall be permitted to make a structural addition, alteration or improvement (of either a temporary or permanent nature) in or to a Commercial Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. However, a Commercial Unit Owner must notify the Board of Managers at least forty-five (45) days prior to any such structural addition, alteration or improvement and no Commercial Unit Owner shall make any structural addition, alteration or improvement in or to the Commercial Unit or any Limited Common Element for its exclusive use without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a Certificate of Insurance prior to the commencement of the work naming the Board of Managers of The Stuyford Haus Condominium as an Additional Insured, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its Members and Officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. A Commercial Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Commercial Unit or Limited Common Element for its exclusive use shall be completed by the Commercial Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

At the request of a Commercial Unit Owner, the Board will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair of the Commercial Unit or the operation thereof. The respective Commercial Unit Owner shall indemnify and hold the Board and the Unit Owners harmless from any liability resulting therefrom.

The Board of Managers will not have any right to restrict or limit the method of operation, use or appearance of any Commercial Unit which are permitted by law. No rules affecting the operation of the Commercial Unit maybe adopted or modified by the Board of Managers without the written consent of the Commercial Unit Owner.

(g) It is prohibited to hang garments, rugs, etc., from the windows, or from the Building or any Limited Common Element or to string clothes lines on or over the Common Elements (including any Limited Common Element) or to use any of the Common Elements for storage purposes except if specifically designated for such purposes.

(h) No Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Unit.

(i) No television or radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior of the Building without the prior written consent of the Board of Managers.

(j) Each Unit Owner shall keep their Unit and its appurtenant Limited Common Element in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(k) The entrances, passages, public halls, vestibules, corridors and stairways of the Condominium may not be obstructed or used for any other purpose other than ingress to and egress from the Units.

(l) No article (including, but not limited to, garbage cans, bottles or mats) may be placed in any of the passageways, public halls, vestibules, corridors or stairways of the Condominium, nor may any fire exit be obstructed in any manner.

(m) Neither Unit Owners, residents, occupants, tenants, agents, servants, licensees or their guests are permitted to play in, exercise or use for any unintended purposes, the entrances, passageways, public halls, vestibules, corridors and stairways of the Condominium.

(n) No public hall of the Condominium is permitted to be decorated or furnished by any Unit Owner in any manner.

Section 3. **House Rules and Regulations for the Residential Units and General Residential Units' Limited Common Elements.**

(a) The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Residential Area of the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units.

(b) No baby carriages, bicycles, scooters, or similar vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

(c) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases of the Building, nor shall any fire exit thereof be obstructed in any manner.

(d) Nothing shall be hung or shaken from any doors, windows, balconies or terraces, or placed upon the exterior window sills, of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance there from. The Common Elements, General Residential Units' and Individual Unit's Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(e) There shall be no playing or lounging in the elevators, entrances, passageways, public halls, vestibules, corridors, or stairways, of the Building, except in designated recreational areas, if any, or other areas designated as such in the Declaration or by the Board.

(f) The Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements and/or General Residential Units' Limited Common Elements that may be devoted to storage, recreation, or service purposes in the Building.

(g) Nothing shall be done or kept in any Residential Unit or in the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board. No Residential Unit Owner shall permit anything to be done or kept in their Residential Unit or in the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Residential Unit Owner or any of the Residential Unit Owner's family members, tenants, agents, servants, employees, licenses, or visitors shall, at any time, bring into or keep in their Residential Unit or Common Areas any inflammable, combustible, or explosive fluid, material, chemical, or substance, except

as shall be necessary and appropriate for the permitted uses of such Residential Unit or the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit.

(h) No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from their Residential Unit or the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a Compact Disk Player, Ipod, computer, phonograph, radio, television set, or other similar equipment in such Residential Unit Owner's Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M.

(i) No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Managers.

(j) No Residential Unit Owner shall install any plantings in the Common Elements or the Individual Residential Limited Common Elements that are for the exclusive use of an individual Residential Unit without the prior written approval of the Board. It shall be the responsibility of the Residential Unit Owner to maintain all plantings in the Residential Units and Individual Residential Unit's Limited Common Elements to prevent any damage to floors, walls or any other part of the Building. Residential Unit Owners shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

(k) In the event that any Residential Unit shall be used for home occupation or professional purposes in conformance with the Declaration and the By-Laws and applicable zoning, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

(l) The balconies and terraces designated as Individual Residential Unit's Limited Common Elements, are not permitted to be used for storage and are not permitted to be enclosed. No barbecuing is permitted on any balcony or terrace. No boxes, hanging appurtenances or antennas may be placed on the balconies. Only outdoor furniture may be placed on the balconies. All drains located on a balcony or terrace must be kept open at all times. No above ground pools, hot tubs or similar type of equipment are permitted on any balcony, terrace or any rooftop area. Balconies

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

(m) No ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board of Managers, which approval may be granted or refused in the sole discretion of the Board of Managers.

(n) No sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease", or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or By-Laws or shall have been approved in writing by the Board of Managers or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

(o) All radio, television, or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(p) No television or radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior of a Residential Unit or the Building without the prior written consent of the Board of Managers. The Board of Managers may adopt such rules and regulations pertaining to antenna so as to comply with the Federal Communications Commission rules adopted on October 14, 1996.

(q) Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of such Residential Unit.

(r) Each Residential Unit Owner shall keep their Residential Unit and any Individual Residential Unit Limited Common Elements that are for the exclusive use of an individual Residential Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(s) The agents of the Board of Managers or the Managing Agent, and any contractor or workman authorized by the Board or the Managing Agent, may enter any room in a Residential Unit at any reasonable hour of the

day, on at least one day's prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

(t) The Board of Managers or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Board of Managers or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to their Residential Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board of Managers or the Managing Agent, then the Board of Managers 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 Residential Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

(u) If any key or keys are entrusted by a Residential Unit Owner, by any family member thereof, or by their agent, tenant, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Residential 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 Residential Unit Owner, and neither the Board nor the Managing Agent shall (Except as provided in Rule (u) above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(v) No Residential Unit Owner of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

(w) Any Residential Unit Owner who mortgages or sells or sublets their Residential Unit shall immediately notify the Board of Managers, providing the name and address of the new mortgagee or new Residential Unit Owner within thirty (30) days of the closing of the mortgage, within thirty (30) days of the execution of the Purchase Agreement of the sale of the Residential Unit for the new Purchaser or thirty (30) days prior to any tenant occupying the Residential Unit, whichever is applicable.

(x) The Board of Managers shall, at the request of a mortgagee of the Residential Unit, report any delinquent assessments due from the Owner of such Residential Unit.

(y) Every Residential Unit Owner shall be liable for any and all damage to the Common Elements, which shall be caused by said Residential Unit Owner, the Residential Unit Owner's permitted lessees and occupants of Residential Units, their respective family members and guests and such other person for whose conduct the Residential Unit Owner is legally responsible.

(z) Residential Unit Owners will faithfully observe the procedures established from time to time by the Board of Managers or the Managing Agent with respect to services provided and the management of the Building.

(aa) Residential Unit Owners will be permitted to keep indoor dogs or cats only in their Residential Unit except that no animals may be kept or maintained in a Residential Unit for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property upon fifteen (15) days written notice from the Board of Managers. In no event shall any animal be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash and in compliance with the local and municipal rules and regulations regarding pets. All Residential Unit Owners shall be responsible for picking up and disposing of their pets' waste and for any damage caused by their pets to any Common Elements of the Condominium.

(bb) All Residential Unit Owners shall keep their thermostats at a minimum of 60 degrees Fahrenheit to prevent freezing of pipes. Any Residential Unit Owner failing to adhere to this requirement shall be responsible for any damage done to the Common Elements of the Condominium and/or any other Unit.

(cc) (i) All Residential Unit Owners must notify the Board of Managers or the Managing Agent (if any) in writing when a Child or Children under the age of eleven (11) years lives or resides (even temporarily) in the Residential Unit. Each Residential Unit Owner shall install, at the Residential Unit Owner's expense, any required Window Guards in all windows of the Residential Unit and shall not remove them until permitted by applicable law and in any event, without the full knowledge of the Board of Managers or Managing Agent (if any).

(ii) No window guards or window decorations (other than curtains and window treatments which conform to the By-Laws) are permitted to be used in or about any Residential Unit, unless otherwise required by law, except such as will have been approved in writing by the Board of Managers. The Board of Managers shall have the right to

designate or approve a contractor to do any of such work at the Residential Unit Owners' sole expense. In no event however, shall any exterior glass surface of any windows of a Residential Unit be colored or painted. In the event window guards are required in a Residential Unit, the cost of installing the window guards shall be the sole responsibility of the Residential Unit owner.

(dd) Corridor doors are required to be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(ee) Except as permitted under the Declaration and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees are not permitted at any time or for any reason whatsoever to enter upon or attempt to enter upon the roofs of the Building.

(ff) No group tour or exhibition of any Residential Unit or its contents may be conducted, nor will any auction sale or other sale of contents be permitted to be held in any Residential Unit, without the prior written consent of the Board of Managers.

(gg) The following rules and regulations shall be applicable to the Residential elevator in the Building:

(i) The Residential elevators shall be used exclusively by the Residential Unit Owners, all occupants of the Residential Unit, all tenants, licensees and guests of the Residential Unit and all permitted individuals and service personnel permitted by the Residential Unit Owner.

(ii) The Residential elevator of the Condominium may not be obstructed or used for any other purpose other than ingress to and egress from the Residential Units or halls and floors of the Condominium.

(iii) No article (including, but not limited to, garbage cans, bottles or mats) may be placed in the elevator.

(iv) Neither Residential Unit Owners, residents, guests, tenants, clients, employees, licensee or occupants are permitted to play in or exercise in the Residential elevator of the Condominium.

(v) Neither the Residential elevator nor Residential elevator cab are to be decorated or furnished by any Unit Owner in any manner.

(vi) All vendors, contractors, sub-contractors and other personal transporting of any equipment, appliances, furniture, plants or other fixtures to a Residential Unit must utilize the Residential elevator at times designated for such purpose by the Board of Managers. All Residential Unit Owners, tenants or other residents of the Building moving in or out or transporting any equipment, appliances, furniture or plants or other fixtures must utilize the elevator at times designated for such purpose by the Board of Managers. The Board

of Managers may charge a move in and/or move out fee and require protective padding or other materials to be used.

(vii) The Board of Managers shall be authorized to adopt separate rules and regulations regarding the Residential elevator for use as a service elevator including hours of operation, a move in and move out fee and such other rules and regulations to insure the efficient operation and use of the Residential elevator.

(hh) No Residential Unit Owner shall make any changes, additions or alterations to a Residential Unit prior to the issuance of a Permanent Certificate of Occupancy for the Building and/or Residential Unit. No Residential Unit Owner shall make any changes, additions or alterations to a Residential Unit that will prevent the renewal or extension of a Temporary Certificate of Occupancy and/or a Permanent Certificate of Occupancy for the Residential Unit or Building. Any Residential Unit Owner making such change, addition and/or alteration shall be solely liable and responsible and shall pay all costs and expenses required to replace and/or repair the Residential Unit as may be required by the Department of Buildings of the City of New York or any other City, State or Municipal agency so that the Residential Unit and/or Building shall obtain a renewal or extension of a Temporary Certificate of Occupancy and/or the issuance of a Permanent Certificate of Occupancy. In the event the Residential Unit Owner fails to replace and/or repair the Residential Unit so as to obtain an extension or renewal of a Temporary Certificate of Occupancy and/or issuance of a Permanent Certificate of Occupancy, the Board of Managers of the Condominium shall have the right to enter into and upon the Residential Unit upon reasonable notice and make all necessary changes required to obtain an extension or renewal of a Temporary Certificate of Occupancy or the issuance of a Permanent Certificate of Occupancy. All costs and expenses, including reasonable legal fees, incurred by the Condominium shall be charged to the Residential Unit Owner and additional Common Charge to the Residential Unit Owner.

(ii) The Board of Managers shall have the right to promulgate rules and regulations regarding the recreational area/amenities located in the cellar and the rear yard courtyard including requiring a deposit for any potential damage caused to these areas/amenities and charging a fee for said use. No barbequing is permitted in the rear courtyard, unless barbequing is not in violation of any municipal or fire code and prior written approval is received by the Board of Managers.

(jj) The rooftop of the Building is not to be used, occupied or accessed for any purpose other than for maintenance of the mechanical equipment located thereon as authorized by the Declaration and By-Laws.

(kk) No structural additions, alterations or improvements to a Storage Space will be permitted.

(ll) Storage Spaces may only be utilized by the Residential Unit Owner and occupants of the Residential Unit, including tenants of the Residential Unit to which the Storage Space is designated as a Limited Common Element except as otherwise provided in Article XII of the By-Laws.

(mm) Storage Spaces are to be used for storage of general household items. The Unit Owners, their occupants and tenants will not be permitted to store any combustible material or other items in a Storage Space that may be illegal or cause the Condominium insurance to be increased or is not in compliance with the building code of the City of New York.

(nn) Any written consent or approval given under these Rules and Regulations applicable to the Residential Units may be amended, modified, added to, or repealed at any time by resolution of the Residential Members of the Board. Any such written consent or approval may, in the discretion of the Residential Members of the Board or the Managing Agent, be conditional in nature.

(oo) The Residential Members of the Board of Managers reserve the right to rescind, alter, waive or add, as to one or more or all Residential Unit Owners, occupants, lessees, guests and any other person residing in the Building, any Rule or Regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Residential Members of the Board of Managers, the Residential Members of the Board of Managers deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or for the operation or maintenance of the Condominium or the equipment thereof, or the comfort of Residential Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any Rule or Regulation in respect of one Residential Unit Owner or other occupant will operate as a rescission, alteration or waiver in respect of any other Residential Unit Owner or other occupant.

(pp) Complaints regarding the service of the Condominium shall be made in writing to the Board of Managers or to any Managing Agent.

Section 4. **Rules and Regulations for the Commercial Units and Limited Common Elements.**

(a) The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building for the exclusive use of a Commercial Unit shall not be obstructed or used for any purpose other

than ingress to and egress from the Commercial Unit. No vehicle belonging to a Commercial Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, agent, customer or client of a Commercial Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to or exit from the Building.

(b) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases of the Condominium servicing a Commercial Unit, nor shall any fire exit thereof be obstructed in any manner.

(c) Nothing shall be hung or shaken from any doors, windows, or placed upon the exterior window sills, of a Commercial Unit, and a Commercial Unit Owner shall not sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance there from.

(d) Nothing shall be done or kept in any Commercial Unit or a Commercial Unit's Limited Common Element for the exclusive use of an individual Commercial Unit that is not used in conjunction with the operation of the Commercial Unit's business or practice that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board. No Commercial Unit Owner shall permit anything to be done or kept in their Commercial Unit or a Commercial Limited Common Element for the exclusive use of an individual Commercial Unit, 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 Commercial Unit Owner or any of its tenants, agents, servants, employees, licenses, visitors, clients, patients or customers shall, at any time, bring into or keep in their Commercial Unit or a Commercial Unit's Limited Common Element for the exclusive use of an individual Commercial 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 or a Limited Common Element for the exclusive use of the individual Commercial Unit.

(e) All construction, repair work, or other installation involving noise shall be conducted in the Commercial Unit only on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Managers.

(f) No bird, reptile, or animal shall be permitted, raised, bred, kept, or harbored in the Commercial Unit, except as shall be necessary and appropriate for the permitted uses of such Unit or a Limited Common Element for the exclusive use of an individual Commercial Unit.

(g) No patients, clients, or other invitees of a Commercial Unit Owner or its tenant shall be permitted to wait in any lobby, public hallway, or vestibule used for the Residential portion of the Building or use the elevator restricted for the Residential Unit Owners or utilize any portion of the Residential Area.

(h) All radio, television, or other electrical equipment of any kind or nature installed or used in a Commercial 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 Commercial Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(i) Water-closets and other water apparatus in a Commercial Unit 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 Commercial Unit shall be repaired and paid for by the owner of such Commercial Unit.

(j) Each Commercial Unit Owner shall keep their Commercial Unit and the Commercial Unit's Limited Common Elements designated to a Commercial Unit for the Commercial Unit's exclusive use in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(k) All Commercial Unit Owners shall keep their thermostats at a minimum of 60 degrees Fahrenheit to prevent freezing of pipes. Any Commercial Unit Owner failing to adhere to this requirement shall be responsible for any damage done to the Common Elements of the condominium and/or any other Unit.

(l) The agents of the Board or the Managing Agent, and any contractor or workman authorized by the Board or the Managing Agent, may enter any room in a Commercial Unit at any reasonable hour of the day, on at least one day's prior notice to the Commercial Unit Owner, for the purpose of inspecting such Commercial 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 Commercial Unit for its permitted purposes.

(m) Complaints regarding the service of the Condominium shall be made in writing to the Board of Managers or to the Managing Agent.

(n) The Board of Managers shall not interfere with the business operation of a Commercial Unit unless it affects the General Common Elements, General Residential Units' Limited Common Elements or the structural integrity of the Building and/or is a violation of any municipal or state code or statute.

(o) Each Commercial Unit Owner and/or their tenants shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building. During the Sponsor Control Period and thereafter, no sign may be erected or maintained by the Commercial Unit Owner without the prior written consent of the Sponsor or Board of Managers, as applicable.

(p) Each Commercial Unit Owner shall have the right, without the payment of any fees or charges to the Board, to sell or lease the Commercial Unit without interference by the Board. All sale or rental proceeds shall belong solely to the applicable Commercial Unit Owner.

These Rules and Regulations applicable to the Commercial Units may not be amended, modified, added to, or repealed without the written consent of the Member of the Board of Managers representing the Commercial Unit(s).

Section 5. Restrictions on Smoking.

The Smoke-Free Air Act of New York City prohibits Smoking and using E-cigarettes of any kind in indoor common areas, including but not limited to, lobbies, hallways, stairwells, mailrooms, fitness areas in any building with three or more residential units. NYC Admin. Code, § 17-505. Effective as of August 28, 2018, Local Law 147 of the City of New York became effective. Local Law 147 amends the Administrative Code of the City of New York to require that all class A multiple dwellings (i.e. buildings with 3 or more residential dwelling units) adopt a written smoking policy (the "Smoking Policy"). In compliance with Local Law 147 the following is the smoking policy that will apply to this Condominium:

(a) Definitions:

(i) Smoking: Inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designated for people to use to inhale smoke.

(ii) Electronic Cigarette (E-cigarette): A battery-operated device that heats a liquid, gel, herb or other substance and produces a vapor for people to inhale.

(b) Policy:

(i) All types of Smoking and use of Electronic Cigarettes as defined above are prohibited from all Common Elements and common areas of the Condominium, including but not limited to any lobby, hallway, stairwell, mailroom, fitness room or other recreational facility, meeting room, storage area, mechanical room, equipment room, cellar, basement, elevator, rooftop, play areas, shared balconies, shared courtyards, shared patios, shared porches, shared yards and/or any outdoor common area within 15 feet of entrances, exits, windows, and air intake units on property grounds.

(ii) All types of Smoking and Electronic Cigarette use are prohibited from any patio, balcony and/or terrace or any space designated as an Individual Residential Unit's Limited Common Element appurtenant to the Residential Unit.

(iii) All legal Smoking and Electronic Cigarette use is permitted within the interior area of a Residential Unit.

(iv) The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, customers, patients, clients, licensees, employees and all persons that may be in or on any portion of the Condominium.

(v) Any Unit Owner who leases their Unit (if permitted) shall incorporate the provisions of the Smoking Policy into the lease with the Unit Owner's tenant.

(c) Complaints:

Complaints about smoke drifting into a Unit or common area should be made promptly to the Managing Agent, if applicable, or Board of Managers. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location where smoke was observed, building address, description of incident and apparent source of smoke.

The Smoking Policy shall be applicable to all Unit Owners, residents, tenants, guests, customers, patients, clients, licensees, employees and all persons that may be in or on any portion of the Property and any Building located thereon constituting the Condominium. Pursuant to the requirements of Local Law 147 all tenants in the Building are required to receive a copy of the Building's Smoking Policy and the

Smoking Policy must be incorporated into all leases or interim leases. The provisions of Local Law 147 of the City of New York shall take precedent in the event of any conflict with the Smoking Policy contained herein.

Section 6. Restrictions on Pets.

Unit Owners will be permitted to keep indoor dogs or cats in their Unit subject to the provisions of this regulation. The foregoing notwithstanding, no breed or mix of dog, including American Pit Bulls, Terrier or Rottweiler, deemed to be dangerous to the safety of the residents of the Condominium shall be permitted to be kept or harbored in the Condominium or any Unit. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium and unless the dog is a qualified service dog under the American Disabilities Act required for a qualified resident, tenant (if rentals are permitted) and/or guest. No animals may be kept or maintained in a Residential Unit for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance, or noise shall be permanently removed from the Property upon fifteen (15) days written notice from the Board of Managers. All Unit Owners shall advise the Board of Managers of any household pet intended to be kept in their Unit prior to the household pet residing therein. In addition to the above restrictions, the Board of Managers shall have the right to further adopt additional rules and regulations regarding pets including, but not limited to limiting the number, size and type of pet including but not limited to the type of breed of such pet permitted to be kept in a Unit. In no event shall any animal be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash and in compliance with the local and municipal rules and regulations regarding pets. All Unit Owners shall be responsible for picking up and disposing of their pet's waste and for any damage caused by their pets to any Common Elements of the Condominium.

Section 7. Violations of Rules and Regulations.

(a) Upon receipt, by the President of the Board of Managers or by the Managing Agent, of a signed written complaint alleging violation of any of the Rules and Regulations or other provisions of the By-Laws as herein established or hereafter established or adopted by the Board of Managers, the President of the Board of Managers, or in the President's absence, the Vice President together with a minimum of two (2) other Members of the Board of Managers, without a formal meeting of the Board of Managers, shall make a determination as to the validity of the complaint. Any Unit Owner accused of a violation of the Rules and Regulations or other provisions of the By-Laws shall be entitled to receive written notice by registered mail of such accusation. The written notice shall contain the following statements:

i) A copy of the Rule and Regulation, By-Law provision or provision of the Declaration of Condominium the Unit Owner has violated and a

description of the manner in which the Unit Owner violated the Rule and Regulation, By-Law provision or provision of the Declaration of Condominium.

ii) A time and place at which the Unit Owner shall be given the opportunity to present a defense before final action is taken.

(b) If, after said notice and hearing it is determined that the complaint is valid and justified the Managing Agent, if any, or the Board of Managers if no Managing Agent, shall be directed to send written notice to the violator levying a fine or up to two hundred and fifty ($250) dollars upon the violator and instructing the violator to cease, desist, stop, curtail, correct or eliminate the violation, if applicable, within a period of three (3) days from the date of receipt of such notice. Such fine is to be considered as an additional Common Charge obligation to the account of the violator and shall be treated as such regarding late penalties and a lien upon the property as elsewhere provided for in the Declaration of Condominium or By-Laws. If the Unit Owner does not cease, desist, stop, curtail, correct or eliminate the violation, the Board of Managers may assess additional fines of up to two hundred and fifty ($250) dollars each after serving written notice upon the violator as provided for above and may continue to levy additional fines of up to two hundred and fifty ($250) dollars every 30 days thereafter. The initial fine and any additional fines shall be cumulative. If the violation results in loss of or damage to property classified as a Common Element, the Board of Managers shall itself or direct the Managing Agent, if employed, to have said loss or damage repaired or replaced and the actual cost of said repair or replacement shall be assessed to the violator as an additional Common Charge.

(c) During the period the Sponsor or its designee own at least one (1) Commercial Unit any complaint alleging a violation of any Rule or Regulation applicable to a Commercial Unit shall require the vote of the one (1) Commercial Member of the Board of Managers who shall be one (1) of the three (3) Board Members hearing the complaint. At such time as the Sponsor no longer owns a Commercial Unit the procedure regarding a violation of a Rule or Regulation applicable to a Commercial Unit Owner shall be as provided for in Article VIII Section 6(b) above except that the Commercial Unit Owner Member of the Board is required to be one (1) of the Board Members hearing the complaint.

(d) In addition to the right to issue fines for violations of the Rules and Regulations as provided above the Board of Managers shall be entitled to any other remedies that may be available to the Board to enforce the Declaration of Condominium, the By-Laws and/or the Rules and Regulations of the Condominium.

Section 8. **Costs.**

Any costs incurred by the Board of Managers to remedy or cure any violation of these By-Laws, the Rules and Regulations as herein or hereafter established, shall be an additional Common Charge charged to the violator in addition to the Two Hundred Fifty ($250) Dollar fine(s) levied upon the violator. In the event a Unit Owner's tenant violates the provisions of any Rule and Regulation, any other provision of the By-Laws or any provision of the Declaration of Condominium, fines may be levied against a Unit Owner's tenant, and the Unit Owner shall be jointly and severally liable with the Unit Owner's tenant for the payment of same.

In the event the Board of Managers institutes legal action for the collection of any fines or the enforcement of any of the provisions of the Declaration, By-Laws and/or Rules and Regulations of the Condominium, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Condominium, plus interest and costs of suit.

Section 9. **Board of Managers Right to Change Rules and Regulations.**

Except as may be otherwise provided in this Article VIII, the Board of Managers shall have the following rights:

(a) Any written consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Board of Managers. Further, any such written consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

(b) The Board of Managers reserves the right to rescind, alter, waive or add, as to one or more or further all Unit Owners, occupants, lessees, guests and any other person residing in the Building, any Rule or Regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Board of Managers, the Board of Managers deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium or the preservation of good order therein, or for the operation or maintenance of the Condominium or the equipment thereof, or the comfort of the Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any Rule or Regulation in respect of one Unit Owner, occupant lessee, guest or other person residing in the Building will operate as a rescission, alteration or waiver in respect of any other Unit Owner. Any rescission, alteration, waiver or addition to the Rules and Regulations that is solely applicable to the Commercial Unit(s) requires the written approval of the one (1) Commercial Unit Member of the Board of Managers. Any rescission, alteration, waiver or addition to the Rules and Regulations that

is solely applicable to the Residential Units requires the written approval of a majority of the Residential Unit Members of the Board of Managers.

(c) The Board shall have the right to increase the maximum amount of a fine imposed on the Unit Owners. If the Board increases the maximum amount of a fine as it applies to all Unit Owners it shall do so only after a notice has been sent to the Unit Owners advising them of the increase.

Section 10. Sponsor.

The above provisions shall not apply to the Sponsor unless required: (a) to comply with applicable laws or regulations, or (b) to remedy any notice of violation.

ARTICLE IX. DEFAULT

In the event a Unit Owner does not pay any Common Charges, Special Assessments, fines, late fees or any other sums, charges or assessments required to be paid when due, as determined by the Board of Managers, the Board of Managers, acting on behalf of the Condominium shall notify the Unit Owner and the mortgagee, if any, of such Unit and may place a lien on such Unit pursuant to the provisions of Section 339-z of the Real Property Law of the State of New York.

In the event a Unit Owner does not remit payment of their Common Charges, Special Assessments, fines or any other sums, charges or assessments required to be paid when due, the Unit Owner shall be required to pay all late fees and other fees as provided for in Article VI, Section 2 of these By-Laws.

The Board of Managers may act to foreclose any lien for past due Common Charges, Special Assessments, late fees, fines or any other sums, charges or assessments required to be paid, in accordance with Section 339-aa of the Real Property Law or other applicable statute. In any such foreclosure the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to judgment of foreclosure and sale and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the same.

During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges, Special Assessments, or any other sums, charges or assessments required to be paid.

The Board of Managers (on behalf of the Unit Owners), at the Board of Managers option, shall have the right to bring suit to recover a money judgment for unpaid Common Charges Special Assessments, fines, late fees or any other sums, charges or assessments as determined by the Board of Managers without foreclosing or waiving the lien securing such unpaid Common Charges Special Assessments, fines, late fees

or other sums, charges or assessments. In such an event the Unit Owner shall be liable for the reasonable costs and reasonable attorney's fee incurred by it incident to the collection of the unpaid Common Charges Special Assessments, fines, late fees or any other sums, charges or assessments as determined by the Board of Managers.

Notwithstanding anything contained herein regarding the Common Charges, Special Assessments, fines, late fees or any other sums, charges or assessments as determined by the Board of Managers, any foreclosure by a holder of an Institutional Mortgage shall be subject to the provisions of Article VI, Section 2 of these By-Laws.

ARTICLE X. AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (a) that the notice of the meeting shall contain a full statement of the proposed amendment; (b) that the amendment shall be approved by not less than sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number and Percentage of Common Interest and (c) said amendment shall be set forth in a duly recorded amendment to the Declaration. In addition, the following shall apply to amendments to the By-Laws:

(a) No amendment shall be passed which will affect or impair the validity of the Unit Owners' interest in a Unit.

(b) No amendment, modification, addition or deletion of, to or from the By-Laws or any Rules and Regulations shall be effective in any way against Sponsor or its designee, assignee or successor or any Unsold Unit, as long as the Sponsor, its designee, assignee or successor owns an Unsold Unit in the Condominium unless Sponsor, its designee, assignee or successor has given its prior written consent thereto. This provision is not subject to amendment.

(c) Notwithstanding any provision contained herein to the contrary, an Amendment to the By-Laws which solely affects the Residential Unit(s) or the Individual Unit(s) Limited Common Elements may only be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of only the affected Residential Unit Owners.

(d) No amendment to the By-Laws which shall affect the General Residential Units' Limited Common Elements may be adopted without the written consent of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of the Residential Unit Owners.

(e) Notwithstanding any provision contained herein to the contrary, an Amendment to the By-Laws or any provision thereof which solely affects the Commercial Unit, may only be adopted with the written consent of the Commercial Unit Owner(s).

(f) The Board of Managers shall have the right to amend these By-Laws without the written consent of the Unit Owners to make corrections to the By-Laws that are patent errors, inconsistencies, scrivener's errors and technical errors. In connection therewith, each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Board of Managers to amend these By-Laws for said purposes.

(g) No amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights and priorities of a mortgagee.

(h) The Sponsor shall have the right to amend the By-Laws without the written consent of the Unit Owners or the Board of Managers to (a) make corrections that are patent errors, inconsistencies, scrivener's errors or technical errors, to conform to other documents, or (b) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies, or (c) to reduce the Sponsor control period of the Board of Managers, or (d) to comply with any federal, state or local law or regulation that may affect the Condominium. In connection therewith, each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest, to the Declarant, its successors, assigns and purchasers of undeveloped or unsold Units to amend these By-Laws for said purposes.

(i) In addition, in the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; method of assessments, assessment liens, reserves for maintenance, repair and replacement of Common Elements, or subordination of assessment liens; responsibility for maintenance and repairs; reallocation of interests in the General or Individual Unit's Limited Common Elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI of these By-Laws; imposition of any restrictions on a Unit Owner's right to sell or transfer the Unit Owner's Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible first mortgage holder; restoration or repair of the project (after a hazard damage or partial

condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or in the event condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to these By-Laws shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

ARTICLE XI. SELLING, MORTGAGING AND LEASING UNITS

Section 1. Selling and Leasing Units.

Any Unit may be conveyed or leased (if rentals are permitted), subject to the leasing requirements contained in Section 2, subject to local zoning ordinances, by its Unit Owner free of any restrictions except that no Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease (if rentals are permitted) their Unit unless and until all unpaid Common Charges, Special Assessments, late fees, fines or any other sums, charges or assessments required to be paid that have been assessed against the Unit Owner's Unit shall have been paid to the Board of Managers of the Condominium. However, such unpaid Common Charges, Special Assessments, late fees, fines or any other sums, charges or assessments required to be paid that have been assessed against the Unit Owner's Unit can be paid out of the proceeds of the sale of a Unit, or by the Grantee. Notwithstanding the above any Unit Owner who wishes to enter into a lease (if rentals are permitted) for the Unit Owner's Unit shall be required to provide the Board of Managers of the Condominium with a copy of the lease (if rentals are permitted) prior to its execution. All leases (if rentals are permitted) must comply with all the requirements contained in Section 2 below. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium. Further, any Unit Owner may convey the Unit Owner's Unit and common interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners free of any cost to the Board or the Unit Owners and upon such conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit. Any sale or lease (if rentals are permitted) of any Unit in violation of this section shall be voidable at the election of the Board of Managers.

Whenever the term "Unit" is referred to in this section, it shall include the Unit, the Unit Owner's undivided interest in the Common Elements and the Unit Owner's interest in any Units acquired by the Board of Managers.

Section 2. **Leasing Requirements for Residential Units.**

Pursuant to the provisions of Section 421-a (16) of the Real Estate Tax Law of the State of New York ("Section 421-a (16)") a Residential Unit Owner is required to maintain their Residential Unit as the Residential Unit Owner's primary residence for at least the first five (5) years of acquisition of the Residential Unit. As a result, in the event a Residential Unit is subject to the provisions of Sections 421-a (16) the Residential Unit will not be able to be leased or rented by the Residential Unit during said period. Notwithstanding the foregoing, the minimum five (5) year period of occupancy necessary to establish whether such Residential Unit is the Residential Unit Owner's primary residence shall not be deemed to be interrupted by any period during which such owner temporarily relocates because he or she: (i) is engaged in military duty; (ii) is enrolled as a full-time student; (iii) is not in residence at the Residential Unit pursuant to a court order not involving any terms or provisions of the occupancy agreement, and not involving any grounds specified in the New York State Real Property Actions and Proceedings Law; (iv) is engaged in employment requiring temporary relocation from such Residential Unit; (v) is hospitalized temporarily for medical treatment; or (vi) has other reasonable grounds that shall be determined by the New York City Department of Housing Preservation ("HPD"). Subsequent to or during said period, if rentals are then permitted pursuant to Section 421-a (16) or if said provisions are held invalid or if the Residential Unit is not subject to the provisions of Section 421-a (16) then, except as noted in Sections 3, 4 and 5, every lease on every Residential Unit in the Condominium is subject to the provisions of this Section 2 and the following rules and regulations, regardless of whether stated in the lease:

(a) A copy of the lease must be provided to the Board of Managers at least thirty (30) days prior to occupancy of a tenant;

(b) the lease must be in writing;

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

(d) the lease must be for a minimum of a one (1) year term. Renewals shall also be for a minimum of a one (1) year term;

(e) the form of the lease and any renewal lease is subject to the review and approval of the Board of Managers and must contain a provision that the tenant agrees to be subject to the Declaration, the By-Laws and Rules and Regulations of the Condominium and agrees to accept the power of attorney of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the Rules and Regulations of the Condominium.

(f) payment of management fee of $225 per lease agreement (including each renewal thereof) to Manhasset Management, LLC for as long as it is the Managing Agent, and thereafter to the Board of Managers.

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

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

Managing Agent to a Member of the Board of Managers of the Condominium;

(i) within forty-five (45) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent to the Board of Managers of the Condominium for review;

(j) the Residential Unit cannot be used as a motel or hotel or otherwise for transient rental or such services such as Airbnb;

(k) the lease must contain the Smoking Policy provisions contained in Article VIII, Section 2 of these By-Laws; and

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

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

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

To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Units in the Condominium, only subsections (c), (g), (h), (i), (j), (k), and (l) above shall apply to a first mortgage lender who has title to the Unit through (a)

foreclosure of its first mortgage on the Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Unit. Any subsequent purchaser from the first mortgage lender is subject to all the terms of Article XI of the By-Laws. In addition, the provisions of Article Twelfth of the Declaration of Condominium regarding an Institutional Mortgage shall be applicable regarding unpaid Common Charges accrued before acquisition of title of a Unit by the mortgagee.

The foregoing restrictions of Sections 1 and 2 of this Article XI shall not apply to Sponsor-owned Residential Units or any mortgagee acquiring title to a Residential Unit, in a foreclosure or otherwise or to the Commercial Unit (or Commercial Units if subdivided). The Sponsor, its successors, assignees or designees and any mortgagee acquiring title to a Residential Unit in a foreclosure or otherwise shall have the right to freely sell their Residential Unit or to freely lease all or any part thereof as long as the lease and use by a tenant is compliant with the permitted use of the Residential Unit under applicable zoning and occupancy requirements.

Any Residential Unit Owner acquiring title from the Sponsor or from a mortgagee will be subject to all the provisions of this Section 2.

Section 3. **Waiver of Partition Rights.**

The Unit Owners waive all of their voting rights concerning partition respecting any nit acquired by the Board of Managers in accordance with this Article.

Section 4. **Gifts, etc.**

Any Unit Owner may convey or transfer their Unit owned by such Unit Owner by gift during the Unit Owner's lifetime or devise their Unit by will or pass the same by intestacy, without restriction.

Section 5. **Tenant Bound by Declaration.**

By becoming a tenant (if rentals are permitted), each tenant (if rentals are permitted) agrees to be bound by the Declaration, the By-Laws and the other Rules and Regulations of the Condominium and recognizes and accepts the right and the power of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the other Rules and Regulations of the Condominium. Each lease (if rentals are permitted) on a Unit shall be required to include a provision providing for the above.

Section 6. **Lenders.**

To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Residential Units in the Condominium, only subsections (c), (f), (g), (h), (i), (j) and (k) of Section 2 of this Article XI shall apply to a first mortgage lender who has title to the Residential Unit through (a) foreclosure of its first mortgage on the

Residential Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Residential Unit. Any subsequent purchaser from the first mortgage lender is subject to all the terms of this Article XI. In addition, the provisions of Article Thirteenth of the Declaration of Condominium regarding an Institutional Mortgage shall be applicable regarding unpaid Common Charges accrued before acquisition of title of a Residential Unit by the mortgagee.

Section 7. Sponsor.

In the event rentals are permitted, then the foregoing restrictions of Sections 1 and 2 of this Article XI shall not apply to Sponsor owned Residential Units. The Sponsor, its successors, assignees or designees shall have the right to freely sell their Residential Unit or to freely lease all or any part thereof without any interference or any restrictions by the Board of Managers as long as the lease and use by a tenant is compliant with the permitted use of the Residential Unit under applicable zoning and occupancy requirements.

Section 8. Section 339-kk of the Real Property Law.

In the event rentals are permitted, pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York, any non-occupying I Unit Owner who rents any Unit in the Condominium (Residential or Commercial Unit) and fails to make payments due for Common Charges, Special Assessments, fines, late fees or any other sums, charges or assessments as determined by the Board of Managers for such Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenant shall thereafter be directly payable to the condominium association. The provisions of Section 339-kk of the Real Property Law shall control any dispute pursuant to this provision of the By-Laws.

Section 9. No Discrimination.

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

ARTICLE XII. ARBITRATION

Section 1. Procedure.

Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the local jurisdiction of the Condominium in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration

shall be held in New York City before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York.

Section 2. Variation by Agreement.

The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 3. Binding Effect.

The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Costs and Expenses.

The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

All costs and expenses paid or incurred by the Condominium Board of Managers in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses shall constitute Common Expenses.

ARTICLE XIII. CONDEMNATION

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than $50,000 and to the Board of Managers if the award is $50,000 or less, to be distributed in accordance with Section 3 of Article VII but in the following amounts:

(a) So much of the award as is applicable to the General Common Elements, to the Unit Owners pro rata according to the respective Percentage of Common Interest appurtenant to the Unit owned by such Unit Owners.

(b) So much of the award as is applicable to the Individual Unit's Limited Common Elements, to the Unit Owner having general use of such Individual Unit's Limited Common Element.

In such eminent domain or condemnation proceeding the Board of Managers shall request that the award set forth the amount allocated to General Common Elements, and to each Individual Unit's Limited Common Element. In the event the award does not set forth such allocation then the question of such allocation shall be submitted to the arbitration in accordance with Article XII of these By-Laws. Any condemnation or eminent domain award shall require that any proceeds applicable to a Unit be applied first to a first mortgagee of a Unit as its interest may appear.

ARTICLE XIV. SPONSOR RIGHTS

Section 1. Sales/Rentals.

The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sales and rental offices (if rentals are permitted) in and about the Condominium, including any Unsold Units located within the Condominium Building or elsewhere throughout the project, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective purchasers or tenants, to utilize the Common Elements, no matter how classified, and without limitation, to do any and all things necessary incident to the sale or rental (if rentals are permitted) of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

Section 2. Signs/Ingress/Egress.

The Sponsor shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to construct, sell and lease the Residential Units, or any other property, development or community the Sponsor, its successors, assigns or designees so prescribe. Incident to the rights and privileges provided for herein, the officers, employees, agents, contractors, guests and invitees of the Sponsor, its successors and assigns, shall have the right of ingress and egress to and throughout the Common Elements of the Condominium no matter how classified.

Section 3. Additional Rights.

The Sponsor, its successor, assignees, designees, nominees and agents shall, in addition to the above, have any additional rights afforded to the Sponsor, its successors, assignees, designees, nominees and agents in these By-Laws, Rules and Regulations and the Declaration of Condominium.

Section 4. Amendment.

This Article XIV may not be modified or amended without the written consent of the Sponsor so long as the Sponsor continues to own one (1) or more unsold Units.

ARTICLE XV. MISCELLANEOUS

Section 1. Insurance.

Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in a Unit which will increase the insurance rates on the Residential Unit or any other Unit or on the Common Elements.

Section 2. Severability.

Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. Notice to Condominium.

A Unit Owner, who mortgages the Unit, shall notify the Condominium through the management agent, if any, or the Board of Managers in the event there is no management agent, of the name and address of the Unit Owner's mortgagee; and the Board of Managers shall maintain such information in a book entitled "Mortgagees of Units".

Section 4. Notice of Unpaid Assessments.

The Board of Managers shall at the request of a mortgagee of a Unit, report any unpaid Common Charges due from the Unit Owner of such Unit.

Section 5. Examination of Books and Records.

Every Unit Owner or the Unit Owner's representative and mortgagee shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board of Managers at convenient hours on weekdays (except legal holidays) but not more often than once a month. Said hours are to be determined by the Board of Managers or Managing Agent.

Section 6. Costs of Legal Action.

In the event the Board of Managers institutes any legal action for the enforcement of any of the provisions of the Declaration of the Condominium, By-Laws and/or Rules and Regulations of the Condominium, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Board of Managers on behalf of the Condominium, plus interest and costs of suit.

Section 7. Reports to Unit Owners.

It is the obligation of the Board of Managers of the Condominium to give all Unit

Owners annually:

(a) a financial statement of the Condominium prepared by a certified public accountant or public accountant by a specific date; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided within four (4) months of the end of each fiscal year;

(b) prior notice of the annual Unit Owners meeting; and

(c) a copy of the proposed annual budget of the Condominium within thirty (30) days of the date set for adoption by the Board of Managers. While Sponsor is in control of the Board of Managers such budget will be certified in accordance with the regulations of the Department of Law.

During the period Sponsor retains control of the Board of Managers of the Condominium, the Sponsor shall be required to provide certified financial statements for the Condominium. The cost of such reports shall be a Condominium Common Expense. In addition, during said period the Sponsor will be required to provide a Certification of Adequacy of the budget for the Condominium from a Managing Agent or other expert who is unaffiliated with the Sponsor for any amendments including the budget to the Offering Plan.

Section 8. Construction.

Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural; wherever the context so requires.

Section 9. Compliance with Article 9-B.

These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or of the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

SCHEDULE K

APPLICATION FORM TO THE ATTORNEY GENERAL FOR DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS

(Send this application to the reviewing attorney assigned to the subject plan.)

Re:_____
Address of Building or
Name of Project

File Number:_____

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name_____
of Applicant

2. Address_____
of Applicant

3. Name, Address, and Telephone Number
of Applicant's Attorney (if any) _____

4. This is an application for

( ) return of down payment.
( ) forfeiture of downpayment.
( ) other: _____
_____

5. The project is ( ) a conversion of occupied premises.
( ) newly constructed or rehabilitated.
( ) vacant (as is).

6. The project is structured as
( ) a cooperative.
( ) a condominium.
( ) a homeowners association.
( ) a timeshare.
( ) other:_____

SCHEDULE K

7. Name and Address of Sponsor: _____

8. Name and Address of Escrow Agent: _____

9. If downpayments are maintained in an escrow account:

   (a) Name of account _____
   (b) Name and address of bank _____
   _____
   (c) Account number (if known) _____

   (d) Initial interest rate (if known) _____

10. If downpayments have been secured by bonds:

   (a) Name and address of bond issuer or surety: _____

   (b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND). If not included, explain:

   _____
   _____
   _____
   _____

11. If downpayments have been secured by a letter of credit:

   (a) Name and address of bank which issued the letter of credit:
   _____

   (b) Date of expiration of the letter of credit, if known:

   _____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan

( ) has been declared effective. Approximate date: _____

( ) has not been declared effective.

(c) If effective, the plan

( ) has closed or the first unit has closed.
(Approximate date) _____

( ) has not closed.

( ) don't know.

(d) Downpayments are secured by

( ) escrow account.

( ) bonds.

( ) letter of credit.

13. Contract information:

(a) Copy of contract and if all riders or modification letters are attached. (DO NOT SEND ORIGINALS).

(b) Date on which subscription or purchase agreement was signed: _____

(c) Date (s) of downpayment (s): _____

(d) Total amount of downpayment (s): _____

(e) Names and addresses of subscribers or purchasers affected by this application:

_____
_____
_____
_____
_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

15. I am contemporaneously sending a copy of this application to the following persons:

_____
_____
_____
_____

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application. I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____
Name(Printed): _____
Telephone:(Home) _____ (Business) _____
Mailing Address: _____
_____

SCHEDULE L

ESCROW AGREEMENT

ESCROW AGREEMENT

AGREEMENT made this _____ day of _____, 20___, between BEDFORD AVE CONDOS, LLC ("SPONSOR") with an address at 37-36 75th Street, Jackson Heights, New York 11372 as SPONSOR of the offering plan for THE STUYFORD HAUS CONDOMINIUM and LEWIS P. KAMIN, ESQ. ("ESCROW AGENT") with an address at 42-40 Bell Boulevard, Suite 206, Bayside, New York 11361, as ESCROW AGENT.

WHEREAS, BEDFORD AVE CONDOS, LLC is the SPONSOR of an offering plan to develop to a condominium the premises located at 1021 BEDFORD AVENUE, BROOKLYN, NEW YORK which premises are known as THE STUYFORD HAUS CONDOMINIUM; and

WHEREAS, LEWIS P. KAMIN, ESQ. is authorized to act as an ESCROW AGENT hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the New York State Attorney General's ("Attorney General") regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as ESCROW AGENT for deposits and payments by purchasers and subscribers, pursuant to the terms of this agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with SIGNATURE BANK, 78-27 37th Avenue, Jackson Heights, New York 11372. The account number is _____.

1.2 The name of the account is "LEWIS P. KAMIN, ESQ., ATTORNEY TRUST ACCOUNT NY IOLA"".

1.3 A member or members of the ESCROW AGENT are the sole signatories on the account.

1.4 The escrow account is an Interest-on-Lawyer-Account ("IOLA") established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow shall be made payable to, or endorsed by the purchaser or subscriber to the order of LEWIS P. KAMIN, ESQ., as ESCROW AGENT for BEDFORD AVE CONDOS, LLC the Sponsor of THE STUYFORD HAUS CONDOMINIUM offering plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such ESCROW ACCOUNT, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 SPONSOR shall deliver to the ESCROW AGENT all deposits submitted pursuant to a subscription or purchase agreement, within three (3) business days after tender of the deposit by a prospective purchaser to the SPONSOR or any agent engaged by the SPONSOR, along with the form of tender of deposit attached hereto as Exhibit A to this Escrow Agreement, executed by the SPONSOR.

2.3 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, the ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan or amendment thereto, provide the account number, and disclose the initial interest rate. If the purchaser does not receive notification of such deposit within fifteen (15) business days after the tender of the deposit, the purchaser may cancel the subscription or purchase agreement and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with the escrow regulations promulgated by the Attorney General and requisite notice was timely mailed to the subscriber or purchaser.

3. RELEASE OF FUNDS

3.1 ESCROW AGENT shall not release the escrowed funds deposited by a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by both SPONSOR and purchaser; or (b) a determination of the Attorney General; or (c) a judgment or order of a court of competent jurisdiction; or (d) until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds; or (e) the ESCROW AGENT is changed pursuant to the terms of the Escrow Agreement in connection with the transfer of funds to the new escrow agent; or (f) funds which were deposited prior to the acceptance of the contract are returned to the purchaser because of rejection of the contract by the SPONSOR; or (g) any governmental authority imposes a ban on the construction or completion of residential dwellings or imposes restrictions on the manufacture, sale, distribution and/or use of materials from SPONSOR's regular suppliers or from using same in the construction and/or completion of the Home making the construction or completion of the Development unlikely; or (h) SPONSOR is unable to obtain materials from its usual sources due to labor troubles, lockouts, war, military operations and requirements, civil unrest, acts of God or national emergencies making the construction or completion of the Development unlikely; or (i) the installation of public utilities is restricted or curtailed making the construction or completion of the Development unlikely; or (j) until released in accordance with paragraphs 3.3 and 3.4. Funds deposited in escrow for upgrades and extras to the Unit may be released from the escrow account without the requirements outlined herein provided SPONSOR uses the funds for such upgrades and extras and notifies the ESCROW AGENT in writing of such fact.

3.3 SPONSOR shall not object to the release of the escrowed funds 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.

3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made an application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

3.5 ESCROW AGENT shall disburse the purchaser's deposit(s) escrowed under this Escrow Agreement within twenty (20) business days after the escrowed funds are permitted to be released in accordance with this Agreement.

4. RECORDKEEPING

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven (7) years after release of the funds.

4.2 Upon the dissolution of a 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 the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

5.3 No disbursement need or will be made by ESCROW AGENT until the deposit has actually and finally cleared ESCROW AGENT's account.

5.4 ESCROW AGENT shall only be responsible for monies actually received and cleared, and monies earned thereon, if any.

5.5 ESCROW AGENT may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statements or assertions contained in such writing or instrument; and may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so.

5.6 ESCROW AGENT undertakes to perform only such duties as are expressly set forth in this Agreement and the Escrow Regulations promulgated by the New York State Attorney General's Office, and no implied duties or obligations shall be read into this Agreement against ESCROW AGENT.

6. RESPONSIBILITIES OF SPONSOR

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall within three (3) business days of receipt of all deposits and payments deliver to ESCROW AGENT all such deposits and payments received by them prior to closing of an individual transaction.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. INDEMNIFICATION

7.1 ESCROW AGENT shall not be liable for SPONSOR's failure to tender the purchasers' funds to ESCROW AGENT within three (3) business days, for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence, and SPONSOR agrees to indemnify and hold ESCROW AGENT harmless from any claims, demands, causes of action, liability, damages, judgments, including the cost of defending any action against it together with any reasonable attorneys' fees incurred therewith and/or reasonable value of services rendered by ESCROW AGENT's litigation attorneys representing ESCROW AGENT pro se, in connection with ESCROW AGENT's undertaking pursuant to the terms and conditions of this Escrow Agreement, unless such act or omission is a result of the willful misconduct or gross negligence of ESCROW AGENT.

7.2 ESCROW AGENT shall not be liable in any manner for the sufficiency or correctness as to form, manner or execution, or validity of any written instructions delivered to it, nor as to the identity, authority, or rights of any person executing the same.

7.3 The duties of ESCROW AGENT shall be limited to the safekeeping of the deposits and for disbursements of same in accordance with the written instructions described in this Agreement.

8. TERMINATION OF AGREEMENT

8.1 This Agreement shall remain in effect unless and until it is canceled, by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

(d) ESCROW AGENT shall have no responsibility to verify qualifications of any successor escrow agent.

8.2 Upon termination of the duties of ESCROW AGENT as described in Paragraph 8.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new escrow agent designated in the duly filed amendment related thereto.

8.3 Upon delivery of all funds held by the ESCROW AGENT to the new escrow agent pursuant to 8.2 supra, this Agreement shall be terminated and the ESCROW AGENT shall be released from all liability hereunder.

8.4 Upon ESCROW AGENT disbursing the deposit of an individual purchaser in accordance with the provisions of this Agreement, the ESCROW AGENT'S obligations shall terminate as regards said purchaser's deposit, and ESCROW AGENT shall thereafter be released of all liability in connection with said purchaser.

9. MISCELLANEOUS

9.1 In the event of a good faith disagreement about the interpretation of this Agreement, or about the rights and obligations, or the propriety, of any action contemplated by ESCROW AGENT hereunder, ESCROW AGENT may, at its sole discretion, retain purchasers' deposits and payments in escrow and apply to the Attorney General for a determination on the disposition of the down payment or file an action and deposit any applicable funds in court to resolve said disagreement. ESCROW AGENT shall be indemnified by SPONSOR for all costs, including reasonable attorneys' fees or reasonable value of services rendered by ESCROW AGENT's litigation attorneys representing ESCROW AGENT pro se, in connection with the aforesaid action. No such action shall be filed where the ESCROW AGENT's required course of action is clearly dictated within this Agreement.

10. SUCCESSORS AND ASSIGNS

10.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

11. GOVERNING LAW

11.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

12. ESCROW AGENT'S COMPENSATION

12.1 SPONSOR agrees that ESCROW AGENT's compensation, if any, shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

13. SEVERABILITY

13.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

14. ENTIRE AGREEMENT

14.1 This Agreement, read together with GBL Section 352-e(2-B) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

15. NOTICES

15.1 Any notice required to be given or given hereunder shall be given by depositing such notice in a post-paid wrapper, in an official depository under the exclusive care and custody of the United States Postal Service within New York State, or by Express Mail, Federal Express or similar overnight courier, facsimile transmission, messenger service (with proper receipt therefor), addressed to the party at the address herein above set forth with a copy of any such notice by regular mail to the attorney for such party as follows:

IF TO ESCROW AGENT: LEWIS P. KAMIN, ESQ.
42-40 Bell Boulevard, Suite 206
Bayside, New York 11361

IF TO SPONSOR: BEDFORD AVE CONDOS, LLC
37-36 75th Street
Jackson Heights, New York 11372

Any notice may be given by the attorney for a party and shall have the same force as if given by the party. Either party may, by notice, change the address at which notices are to be given hereunder.

16. CAPTIONS AND HEADINGS

16.1 The captions and headings used in this Agreement are intended for convenience and reference only and shall not imply or convey any additional meanings to the contents of the respective provisions.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

By: _____
LEWIS P. KAMIN, ESQ.

SPONSOR:

BEDFORD AVE CONDOS, LLC

By: _____
Edgardo Kramer, Principal

TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of $_____, for Unit _____at _____

_____ located at _____, New York.

Purchaser(s) named below has/have tendered on _____, 20 __, the above escrow deposit to Sponsor/Selling Agent as a deposit for the above Unit.

Purchaser(s)

Address of Purchaser(s) _____

_____

_____

Phone number of Purchaser(s):

Home: _____

Business: _____

Social Security Number(s) or Tax Identification Number(s) of Purchaser(s) _____

_____

RECEIPT

The SPONSOR/SELLING AGENT of the above named property hereby acknowledges receipt of the above escrow deposit.

By: _____

_____

Title of Position

Date of Receipt: _____

EXHIBIT "A"

SCHEDULE L-1

ESCROW AGREEMENT REGARDING REAL ESTATE TAXES

ESCROW AGREEMENT REGARDING REAL ESTATE TAXES

AGREEMENT made this day of , 20 , between BEDFORD AVE CONDOS, LLC ("SPONSOR") as Sponsor of the offering plan for THE STUYFORD HAUS CONDOMINIUM and THE BOARD OF MANAGERS OF THE STUYFORD HAUS CONDOMINIUM ("BOARD OF MANAGERS").

WHEREAS, BEDFORD AVE CONDOS, LLC is the SPONSOR of an offering plan to offer condominium ownership of the premises located in the Borough of Brooklyn, County of Kings, New York, which premises are known as THE STUYFORD HAUS CONDOMINIUM; and

WHEREAS, pursuant to the terms of the Offering Plan, in the event the Condominium Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, SPONSOR may place in escrow, in the name of the BOARD OF MANAGERS, an amount equal to the real estate taxes attributable to the unsold Units for a six (6) month period and may collect at each closing the estimated amount of taxes attributable to such Unit for the balance of the six month period; and

WHEREAS, the BOARD OF MANAGERS will pay the real estate taxes from the Escrow Account when taxes are due and payable and will be entitled to reimbursement from Unit Owners to the extent of the actual assessment.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1 SPONSOR and BOARD OF MANAGERS hereby establish an Escrow Account for the purpose of holding such real estate taxes. The Escrow Account has been opened with Signature Bank (depository bank) at its branch located at 78-27 37th Avenue, Jackson Heights, New York 11372, New York. The account number is _____.

1.2 The name of the account is "Lewis P. Kamin Esq. Attorney Trust Account NY IOLA."

1.3 A member of members of the ESCROW AGENT are the sole signatories on the account.

1.4 The escrow account is an Interest-on-Lawyer-Account ("IOLA") established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 In the event the Units in the Condominium have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, SPONSOR may place in escrow, in the name of the BOARD OF MANAGERS, an amount equal to the real estate taxes attributable to the unsold Units for a six (6) month period and may collect at each closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period.

3. RELEASE OF FUNDS

3.1 The BOARD OF MANAGERS shall pay the real estate taxes from the Escrow Account when taxes are due and payable and will be entitled to reimbursement from the Unit Owners to the extent of the actual assessment based on the Unit Owner's percentage of Common Interest.

3.2 In the event the Units are separately assessed prior to the BOARD OF MANAGERS having to pay the taxes out of the Escrow Account, the BOARD OF MANAGERS shall reimburse the SPONSOR and any Unit Owners who have closed their proportionate share of the amount they have previously paid.

4. RECORDKEEPING

4.1 The BOARD OF MANAGERS shall maintain all records concerning the Escrow Account until such time as the funds are released.

4.2 The BOARD OF MANAGERS shall make available to the SPONSOR, upon its request, all books and records of Escrow Account relating to the funds deposited and disbursed hereunder.

5. TERMINATION OF AGREEMENT

5.1 This Agreement shall remain in effect unless and until the funds in the Escrow Account have been released pursuant to the Agreement.

6. SUCCESSORS AND ASSIGNS

6.1 This Agreement shall be binding upon SPONSOR AND BOARD OF MANAGERS and their successors and assigns.

7. GOVERNING LAW

7.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

8. NOTICES

8.1 Any notice required to be given or given hereunder shall be given by depositing such notice in a post-paid wrapper, in an official depository under the exclusive care and custody of the United States Postal Service within New York State, or by Express Mail, Federal Express or similar overnight courier, facsimile transmission, messenger service (with proper receipt therefor), addressed to the party at the address hereinabove set forth with a copy of any such notice by regular mail to the attorney for such party as follows:

IF TO BOARD OF MANAGERS: Board of Managers of
The Stuyford Haus Condominium
1021 Bedford Avenue
Brooklyn, Kings County, New York 11205

IF TO SPONSOR: Bedford Ave Condos, LLC
37-36 75th Street
Jackson Heights, New York 11372

9. CAPTIONS AND HEADINGS

9.1 The captions and headings used in this Agreement are intended for convenience and reference only and shall not imply or convey any additional meanings to the contents of the respective provisions.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

BOARD OF MANAGERS OF
THE STUYFORD HAUS CONDOMINIUM

By: _____

SPONSOR:

BEDFORD AVE CONDOS, LLC

By: _____

SCHEDULE M

CERTIFICATIONS

SCHEDULE M-1

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO 13 NYCRR 20.4(b)

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO 13 NYCRR 20.4 (b)

State of New York
Department of Law
28 Liberty Street, 21st Floor
New York, NY 10005

RE: **The Stuyford Haus**
1021 Bedford Avenue
Brooklyn, New York 11205

We are the Sponsor and the principals of Sponsor of the condominium Offering Plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

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

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(vii) not contain any representation or statement which is false, where I/we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c)

made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

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

BEDFORD AVE CONDOS, LLC

By: _____
Edgardo Kramer

SPONSOR'S PRINCIPAL:

Sworn to before me this
1st day of Sept, 2020

_____
NOTARY PUBLIC

MARIA M. LEGRA
Notary Public, State of New York
No. 01LE4676754
Qualified in Nassau County
Commission Expires 4/30/2024

_____
Edgardo Kramer

SCHEDULE M-2

CERTIFICATION BY SPONSOR'S ENGINEER OR ARCHITECT PURSUANT TO 13 NYCRR 20.4(c)

T. F. CUSANELLI & FILLETTI ARCHITECTS P.C.

SPONSOR'S ENGINEER OR ARCHITECT CERTIFICATION
PURSUANT TO 13 NYCRR 20.4 (c)

Date: June 10, 2021

State of New York
Department of Law
Office of the Attorney General
Real Estate Finance Bureau
28 Liberty Street, 21st Floor
New York, NY 10005-1413

RE: **The Stuyford Haus Condominium**

Gentlepeople:

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 examined the building plans and specifications that were prepared by T.F. Cusanelli & Filletti Architects, dated February 3, 2021, and prepared the Report dated June 10, 2021, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

I am a registered architect in the state in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of renovation and construction, provided that renovation and construction is in accordance with the plans and specifications that I/we 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 renovation and/or construction, provided that renovation and/or 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/we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; (d) or did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

Victor A. Filletti, R.A.
T.F. Cusanelli & Filletti Architects P.C.

REGISTERED ARCHITECT
VICTOR A. FILLETTI
029297
STATE OF NEW YORK

Sworn to before me this
11 day of June, 20 21
in Queens N.Y.

Notary Public

MERCEDES LIMA
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01LI4675794
QUALIFIED IN NASSAU COUNTY
COMMISSION EXPIRES SEPT. 30, 2027

MERCEDES LIMA
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01LI4675794
QUALIFIED IN NASSAU COUNTY
COMMISSION EXPIRES SEPT. 30, 2027

SCHEDULE M-3

CERTIFICATION OF ADEQUACY OF BUDGET FOR RESIDENTIAL UNITS

SCHIFFER MANAGEMENT GROUP
27 Craig Drive, So. Huntington, NY 11746

CERTIFICATION OF ADEQUACY

State of New York
Department of Law
28 Liberty St. (21st Floor)
New York, New York 10005-1413

Monday, November 9, 2020

Re- 1021 Bedford Avenue Condominium
Brooklyn, New York

Gentlepeople:

The Sponsor of the Condominium Offering Plan offering for the captioned property has retained me/our firm to review the Schedule B containing projections of income and expenses for the first year of condominium operation. Me/or experience in this field includes the management of over a dozen properties with many similarities to the captioned property as well as thirty five (35) years' experience in managing condominium, cooperative and Home Owners Associations.

I/we understand that I/we am/are am responsible for complying with Article 23A of the General Business Law and the Regulations promulgated by the Department of Law in Part 20 insofar as applicable to the Schedule B.

I/we have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying them with due diligence in order to form a basis for this certification. I also have relied on my/our experience in managing residential buildings.

I/we certify that the projections in Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I/we certify that the Schedule

i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants adequate basis upon which to found their judgment concerning the first year of Condominium operation.

(III) does not omit any material fact;

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

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

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

(vii) does not contain any promise or 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.

I/we further certify that I/we am/are 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 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/we understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

Joseph Gill Schiffer President
The Schiffer Management Group

Sworn to before me this 9th
day of November, 2020

Notary Public

MICHAEL WALSH
Notary Public - State of New York
NO. 01WA6132249
Qualified In Suffolk County
My Commission Expires Aug 22, 2021

SCHEDULE M-4

CERTIFICATION OF ADEQUACY OF BUDGET FOR COMMERCIAL UNIT

SCHIFFER MANAGEMENT GROUP
27 Craig Drive, So. Huntington, New York 1174
631-288-4343 (m) realtymsr@aol.com

CERTIFICATION OF ADEQUACY

State of New York
Department of Law
28 Liberty St. (21st Floor)
New York, New York 10005-1413

Monday, November 9, 2020

Re- 1021 Bedford Avenue Condominium
Brooklyn, New York

Gentlepeople:

The Sponsor of condominium offering plan for the captioned property has retained me/our firm to review Schedule B containing projections of income and expenses for the first year of condominium operation which includes projections of common charges payable by the owners of the Non-Residential Units. My experience in this field includes the management of over a dozen properties with many similarities to the captioned property as well as thirty five (35) years' experience in managing condominium, cooperative and Home Owners Associations

I/we understand that I/we are responsible for complying with Article 23A of the General Business Law and the Regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Non-Residential Units listed in Schedule B.

I/we have reviewed the Schedule and investigated the facts set forth in the Schedule B and the facts underlying them with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential buildings.

I/we certify that the estimates in Schedule B for common charges payable by the owner of the Non-Residential Units appear reasonable and adequate under existing circumstances, to meet the anticipated operating expenses fairly attributable to such Non-Residential Units for the projected projected first year of condominium operation and that the allocation of common charges attributable to the Non-Residential Units also reflects special or exclusive use or availability or exclusive control particular common areas.

I/we certify the

estimates in Schedule B for the common charges payable by the owner of the Non-Residential units:

(i) set forth in detail the projected common charges payable by the owner for the Non-Residential units for the first year of Condominium operation.

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

(iii) do not omit any material fact;

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

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

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

(vii) do not contain any representation or statement which is false, where I /we: (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/we are not owned or controlled by the Sponsor. I/we understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the Non-Residential 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.

Very truly yours,

Joseph Gill Schiffer, President
The Schiffer Management Group

Sworn to before me this 9th
day of November, 2020

MICHAEL WALSH
Notary Public – State of New York
NO. 01WA6132249
Qualified in Suffolk County
My Commission Expires Aug 22, 2021

SCHEDULE N

SECTION 339-KK OF THE REAL PROPERTY LAW

The Real Property Law is amended by adding a new Section 339-kk to read as follows:

"§ 339-kk. Rents. (a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent."

This act may be enforced by any party by means of a special proceeding brought pursuant to Article 4 of the Civil Practice Law and Rules.

SCHEDULE N

SCHEDULE O

RESTRICTIVE DECLARATION FOR 421-a (16) TAX ABATEMENT

RESTRICTIVE DECLARATION

THIS RESTRICTIVE DECLARATION ("Restrictive Declaration"), entered into as of the _____ day of _____, 20__, by _____, having its principal office at _____ ("Owner").

WHEREAS, Owner holds title to certain real property located in the Borough of Kings in the City and State of New York, known as and by the street address 1021 Bedford Avenue, Brooklyn, New York and identified as Block _____, Lot(s) _____ on the Tax Map of the City of New York ("Property"); and

WHEREAS, the Property contains one or more Eligible Multiple Dwellings that are a Homeownership Project and are receiving an exemption from real property taxation pursuant to Subdivision 16 of Real Property Tax Law §421-a and Chapter 51 of Title 28 of the Rules of the City of New York (collectively "§ 421-a(16)") pursuant to § 421-a(16) Tax Exemption Benefit Application _____; and

WHEREAS, unless otherwise defined in this Restrictive Declaration, capitalized terms used herein shall have the meaning set forth in § 421-a(16); and

WHEREAS, eligibility for exemption from real property taxation pursuant to § 421-a(16) for a Homeownership Project is conditioned upon the Property meeting Affordability Option D, as set forth in § 421-a(16), during the Restriction Period ("Affordability Requirement"); and

WHEREAS, _____ is the Completion Date in accordance with Real Property Tax Law § 421-a(16).

NOW THEREFORE, in order to obtain an exemption from real property taxation pursuant to § 421-a(16), the Owner has agreed to execute and record this instrument, which provides as follows:

1. The Property shall be subject to the Affordability Requirement for a period commencing upon the Completion Date and terminating on a date which is thirty-five years from the Completion Date.

2. One hundred percent of the units in the Property shall have an average assessed value not to exceed sixty-five thousand dollars upon the first assessment following the Completion Date ("Post-Completion Assessment Cap Requirement").

3. The Property shall contain no fewer than six dwelling units and no more than thirty-five dwelling units during the Restriction Period ("Building Size Requirement").

4. During the Restriction Period, each owner of any dwelling unit in the Property shall agree, in writing, to maintain such unit as their primary residence for no less than five years from the acquisition of such unit ("Primary Residence Requirement").

5. No portion of the Property shall be operated as a Hotel during the Restriction Period ("Hotel Prohibition Requirement").

6. This Restrictive Declaration may be enforced by the City of New York and any of its agencies and instrumentalities, the State of New York and any of its agencies and instrumentalities, and any tenant.

7. The Affordability Requirement, Post-Completion Assessment Cap Requirement, Building Size Requirement, Primary Residence Requirement and Hotel Prohibition Requirement set forth in this Restrictive Declaration shall run with the land, shall inure to the benefit of the City of New York, the State of New York, and all tenants of the Property, and shall bind and be enforceable against Owner and its successors and assigns to the fullest extent permitted by law and equity.

8. At any time prior to the Completion Date, the Owner may terminate this Restrictive Declaration by written notice to the City of New York Department of Housing Preservation and Development. The exemption from real property taxation pursuant to §421-a(16) shall thereafter terminate, retroactive to the effective date of such exemption.

_____

By: _____

STATE OF NEW YORK)
) SS:
COUNTY OF _____)

On this _____ day of _____, 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 whose name is subscribed to in the within instrument and acknowledged to me that [s]he executed the same in [her]his capacity, and that by [her]his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

Record and Return to:
Pramila Louison, Director
421-a/b Programs
Department of Housing Preservation and Development
100 Gold Street, Room 8-D08
New York, New York 10038

SCHEDULE P

PERMANENT ACCESS EASEMENT

MAA 17133

PERMANENT ACCESS EASEMENT

This easement is given this 20th day of November, 2018 by Bedford Ave Condos, LLC, (hereinafter "Grantor") whose mailing address is 37-36 75th Street, Jackson Heights, New York 11372 to Fitz Hicks and Hazel Hicks (hereinafter "Grantee") whose mailing address is 1027 Bedford Avenue, Brooklyn, New York 11205 a/k/a 227 Clifton Place, Brooklyn, New York 11216. As used herein, the term "Grantor" shall include any and all heirs, successors or assigns of the Grantor and all subsequent owners of the "Property" (as hereinafter defined) and the term "Grantee" shall include any successor or heir of Grantee.

BL 1788 Lots 2, 4, 5

WHEREAS, the grantor is the fee owner of certain land located in the City and State of New York, Borough of Brooklyn, designated as Block 1788 Lots 4 and 5 on the Tax Map of the City of New York, hereinafter, referred to as Parcel A and more particularly described by a metes and bounds description set forth as follows:

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate and lying and being, in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

Parcel A beginning at a point on the easterly side of Bedford Avenue 60 feet northerly from the northeasterly corner of Bedford Avenue and Clifton Place formerly Van Buren Street; running thence northerly and along the easterly side of Bedford Avenue 20 feet; thence easterly and through the center line of a certain party wall and parallel with Clifton Place and at right angles to Bedford Avenue 80 feet; thence southerly and parallel with Bedford Avenue 20 feet; thence westerly parallel with Clifton Place 80 feet to the point or place of BEGINNING.

SAID PREMISES known as and by the street No. 1023 Bedford Avenue, Brooklyn, New York;

and

Parcel B all that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate and lying and being, in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Bedford Avenue distant 80 feet 0 inches northerly from the northeasterly corner of Bedford Avenue and Clifton Place formerly Van Buren Street; running thence northerly along the easterly side of Bedford Avenue 20 feet; thence easterly parallel with the northerly side of Clifton Place 80 feet; thence southerly and parallel with the easterly side of Bedford Avenue 20 feet; thence westerly and parallel with the northerly side of Clifton Place 80 feet to the point or place of BEGINNING.

SAID PREMISES known as and by the street No. 1021 Bedford Avenue, Brooklyn, New York

WHEREAS, the Grantee is the fee owner of certain land located in the City and State of New York, Borough of Brooklyn, designated as Block 1788 Lot 2 on the Tax Map of the City of New York, hereinafter referred to as Parcel C and D and more particularly described by a metes and bound description set forth as follows:

Parcel C all that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate and lying and being, in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Bedford Avenue, distant twenty feet northerly from the northeast corner of Bedford Avenue and Clifton Place (formerly Van Buren Street)

Running thence easterly parallel with Clifton Place and part of the distance through a party wall, eighty feet;

Thence northerly parallel with Bedford Avenue, forty feet;

Thence westerly parallel with Clifton Place and part of the distance through a party wall, eighty feet to the easterly side of Bedford Avenue;

Thence southerly along the easterly side of Bedford Avenue forty feet to the point of place of BEGINNING.

Parcel D:

BEGINNING at a point on the northerly side of Clifton Place distant eighty feet easterly from the northeasterly corner of Clifton Place and Bedford Avenue;

Running thence northerly parallel with Bedford Avenue one hundred feet;

Thence easterly parallel with Clifton Place, twenty feet;

Thence southerly again parallel with Bedford Avenue one hundred feet to the northerly side of Clifton Place;

Thence westerly along the northerly side of Clifton Place twenty feet to the point or place of BEGINNING.

SAID PREMISES being known as 1027 Bedford Avenue a/k/a 227 Clifton Place.

WHEREAS, the property of Grantee, parcels C and D are contiguous to the property of Grantor, parcel A and B.

WHEREAS, the Grantee needs to be able to access their property, by access to the rear of the Grantors property as herein referred to as parcels A and B, and more specifically the area described in the metes and bounds description as follows:

BEGINNING at a point on the easterly side of Bedford Avenue, distant sixty (60) feet northerly from the corner formed by the intersection of the easterly side of Bedford Avenue with the northerly side of Clifton Place;

Running thence easterly seventy four feet parallel or nearly so with Clifton Place is the starting point of the easement;

Thence easterly parallel with Clifton Place (6) feet;

Thence northerly parallel with Bedford Avenue forty (40) feet;

Thence westerly parallel with Clifton Place six (6) feet;

Thence southerly parallel with Bedford Avenue forty (40) feet. (hereinafter "Easement Area")

WHEREAS, the Grantor is willing to grant to the Grantee access to the rear of parcel A and B as described herein as the Easement Area.

NOW, THEREFORE, good and valuable consideration having been paid, Grantor his heirs, legal representative, successors and assigns hereby makes the following grant:

1. Grantor hereby grants and conveys to Grantee, their heirs, successors and assigns an easement over the Easement Area located on parcels A and B, as may be necessary for the purpose of access to parcels C and D, specifically, the wall running adjacent to parcel A and B and the roof of the structure situated on parcel C and D.

2. The Easement Area shall at all times be maintained and kept clear and unobstructed and free from buildings or any other structure that would impact or impair the Grantee's ability to access to the Easement Area.

3. This easement agreement may not be modified, amended or terminated without the consent of the Grantee, their heirs, successor and assigns.

4. The covenants set forth herein shall run with the land and be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns;

5. This easement agreement shall be recorded at the New York City Register's Office against the affected parcels of land, herein parcels A, B, C and D in any deed for the conveyance thereof.

6. Prior to the use of the Easement Area by Grantee, Grantee shall secure and maintain, at its own cost and expense, in full force, during access to the Easement Area, comprehensive general personal injury and property damage liability insurance against claims for bodily injury, death and property damage, said insurance to afford minimum protection of not less than $4,000,000.00 for bodily injury or death combined single limit coverage on a per occurrence basis, and not less than $1,000,000 for property damage. Such insurance policy shall name grantor and any other party so requested by Grantor as an additional insured thereunder. Grantee shall deliver to Grantor, certificate of policy insurance evidencing the same.

7. Grantee hereby agrees to indemnify, defend and save and hold Grantor harmless from and against any and all claims, demands, actions suits, proceedings, judgments, costs, damages and liabilities (including the reasonable expenses and reasonable attorneys' fees related thereto which Grantor may suffer or incur arising out of, related to or connected with the use of the Easement Area by Grantee.

IN WITNESS WHEREOF, Grantor and Grantees have made and executed the foregoing easement agreement as of date hereinabove written.

Grantor
~~Grantee~~
By:
Bedford Avenue Condos LLC
Edgardo Kramer, Sole Member
Authorized

Fitz H. Hicks
Grantee
~~Grantee~~ or
By: Fitz H. Hicks

Hazel J. Hicks
Grantee ~~Grantee~~ or HAZEL J. HICKS
By:

STATE OF NEW YORK)
) ss.:
COUNTY OF Queens)

On the 20th day of November, in the year 2018, before me, the undersigned, personally appeared [Grantor] Fitz H Hicks, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

PAUL LEGRA
Notary Public, State of New York
No. 01LE6100019
Qualified in Nassau County
Commission Expires Oct. 06, 2019

STATE OF NEW YORK)
) ss.:
COUNTY OF Queens)

On the 20th day of November, in the year 2018, before me, the undersigned, personally appeared [Grantee] Hazel J. Hicks, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

PAUL LEGRA
Notary Public, State of New York
No. 01LE6100019
Qualified in Nassau County
Commission Expires Oct. 06, 2019

STATE OF NEW YORK)
) ss.:
COUNTY OF Queens)

On the 20th day of November, in the year 2018, before me, the undersigned, personally appeared [Grantee] Edgard Kramer, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose

name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

PAUL LEGRA
Notary Public, State of New York
No. 01LE6100019
Qualified in Nassau County
Commission Expires Oct. 06, 2019