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

POLARIS CONDOMINIUM

32-58 105th Street, East Elmhurst
Queens County, New York 11369

34 Residential Units -	$ 20,078,000
4 Commercial Units -	$ 4,110,000
1 Community Facility Unit -	$ 925,000
31 Parking Space Units -	$ 1,305,000
2 Storage Bin Units -	$ 330,000
TOTAL OFFERING -	**$ 26,748,000**

SPONSOR/SELLING AGENT
SANFORD 147 DEVELOPMENT LLC
133-47 Sanford Avenue, Suite C1E
Flushing, New York 11355

SPONSOR'S ATTORNEY
MORITT HOCK & HAMROFF LLP
1407 Broadway, 39th Floor
New York, New York 10018

The Date of Acceptance for Filing is _____, 2021. The Offering Plan May Not Be Used After _____, 2022 Unless Extended by Amendment.

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

SPONSOR WILL ENDEAVOR IN GOOD FAITH TO SELL THE UNITS IN THE CONDOMINIUM. SPONSOR WILL ONLY RENT UNITS IN THE EVENT 421-A BENEFITS ARE NOT OBTAINED. IF SPONSOR WERE TO RENT RATHER THAN SELL A UNIT OR UNITS, PRIOR TO SPONSOR ENTERING INTO ANY RENTAL AGREEMENTS, SPONSOR SHALL AMEND THE OFFERING PLAN BY SUBMITTING A POST-CLOSING AMENDMENT SETTING FORTH, AMONG OTHER THINGS, THE UNITS WHICH HAVE CLOSED, THE UNSOLD UNITS, AND THE INTENT TO RENT UNITS CURRENTLY AVAILABLE FOR SALE. IF SPONSOR WERE TO RENT RATHER THAN SELL THE UNITS, THE CONDOMINIUM WOULD NOT BE ELIGIBLE FOR THE 421-A BENEFITS AND PURCHASERS WOULD THEN BE RESPONSIBLE FOR PROJECTED TAXES CONTAINED ON THE SCHEDULE A WITHOUT 421-A. SCHEDULE A DOES NOT CONTAIN PROJECTED TAX AMOUNTS WITH AND WITHOUT 421-A AND ICAP BENEFITS. SEE SECTION XXI.

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

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

The following is a summary of certain special risks considerations in connection with the Plan but is no intended to summarize all major features of the Plan. Prospective Purchasers are urged to read the following special risk factors in conjunction with the Plan for a discussion of these and other important aspects of this Condominium offering.

1. The Sponsor has the right to maintain a majority of the Board of Managers of the Condominium for a period ending (i) three (3) years from date of the closing of the first Residential Unit, or (ii) thirty (30) days after the closing of seventy-five (75%) percent of all Residential Units in the Condominium, whichever occurs sooner/earlier ("Sponsor Control Period"). Thereafter, the Sponsor shall retain the right to designate one (1) Member of the Board of Managers until such time as Sponsor no longer owns a Residential Unit. Notwithstanding said fact, Sponsor has the right to voluntarily relinquish a majority of the Members of the Board of Managers before the closing of title to the last Residential Unit. The By-Laws do not require a majority of the Board to be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's Board representatives cannot lawfully vote on that issue. Further, the Sponsor must enforce its obligations under the plan, as those obligations are described in the plan, and owes a duty to the condominium to do so. 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 a Residential Unit to live in as opposed to purchasing as an investment. Provisions which give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. The Board of Managers, whether or not controlled by the Sponsor, assumes a fiduciary duty to act in the best interests of the Condominium and its Unit Owners. See Section XVIII of the Offering Plan.

2. At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of seven (7) Members shall be elected or designated. Two (2) members shall be elected/appointed collectively by the Non-Residential Unit Owners and five (5) members shall be elected by the Residential Unit Owners. The term of office of one (1) of the Non-Residential Unit Members shall be fixed for three (3) years, the term of office of one (1) of the Residential Members shall be fixed at three (3) years, the term of office of one (1) of the Non-Residential Unit Members shall be fixed for two (2) 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. After Sponsors initial control period Sponsor shall retain the right to designate one (1) Residential Member of the Board of Managers until such time as Sponsor no longer owns a Residential Unit. Until the Community Facility Unit and Commercial Units are sold, Sponsor will retain the right to designate one member to the Board as the Community Facility Unit Owner, which is in addition to Sponsor's right to designate a members based on Sponsor's ownership of Residential Units. Notwithstanding the foregoing, Sponsor shall not be entitled to designate a majority of the Board after the expiration of the Sponsor Control Period. See Section XIX of the Offering Plan.

3. If Sponsor does not voluntarily relinquish control of the Board of Managers, the Sponsor will have the right to retain control over certain expenditures and fiscal actions of the Board of Managers of the Condominium for a period ending (i) three (3) years from date of the closing of the first Residential Unit, or (ii) thirty (30) days after the closing of seventy-five (75%) percent of all Residential Units in the Condominium, whichever occurs sooner/earlier. During this period the Sponsor will have control of maintenance, facilities and services to be provided and will determine the Common Charges to be paid by all Unit Owners. During this period, Sponsor will 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, placing easements on the property and making improvements to Common Elements. Provisions which give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful.

The Sponsor may veto expenses for a period ending not more than three years after the first unit closing; "or whenever the unsold units constitute less than 25% of the common interest, whichever is sooner. 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. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's Board representatives cannot lawfully vote on that issue. 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. In the event the Unit Owners are unsuccessful in an action against the Sponsor, Sponsor has the right to request that the court or administrative department hearing the action grant the Sponsor reimbursement of legal fees, which would be payable by the Unit Owners, excluding 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) remedy a matter regarding the health and safety of the occupants of the Building. Sponsor must enforce its obligations under the Plan, as those obligations are described in the plan, and owes a duty to the condominium to do so. See Section XVIII of the Offering Plan and Schedule B.

4. Sponsor will endeavor in good faith to sell the Residential Units in the Condominium. However, in the event Sponsor is unsuccessful in obtaining 421-a tax benefits (which will be applied for under the new Affirdable NY program) for the Condominium, the Sponsor is retaining the unconditional right to rent rather than sell the Residential Units, upon consummation of the Plan. In such a case, the Sponsor will amend the terms of the Offering Plan to disclose the fact that 421-a benefits will not be obtained. Because Sponsor is retaining the unconditional right to rent rather than sell the Residential Units, in the event 421-a benefits are not obtained, 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. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units,

Sponsor's obligation is limited to entering into purchase agreements for a minimum of fifteen (15%) percent (or six (6)) of the Residential Units being offered for sale, which is the minimum necessary to declare the plan effective. As such, owner-occupants may never gain effective control and management of the Condominium. Purchasers should note, renting the units would not only result in disqualifying the Condominium from receiving the 421-a benefits, but Purchasers would then be responsible for the projected taxes contained on the Schedule A without 421-a. Purchasers should further note that, in the event 421-a benefits have not been obtained, the By-Laws do not contain a provision requiring that after the sponsor-control period expires the Board must be made up of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on the management of the Condominium. See Section I of the Offering Plan. Schedule A does not contain projected tax amounts with and without 421-a and ICAP benefits. See Section XXI.

5. Sponsor is transferring its statutory obligation to pay New York State Transfer Tax ("NYSTT") of 0.4% of the Purchase Price where the consideration is less than $3,000,000 and 0.65% of the Purchase Price where the consideration is $3,000,000 or greater; New York City Real Property Transfer Taxes ("NYCRPTT") of one (1%) percent of the Purchase Price where the consideration is less than $500,000 and 1.425% where the consideration is $500,000 or greater. For purposes of calculating the NYCRPTT, as the Purchaser shall be responsible for paying the NYCRPTT, the tax due New York City will be based on the Purchase Price plus the amount of both the NYCRPTT and NYSTT due, which equates to a "grossed up" Purchase Price for calculation of the NYCRPTT. For purposes of calculating the NYSTT, as the Purchaser shall be responsible for paying the NYSTT, the tax due New York State will be based on the Purchase Price plus the amount of the NYCRPTT only. In addition, the Purchaser will be responsible for New York State Mansion Tax pursuant to Section 1402-a of the Tax Law of one (1%) percent of the Purchase Price for any Residential Unit which has a combined sales price of $1,000,000 or more.

The Tax Law Amendment eliminates the requirement to "gross-up" the consideration payable by a Purchaser for a Unit pursuant to a Purchase Agreement that requires the Purchaser to pay the New York State Real Estate Transfer Tax at the closing of title to the Unit. Pursuant to the Tax Law Amendment, a Purchaser will no longer pay the portion of the New York State Real Estate Transfer Tax based on grossed-up consideration.

The Mansion Tax is required to be paid by the Purchaser, however the Tax Law was amended to provide that when the Purchaser fails to pay the tax, the seller is required to pay. When the seller is required to pay the additional tax because the Purchaser failed to pay, the additional tax becomes the joint and several liability of the seller and the Purchaser.

The Tax Law was amended to provide for an addition to the base tax (additional base tax) in the amount of $1.25 for each $500, or fractional part, of the consideration for certain conveyances of real property located in New York City. The tax applies to:

• The conveyance of residential real property where the consideration for the entire conveyance is $3 million or more.

• The conveyance of real property other than residential real property where the consideration for the entire conveyance is $2 million or more.

The seller is required to pay the additional base tax, but here Sponsor is transferring its statutory obligation to the Purchaser. If the seller fails to pay the tax or is exempt from the tax, the Purchaser is required to pay the tax. When the Purchaser is required to pay the tax because the seller has failed to pay, the additional base tax becomes the joint and several liability of the seller and the Purchaser. For purposes of the additional base tax, all mixed-use real property is considered residential real property. Therefore, if the consideration for the conveyance of mixed-use real property is $3 million or more, the entire consideration is subject to the additional base tax.

Residential real property includes any premises that is or may be used in whole or in part as a personal residence, and includes a one-, two- or three-family house, an individual condominium unit or a cooperative apartment unit. Mixed-use real property is real property that is used for both residential and other than residential (for example, commercial) purposes.

The Tax Law was also amended to add a supplemental tax on the conveyance of residential real property located in New York City where the consideration for the conveyance is $2 million or more. The supplemental tax differs depending on the amount of the consideration for the entire conveyance. For example: entire conveyance amount of at least $ 2 million but less than $ 3 million = Supplemental tax rate of one-quarter of one percent (.25%), and entire conveyance amount of at least $ 3 million but less than $ 5 million = Supplemental tax rate of one-half of one percent (.5%). The Purchaser is required to pay the supplemental tax. If the Purchaser fails to pay the tax or is exempt, the seller is required to pay the tax. When the seller is required to pay the tax because the Purchaser has failed to pay, the supplemental tax becomes the joint and several liability of the seller and the Purchaser. The supplemental tax is due on the conveyance of mixed-use real property when the consideration for the entire property is $2 million or more. Tax is computed only on the consideration attributed to the residential portion of the property.

See Footnote 7 to Schedule A and Section XVI of the Offering Plan as to how the above taxes are calculated. See the Purchase Agreement set forth as Schedule D.

6. 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. See Section XVII.

7. Although all funds received by Sponsor for upgrades or extras to a Residential Unit will initially be placed in the Escrow Account as described in Section X of the Offering Plan, such funds may be released from the Escrow Account as long as the Sponsor uses the funds for such upgrade or extra. 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, and actually expended, for upgrades or extras. In the event the Offering Plan is abandoned, the Sponsor will return funds received for upgrades or extras. See Section XV of the Offering Plan.

8. The first annual meeting of the Residential Unit Owners may not be held until one (1) year after the date of the closing of title to the first Residential Unit in the Condominium. During this time period the Sponsor will be actively undertaking its sales efforts and the Sponsor is reserving adequate time to allow for a sufficient number of Units to be transferred to residential purchasers. See Section XIX of the Offering Plan.

9. Sponsor is reserving the right to delay the collection of Common Charges for an indeterminate time. During any such period of delay, Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments. Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by the Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice, or statement to Purchaser's. Thereafter, Sponsor shall also disclose such fact in the post-closing Amendment to the Offering Plan as a benefit to subsequent Purchasers. Such Amendment shall also disclose the period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all Unit Owners by written notice of the expiration of the delay period. Notice shall be given to Unit Owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Sponsor will disclose such fact in the next substantive Amendment to the Offering Plan. See Section XX of the Plan.

10. No Residential Unit Owner will be permitted to make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to the Residential Unit Owner's Residential Unit, or any Residential Unit 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 Article Twenty of Schedule I and Article VIII of Schedule J.

11. The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective purchaser who executes a Purchase agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with one of the Preferred Lenders

below before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Home as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages. Sponsor has the discretion to offer financing to Purchasers on an individual basis.

Notwithstanding the foregoing, the Sponsor has engaged the following lenders to be the on-site mortgage consultants throughout the sales process (the "Preferred Lenders"):

Popular Community Bank
85 Broad Street
New York, NY 10004
Attn: Philip Robles
Sr. Home Lending Officer
Tel: (917) 405-4536

Wells Fargo Home Mortgage
150 E 42nd Street, 32nd Floor
New York, NY 10017
Attn: Adam Soffer
Private Mortgage Banker
Tel: (212) 214-7014

Only Purchasers that complete a loan application and are pre-approved for financing with either of the Preferred Lenders will be given a mortgage contingency in their Purchase Agreement. **Purchaser will only be entitled to a mortgage contingency if Purchaser applies to a Preferred Lender, and said Preferred Lender approves financing for the Purchaser.** The Condominium complies with the Sponsor's Preferred Lender's requirements applicable to condominiums, including, without limitation, the amount of the reserve fund and the By-Laws. Sponsor's Preferred Lender does not have a minimum sales and/or Owner-occupancy requirement. Sponsor shall also have discretion to offer financing on an individual basis.

The condominium complies with the Sponsor's Preferred Lender's requirements applicable to Condominiums, including, without limitation, the amount of the reserve fund and the By-Laws. Preferred Lenders do not have a minimum sales and/or owner-occupancy requirement. The material terms of the mortgage contingency are set forth as follows:

1. The obligation of Purchaser to purchase under this Agreement shall be conditioned upon issuance, on or before forty five (45) days after a fully executed copy of the Purchase Agreement is given to Purchaser, or Purchaser's attorney, in the manner set forth therein, (hereinafter called the "Commitment Date"), of a written commitment from one of the Preferred Lenders, pursuant to which the Preferred Lender agrees to make a first mortgage loan, other than a VA, FHA or other governmentally insured loan, to Purchaser, at Purchaser's sole cost and expense, in the amount equal to eighty (80%) percent of the total purchase price of the Unit, for a term of at least thirty (30) years (or such lesser sum or

shorter term as Purchaser shall be willing to accept) at the prevailing fixed or adjustable rate of interest and on other customary commitment terms, (hereinafter called the "Commitment"). To the extent a Commitment is conditioned on Preferred Lender's approval of an appraisal, the sale of Purchaser's current home, payment of any outstanding debt, no material adverse change in Purchaser's financial condition or any other customary conditions, Purchaser accepts the risk that such conditions may not be met. Purchaser's obligations are conditioned only on issuance of a Commitment. Purchaser shall notify Sponsor of inability to obtain financing within five (5) business days after the forty-five (45) day period has expired. Once a Commitment is issued, Purchaser is bound under this Agreement even if the Commitment lapses or expires prior to the Closing, except as mentioned herein, the Preferred Lender fails or refuses to fund the loan or revokes the Commitment for any reason, including, but not limited to, a change in Purchaser's financial condition or employment, or Purchaser's inability or refusal to pay all required costs, fees and expenses to extend the Commitment up to the Closing.

PURCHASER UNDERSTANDS THAT PURCHASER IS FREE TO SEEK FINANCING DIRECTLY FROM OTHER LENDERS, EITHER SOLELY OR PARALLEL WITH THE APPLICATION TO THE PREFERRED LENDER, BUT THE CONTINGENCY CONTAINED IN THIS AGREEMENT SHALL ONLY APPLY IF AN APPLICATION ON THE ABOVE-SPECIFIED TERMS IS MADE IN GOOD FAITH TO THE PREFERRED LENDER AND IS DILIGENTLY PURSUED. THEREFORE, REFUSAL BY ANY LENDER TO MAKE A COMMITMENT TO PURCHASER WILL NOT ENTITLE PURCHASER TO CANCEL THIS AGREEMENT OR RECEIVE A REFUND OF THE DEPOSIT.

2. Purchaser shall (i) make prompt application to the Preferred Lender, for such mortgage loan within five (5) days after the fully executed copy of this Agreement is given to Purchaser or Purchaser's attorney in the manner set forth herein, (ii) furnish to the Preferred Lender accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (iii) pay all fees, points and charges required in connection with such application and loan, (iv) pursue such application with diligence, and (v) cooperate in good faith with the Preferred Lender. Purchaser shall accept a Commitment meeting the terms set forth herein and shall comply with all requirements of such Commitment (or any other commitment accepted by Purchaser). IF PURCHASER FAILS TO COMPLY WITH THESE OBLIGATIONS AND REQUIREMENTS, PURCHASER SHALL BE DEEMED TO HAVE WAIVED PURCHASER'S RIGHT TO CANCEL THIS AGREEMENT AND TO RECEIVE A REFUND OF THE DEPOSIT BY REASON OF THE CONTINGENCY CONTAINED IN THIS AGREEMENT. Purchaser shall furnish Sponsor with a copy of the Commitment promptly after receipt thereof.

3. If a Commitment was issued but it lapsed or expired prior to the Closing, Purchaser shall pay all required costs, fees and expenses to extend the Commitment up to the Closing. In no event whatsoever shall Sponsor be liable for

any costs, fees or expenses relating to the extension of the Commitment, even if the lapse or expiration of the Commitment resulted from a delay in the Closing caused by Sponsor.

If a Commitment was issued but it lapsed or expired prior to the Closing, Purchaser shall make a good faith effort to extend the Commitment and pay all required costs, fees and expenses to extend the Commitment up to the Closing. In no event whatsoever will Sponsor be liable for any costs, fees or expenses relating to the extension of the Commitment, even if the lapse or expiration of the Commitment resulted from a delay in the closing caused by Sponsor. If a Commitment was issued but its terms changed prior to the closing, Purchaser shall nevertheless be required to purchase a Unit.

Notwithstanding anything to the contrary stated anywhere in this Agreement, if a Commitment was issued but it lapsed or expired prior to the Closing, and Purchaser has made a good faith effort the extend the Commitment, but the Preferred Lender nevertheless refused or failed to extend the Commitment, Purchaser will have a right of rescission until the midnight of the fifteenth day following notice from the Preferred Lender of its failure or refusal to extend the Commitment. Purchaser must either personally deliver a written notice of rescission to Sponsor or Selling Agent prior to the midnight of said fifteenth day or mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor or Selling Agent so that mailing is post-marked by post-office prior to the midnight of said fifteenth day. If Purchaser fails to give timely notice of cancellation, then Purchaser will be deemed to have waived Purchaser's right to cancel the Purchase Agreement and to receive a refund of the Deposit by reason of the contingency.

4. If the Preferred Lender denies such application in writing prior to the Commitment Date, Purchaser will have a right of rescission until the midnight of the tenth day following the Commitment Date, provided that Purchaser has complied with all his obligations under this Agreement. Purchaser must either personally deliver a written notice of rescission to Sponsor or Selling Agent prior to the midnight of said tenth day or mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor or Selling Agent so that mailing is post-marked by post-office prior to the midnight of said tenth day.

5. If no Commitment is issued by the Preferred Lender on or before the Commitment Date, then, unless Purchaser has accepted a written commitment from the Preferred Lender that does not conform to the terms set forth in this Agreement, Purchaser will have a right of rescission until the midnight of the tenth day following the Commitment Date, provided that Purchaser has complied with all his obligations under this Agreement.

Purchaser must either personally deliver a written notice of rescission to Sponsor or Selling Agent prior to the midnight of said tenth day or mail the notice

of rescission by certified or registered mail, return receipt requested, to Sponsor or Selling Agent so that mailing is post-marked by post-office prior to the midnight of said tenth day.

6. If this Agreement is canceled by Purchaser pursuant to Sections (3), (4) or (5) hereof, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan, except that the Deposit shall be promptly refunded to Purchaser and except as set forth in Purchase and Sale Agreement.

7. If Purchaser fails to give timely notice of cancellation pursuant to (3), (4), or (5) or if Purchaser accepts a written commitment from the Preferred Lender that does not conform to the terms set forth in this Agreement, then Purchaser shall be deemed to have waived Purchaser's right to cancel this Agreement and to receive a refund of the Deposit by reason of the contingency contained in the Purchase Agreement.

8. If Sponsor has not received a copy of a Commitment from the Preferred Lender accepted by Purchaser by the Commitment Date, Sponsor may cancel this Agreement by giving notice to Purchaser within five (5) business days after the Commitment Date, which cancellation shall become effective unless Purchaser delivers a copy of such Commitment to Sponsor within five (5) business days after the Commitment Date. After such cancellation, neither party shall have any further rights against, or obligations or liabilities to, the other by reason of this Agreement, except that the Deposit shall be promptly refunded to Purchaser (provided Purchaser has complied with all of his obligations under this Agreement).

9. The attorneys for the parties are hereby authorized to give and receive on behalf of their clients all notices and deliveries under this Agreement.

10. For purposes of Sections (1) and (2) hereof, Purchaser shall be deemed to have been given a fully executed copy of this Agreement, when personal delivery or delivery by overnight courier is effected, or in the case of regular mailing, three (3) business days after the date of mailing.

The Sponsor makes no representation as to the Lenders compliance with Fannie Mae, Freddie Mac or FHA loan requirements. Purchasers are directed to contact the individual Lenders to confirm compliance with same.

Note that under New York law, when a mortgage commitment is not fulfilled through no fault of a purchaser, performance is excused. Therefore, if the purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused, and the sponsor must grant to such purchaser a right of rescission and a reasonable period of time to exercise such right. See Section XII of the Offering Plan.

12. Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent (six (6)) of the Residential Units being offered for sale. Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to close Residential Units with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Residential 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 apartments 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 or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as high as seventy (70%) percent. 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 (10%) percent or more. It also may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, the Sponsor will re-declare the Plan effective if all purchase agreements are either rescinded or terminated prior to the date of first Unit Closing, regardless of whether the Condominium Declaration has been recorded.

See Section XIV as to the requirements of declaring the Plan effective.

13. In the event Sponsor is unable to convey title to a Residential Unit twelve (12) months after the proposed date of delivery set forth in the Purchase Agreement a Purchaser shall have the option to cancel the Purchase Agreement and have the downpayment advanced by Purchaser returned to Purchaser. Purchaser shall be obligated to notify the Sponsor in writing of its intent to exercise said option no later than thirty (30) days after the twelve (12) month period. Failure to so notify Sponsor shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. See Paragraph 6 of the Purchase Agreement in Part II of the Plan.

14. All deposits received from Purchaser will initially be deposited into an escrow account of Moritt Hock & Hamroff LLP (the “Escrow Agent”) located at 1407 Broadway, 39th Floor, New York, NY 10018, as described in Section XI of the Offering Plan. The Escrow Account will be opened with Popular Bank, 85 Broad Street, New York, New York 10006. 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. Additionally, any other deposits a Purchaser may have at the escrow bank will count towards the $250,000 FDIC insurance limit. See Section XV of the Offering Plan.

15. The Board of Managers has the right to borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and

maintenance of the 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 Unit Owners of said Unit. See Section XIX of the Offering Plan.

16. The projections for the first year of operation of the Condominium contained in the budget are only estimates and the actual expenses may vary from the amounts shown. Purchasers should further note that premiums for insurance have been extremely volatile and have increased substantially in recent years. Sponsor cannot predict whether or not the insurance rates will continue to increase or stabilize. Sponsor makes no representation that the premium costs for the insurance reflected in the proposed first year budget will be applicable at the time of the first closing of a Residential Unit in the Condominium. At this time the Sponsor is not including legal expenses in the budget. Although there is no requirement for annual appraisals to ascertain whether the insurance coverage is adequate, such appraisals are required prior to renewal of any fire policy. See Schedule B for the estimated insurance costs of the Condominium. See Schedule B, the proposed first year budget and the footnotes immediately following thereto.

17. Purchasers should note that it shall be the responsibility of each Purchaser to pay the following additional closing costs: (a) an initial non-reimbursable capital contribution in an amount equal to two (2) months Common Charges to the Condominium; and (b) $2,500 to Sponsor's attorney for the preparation of the closing documents. 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 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 $500. In addition, if a closing takes place, at the request of Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney a travel fee in the sum of $250. See Section XVI of the Offering Plan.

18. Sponsor will make application for real estate tax benefits under the <u>new</u> Section 421-a program. Department of Housing Preservation and Development of the City of New York ("HPD") has jurisdiction over the new 421-a tax benefits. Applications for tax exemption benefit must be made after construction is completed, but within one year from the time of completion; the construction period benefit is retroactive. 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 Final Certificate of Occupancy is issued for the entire building.

Sponsor will use its best efforts to obtain those benefits and duration of the benefits, however, **the new 421-a program is designed to be extremely difficult to procure**. Although Sponsor anticipates obtaining Section 421-a benefits, Sponsor makes

no guarantee that Section 421-a tax benefits will be granted or if granted when the abatement will commence and **Purchasers should not rely on receiving the new 421-a benefits**. Sponsor expects the abatement will be approved approximately 5-7 months after the submission of the application, subject to application requirements set forth below.

To be eligible for 421-a benefits construction must have commenced prior to Deember 31, 2015 and be completed by December 31, 2026. 421-a tax exemption benefits are not available if the project receives exemption benefits under any other law, however, this Condominium will not receive any other exemption and thus remains eligible for 421-a tax benefits.

New 421-a regulations require that:

i. None of the Units in the Condominium may exceed the assessed value cap of $65,000 in order to qualify for tax benefits. If any Units exceed this maximum, the entire building will be deemed ineligible.
ii. Purchase Agreements be executed for all Units in the Condominium prior to Sponsor submitting the 421-a application. Additionally, all Purchase Agreements must be executed within one year of completion of construction.
iii. **All owners must agree in writing to maintain such Unit as their primary residence for no less than five years from acquisition date of such Unit.** However, HPD has not stated the penalty for such non-compliance of the residency requirement.
iv. Completion of construction is the date either when a Temporary Certificate of Occupancy is issued for all residential areas in the Condominium, or when a Final Certificate of Occupancy is issued for the entire Condominium.

HPD has adopted new regulations with respect to the 421-a(16) homeownership program, which require each Purchaser of a Unit in a Homeownership Project to authorize an officer of the Board of Managers to submit the 421-a application and to execute and record the 421-a(16) restrictive declaration on their behalf. Executed consent forms for each Unit in a Homeownership Project must be submitted with the application along with executed and recorded deeds for each Unit, and such deeds are also required to include the Primary Residence Requirement. This consent form must also include the homeowner's acknowledgement of the Primary Residence Requirement, the Building Size Requirement and the Post-Completion Assessment Cap Requirement.

In order to maintain eligibility status under the new 421-a benefits, Sponsor may not rent Units before or after consummation; as stated above, Sponsor will not rent Units. The Sponsor will not enter into interim leases with Purchasers for Residential Units prior to closing. If however, prior to consummation, the Sponsor were to rent any residential Unit (or portion thereof) to any person other than an interim lessee, the Sponsor is obligated to abandon the Offering Plan in accordance with the provisions of 13 N.Y.C.R.R. 20.1(1)(2) and 20.5(g). Notwithstanding the foregoing, Sponsor will not rent Residential

Units unless 421-a benefits are not obtained. Sponsor must sell all of the Units in the Condominium and the Units must be maintained as Purchaser's primary residence. It is the Sponsor's intention to sell all of the Units. Additionally, Sponsor must inform must inform HPD of intent to operate as a rental building; and all Units will be subject to rent stabilization.

The twenty-year exemption would be applied as follows:

a) 100% exemption, for up to $65,000 per Unit (as detailed above) during the first 14 years; and
b) A 25% exemption during the next 6 years; and
c) The exemption is subject to an assessed valuation cap of $65,000 per dwelling Unit.

Further, in order to obtain an exemption from real property taxation pursuant to §421-a(16), 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 expert 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, as a Restrictive Declaration:

1. 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").
2. 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").
3. 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 form the acquisition of such unit ("Primary Residence Requirement").
4. No portion of the Property shall be operated as a Hotel during the Restriction Period ("Hotel Prohibition Requirement").
5. This Restrictive Declaration may be enforced by the City of New York and any of its agencies and instrumentalities, and any tenant.

See Schedule N in Part II of the Plan for a copy of the Restrictive Declaration.

Under the **replacement ratio requirement** of **option D of the 421-a(16)**, any dwelling units that were on the eligible site three (3) years prior to the commencement date and there after demolished removed or reconfigured must be replaced with at least one (1) affordable housing unit for each residential dwelling unit removed. Within three (3) years prior to the commencement date the eligible site had no residential units removed and **therefore there is no residential replacement required**.

As shown above, there have been numerous changes to the 421-a law since its most recent passage. The major procedural change is the elimination of the preliminary certificate of eligibility. Therefore, it is likely that even if this project is eligible for 421-a benefits, the benefits will be implemented retroactively, and Purchaser may not have the benefits of 421-a on their initial tax bills. The application for 421-a benefits must be submitted within one year after completion of construction; which shall be the responsibility of the Sponsor or his representative. A filing fee of $3,000 per dwelling unit, will need to be submitted to HPD along with the 421-a (16) Application for Certification of Eligibility for Tax Exemption; which if approved would result in a final certificate of eligibility. Therefore, Schedule A of the Offering Plan reflects the estimated real estate taxes for each Residential Unit both with and without Section 421-a benefits. Purchasers should note that if approved, it is anticipated that the 421-a tax benefits will be retroactive and a Residential Unit Owner would then be entitled to either a reimbursement for the amount overpaid or a credit against future real estate taxes.

Sponsor must sell all of the Units in the Condominium and the Units must be maintained as Purchaser's primary residence. It is the Sponsor's intention to sell all of the Units.

As stated herein, Sponsor will use best efforts to obtain the tax benefits set forth herein, however, in the event the tax benefits are not granted, Purchasers will not be offered rescission and any payment made to Sponsor for reimbursement of costs to obtain such tax benefits will not be refunded.

Sponsor is <u>not</u> applying for these benefits based on the affordability component of the 421-a program. Instead, Sponsor is relying on the Post-Completion Assessment Cap Requirement. 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 for more information regarding the projected assessed valuation after completion of construction. See Section also Section XXI for more information regarding the projected assessed valuation after completion of construction/rehabilitation.

Purchasers shall be required to reimburse Sponsor for obtaining 421-a and/or ICAP tax benefits. The reimbursement amount of $3,000 will be payable at the time of closing. This reimbursement will be non-refundable, even in the event the Building does not qualify for 421-a tax benefits.

Sponsor will cooperate with the Board of Managers to obtain the benefits and will keep and make available all records required in order to obtain the benefits. Sponsor shall keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Sponsor shall, upon closing, make all tax benefit documents available to the Board of Managers for inspection

and copying for the life of the benefits; and Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

As this project anticipates completion of construction, as evidenced by a FCO by December 31, 2021, contracts for all Residential Units in the Building must be entered into prior to December 30, 2022 as the application for 421-a must be submitted within one (1) year of the Building obtaining either a TCO or FCO, whichever is earlier.

NO WARRANTY IS OR CAN BE MADE THAT THE BENEFITS SET FORTH HEREIN WILL BE OBTAINED. IN THE EVENT THE BENEFITS ARE NOT OBTAINED, OR IN THE EVENT THERE ARE INCREASES IN THE TAX RATE, OR THE PROPERTY'S ASSESSED VALUATION, OR IN THE STATUTES GOVERNING THE TAX BENEFITS, REAL ESTATE TAXES MAY BE HIGHER THAN ANTICIPATED FOR THE FIRST YEAR OF OPERATION AND IN FUTURE YEARS. HENCE, INDIVIDUAL CARRYING COSTS FOR ALL UNITS WOULD ALSO BE HIGHER. Prospective purchasers are urged most strongly to read the section entitled REAL ESTATE TAX BENEFITS included herein. PURCHASERS WILL NOT BE OFFERED A RIGHT OF RESCISSION SHOULD THE BENEFITS NOT BE OBTAINED.

Schedule A does not contain projected tax amounts with and without 421-a and ICAP benefits. See Section XXI for more details and Schedule A for amounts without 421-a and ICAP. Purchasers are encouraged to review the projected real estate taxes with a real estate tax professional.

19. **PURCHASERS SHOULD NOTE, AS STATED ABOVE, IN ORDER FOR A PURCHASER TO QUALIFY FOR 421-A BENEFITS, THE UNITS MUST BE OWNER-OCCUPIED, AS THE UNIT OWNER'S PRIMARY RESIDENCE, FOR A PERIOD OF FIVE (5) YEARS FROM THE DATE OF CLOSING. THIS RESTRICTION SHALL APPLY TO ANY FUTURE PURCHASER WITHIN SAID FIVE (5) YEAR PERIOD, BUT WILL NOT BE CONSTRUED TO CONSTRICT THE TRANSFERABILITY OF THE RESIDENTIAL UNIT. THIS PROVISION SHALL NOT BE APPLICABLE TO ANY LENDER THAT TAKES TITLE TO A UNIT BY FORECLOSURE, DEED IN LIEU, OR OTHERWISE.** See Sections I and Section XXI.

20. Construxtion is substantially completed; however, Purchasers should be aware 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 continue until the Condominium project is completed in accordance with the Plan. Any such construction will not render the Unit uninhabitable nor materially affect Purchaser's use of the Unit. 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. See Section XXI of the Offering Plan.

21. 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. Such interest rate shall not surpass the legal limit under applicable law. See Section XVI of the Offering Plan.

22. Purchasers should note that if a 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, **time being of the essence.** Time of the essence indicates that failure to cure the default by a certain date will constitute and incurable default under the Purchase Agreement. Upon Purchaser's failure to cure such default within such thirty (30) day period, the Purchase Agreement shall, at Sponsor's option, be deemed canceled and Sposnor 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.

The notice of default shall be deemed notice to the Purchaser by the Escrow Agent of the Escrow Agent's intent to release the funds being held in escrow on behalf of the Purchaser pursuant to the dispute resolution provisions of the Attorney General's escrow regulations as described in Section X of the Plan. See also Paragraph 22 of the Purchase Agreement in Part II of the Offering Plan.

23. The square footage of each Residential Unit has been based on the area measured horizontally from the outside face of exterior walls to the centerline of the walls separating adjacent Units, to the outside face of drywalls and/or interior walls separating the Units from the utility rooms/closets and stairs, and to the outside face of the walls separating a Unit from the corridors. Doors and windows, which open from or create a border to a Unit shall be deemed part of the Unit. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual, usable, floor area comprising the Residential Unit is substantially less than the area listed in Schedule A. See Schedule A.

24. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive 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 Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within two-years, which is the timeframe anticipated by the Multiple Dwelling Law for issuance of a FCO. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO-YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the By-laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of an FCO, such renovations may cause additional delays in the issuance thereof. A factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

In the event Sponsor obtains a TCO for the Building, a tenant protection plan will be put in place prior to any occupancy of the Building. See Section XVII of the Offering Plan.

25. Purchasers should note a decrease in a unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. See Section IX of the Offering Plan.

26. Purchasers should note that the Sponsor reserves the right to select the ultimate location of kitchen and bathroom cabinets, which may differ from the locations set forth on the floor plans. In the event an affected Unit is under contract, Sponsor shall first obtain consent from the Purchaser of said Unit. Sponsor is obligated to construct the

premises in accordance with building plans and specifications. Any material modification to or variation therefrom will first be disclosed in an amendment to the Offering Plan. See Section XV of the Offering Plan.

27. The risk of loss from fire or other casualty remains with the Sponsor unless and until a Purchaser takes actual possession of a Unit pursuant to an interim lease (or written agreement with the Sponsor) or legal title to the Unit has been conveyed to the Purchaser. However, Sponsor is not entering into any interim leases so there should be no pre-closing possession.

28. 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 materially adverse condition 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 set forth in the architects and/or engineers property description report(s), as may have been changed by Sponsor from time to time provided that it is notified of such materially adverse construction condition in writing by certified mail within one (1) year from the date of Closing of Title to the Residential Unit in which the alleged materially adverse condition exists ("Limited Warranty"). If a materially adverse construction condition occurs in an item, which is covered by this warranty, the Sponsor or Sponsor's contractors will (a) repair or (b) replace the item. The choice between repair or replacement is strictly the Sponsors.

Sponsor's obligation, regardless of any limitations in the warranty or in this offering plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications, and that any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. See Section XV of the Plan.

29. Sponsor has obtained construction financing (the "Construction Loan") from Cathay Bank ("Construction Lender"), 41-48 Main Street, Flushing NY 11355 ("Construction Lender"), which has enabled Sponsor to construct the Development. The Sponsor will be obligated to pay off and otherwise comply with the terms of the Construction Loan on the entire Condominium. After the recording of the Declaration and before the closing of title to the first Unit, any Construction Loan mortgage will be satisfied or released. Therefore, the lender will set a release price for Unit so that Sponsor can pay-off such amount of the underlying mortgage with the sale of the Unit. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by partial release duly recorded. In order to obtain partial releases, the Construction Lender will require that the Sponsor pay a release price on the sale of each Unit, until the loan is repaid in full. Such minimum release price shall be determined prior to the closing of a Unit and be based on the total outstanding loan at that time. This portion of the loan will not be added to the Purchase

price, but rather Sponsor may use the proceeds from such sale to pay towards the underlying mortgage. Therefore, there will be no resulting costs from Sponsor's construction loan added to Purchaser's individual mortgage, and no delay to the closing of title to a Unit due to the underlying mortgage.

Purchaser shall not be obligated to pay any adjournment fee as a result of a delay caused by any assignment/consolidation of Sponsor's construction loan. The terms of the Construction Loan contemplate the project as a "for-sale" condominium project. Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent (six (6)) of the Residential Units being offered for sale.

At the time of conveyance of the first 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.

There will be no steps needed to be undertaken by Purchaser, as previously stated, Sponsor will work directly with lender and pay a release price, which price shall not affect purchaser or Purchaser's financing, if any. See Section I of the Offering Plan.

30. Purchasers should note, in the event Sponsor seeks an assignment of a portion of the Construction Loan to Purchaser's mortgage lender, such severance and assignment would not result in any additional risk or cost to the Purchaser. Sponsor will initiate the any severance and assignment transaction only after financing has been procured by Purchaser. Furthermore, should this transaction fail to take place and result in the loss of Purchaser's fin acing commitment, then Purchaser will be afforded an opportunity to obtain new financing, if Purchaser so elects. See Section XI of the Offering Plan.

31. Neither Sponsor nor any of its Principals have an option or right to acquire any of the adjoining areas. The Sponsor does not currently have any other projects in the immediate vicinity, nor has Sponsor been made aware of same. See Section IV of the Offering Plan.

32. There are no restrictions on who may purchase a Residential Unit in the Condominium except that this offer is made only to persons over eighteen (18) years of age. Each Residential Unit Owner can sell their Residential Unit to whomever they desire. Residential Unit Owners may lease their Residential Units subject to the conditions contained in Section XVIII of the Offering Plan. The Board of Managers does not have the right to approve or disapprove Purchasers.

Any Residential Unit Owner who wishes to enter into a lease for their Residential Unit shall be required to provide the Board of Managers with a copy of the proposed lease

prior to its execution. Any lease entered into must contain a provision that the Lessee is subject to the Declaration, By-Laws and Rules and Regulations of the Condominium, the provisions of Article XI, Section 2 of the Condominium By-Laws and the Deed to the Residential Unit. Failure to comply with the above shall be deemed an automatic violation of the By Laws of the Condominium. Rental of a Residential Unit in the Condominium is not currently subject to any local or state regulation and is not subject to a right of first refusal by the Board of Managers. See Section I and XIX of the Offering Plan.

33. The purchase of a Condominium Unit has many significant legal and financial consequences. The Attorney General strongly urges you to read this Offering Plan carefully and to consult with an attorney before signing a Purchase Agreement. See Section I of the Offering Plan.

34. Purchasers should further note that in the event 421-a benefits are not obtained, the By-Laws do not contain a provision requiring that after the sponsor-control period expires the Board must be made up of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. See Section XVIII of the Offering Plan.

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

36. Sponsor anticipates that the closing to the first Residential Unit will occur on or about January 1, 2022. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than December 31, 2022, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, Purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. All common elements, including but not limited to the recreation room, roof terrace and Storage Units, will be fully operational as of the date of commencement of Condominium operation. will be fully operational as of the date of commencement of the Condominium operation.

However, if the first unit closing occurs before December 31, 2022, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See Section XV of the Offering Plan.

37. Purchasers should note that on November 15, 2018 the Financial Crimes Enforcement Network (“FinCEN”) announced the issuance of an updated Geographic Targeting Order (“GTO”), which requires U.S. title insurance companies to report to FinCEN the personal identity of purchasers in residential real estate transactions in which: (1) the purchaser is a legal entity as defined in the GTO; (2) the purchaser purchases residential real property (including condominium units) located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan and Staten Island; (3) the total purchase price is in an 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 cashier’s check, a certified check, a traveler’s check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

As long as the updated GTO remains in effect, the reporting requirements set forth above apply to all residential real property closings (including condominium units) meeting the above criteria and occurring on or after November 17, 2018.

Further information regarding the revised GTO is available at the following web address:https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf

See Section XI of the Offering Plan.

38. In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the Board of Managers (the "Board") of Polaris Condominium (the "Condominium"), have adopted the following smoking policy (the "Smoking Policy") for the Building:

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, basement, corridors, hallways, stairwells, elevators, playroom, garage, garage ramp, walkways; and (ii) within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

For the purposes of this Smoking Policy, the term "smoking" includes, but is not limited to, inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe or any other form of lighted object or device which contains tobacco, including the use of electronic cigarettes or any similar device that delivers vapor for inhalation (including any refill, cartridge or other component of an electronic cigarette or similar device), or any other items or materials that may be smoked, whether such substance is a legal substance or an illegal substance. This Smoking Policy applies to all unit owners, tenants, subtenants, occupants and residents of the Building, and to any guests, agents, licensees and invitees of a Unit Owner. It is the Unit Owner's responsibility to ensure that its tenants, subtenants, occupants, residents, guests, agents, licensees and invitees comply with this Smoking Policy.

Smoking is PERMITTED within individual apartments and on the terraces, balconies, patios and yards attached to individual apartments (except within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units). However, if there are reported and substantiated incidents of infiltration of smoke/smoke odors into common areas of the Building (including, but not limited to, hallways) and/or other apartments in the Building, it will be the offending Unit Owner's responsibility, at its sole cost and expense, to abate the nuisance.

Any Unit Owner who sells, leases, or subleases its apartment must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation. This Smoking Policy shall become effective immediately. The Board will advise Unit Owners of any changes to the Smoking Policy.

39. Balcony and Terrace space may not be legally used as a bedroom or living room and to do so may result in a building code violation being issued for the building. See Schedule A.

40. All general maintenance, repairs and replacements of the balconies and terraces that are Limited Common Elements, 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 balconies or terraces), shall be the responsibility of the Residential Unit Owner whose balcony or terrace is a Limited Common Element of their Residential Unit. Although the cost of repairs and replacements to Limited Common Elements shall be borne by the Residential Unit Owners, the Board of Managers shall be charged with performing all repairs and replacements at the Residential Unit Owners sole cost and expense. See Section I of the Offering Plan.

41. 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. See Section XXII of the Offering Plan.

42. Purchaser represents that no broker other than Seller’s broker (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. See the Purchase Agreement in Part II of the Offering Plan.

43. 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. See the Purchase Agreement in Part II of the Offering Plan.

If the Sponsor/Seller seeks to enforce or defend any of its rights, then the Purchaser may be required to pay the Sponsor/Seller's attorneys' fees if the Sponsor is the prevailing party.

44. Purchasers should note that the Community Facility Units and Commercial Units may be used for any lawful purposes permitted under the local zoning code, including, without limitation, for Community Facility and Commercial uses. Pursuant to the New York City zoning code, the lawful uses permitted in the Community Facility Units include ambulatory and other health care uses, child care/day care uses and educational uses. The Commercial Units may be used for any lawful purposes permitted under the local zoning code, including, without limitation, for commercial uses. Pursuant to the New York City zoning code, the lawful uses permitted in the Commercial Units include retail, restaurant, office and similar uses. Notwithstanding the foregoing, the Non-Residential Units shall not be used for any illegal uses or for the following uses: pornography stores, drug treatment facilities or homeless shelters.

The Owners of the four (4) Commercial Units and one (1) Community Facility Unit shall be subject to the rights of the Non-Residential Unit Owners to subdivide and merge same. Non-Residential Unit Owners will be responsible to pay common charges in accordance with such Unit Owner's percentage of Common Interest. The common charges payable by each Non-Residential Unit Owner are sufficient to cover the expenses fairly attributable to such Unit. For purposes of this note, the Parking Space Units and

Storage Bin Units are not considered Non-Residential Units.See Section IX of the Offering Plan.

45. Purchasers should note that the Owner(s) of Community Facility Units and Commercial Units will be obligated to pay a share of the cost of insurance and maintenance and operation of the Common Expenses shared with the Residential and Parking Units and other costs reflected in Schedule B based on their percentage of General Common Interest in the Condominium. There is no special allocation of Common Expenses to Community Facility and Commercial Non-Residential Units in this Offering Plan.

The Community Facility and Commercial Non-Residential Unit Owners will also be responsible for the entire cost of the maintenance and operation of the Non-Residential Unit Limited Common Elements. However, in accordance with New York State Real Property Law, Section 339-m, the Condominium Board may also make allocations and assessments of Common Charges to the Common Expenses 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 Elements by particular Unit Owners. In the event of any dispute relating to the expenses to be borne by the Non-Residential Unit Owners such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XII of the By-Laws. In the event of any dispute relating to the expenses to be borne by the Non-Residential Unit Owners such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XII of the By-Laws. The arbitrator shall be mutually agreed upon by the Board of Managers and the Non-Residential Unit Owners. Options for appeal are limited for matters submitted to arbitration. In addition, pursuant to Section 339-bb of the Real Property Law a larger portion of the insurance costs may be applied to a Non-Residential Unit.

Each Non-Residential Unit and/or their tenants will have an easement to erect, maintain and replace one (1) sign on the property as permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be in compliance with the requirements of the City of New York. See Section IX of the Offering Plan.

46. Purchasers should note 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 members of the Condominium, or property within the Condominium held by the members 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 XXI of the Offering Plan.

47. In the unlikely 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 said Unit for the six (6) month period following the first closing. This is a determination made by the taxing authority and not in control of the Sponsor. Said amount is to be paid by Purchaser. 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 and either the Sponsor or the Board of Managers will be entitled to reimbursement from Unit owners to the extent of the actual assessment. Until the Units are separately assessed, all post-closing amendments will disclose the amount of the funds deposited in escrow for the payment of the real estate taxes. See Section XXI of the Offering Plan.

48. Purchasers should note, from and after the date Purchaser executes a Purchase Agreement, 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 the Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement plus the cost of Extras as liquidated damages. Purchasers should note that, pursuant to the new 421-a requirements, Purchasers are required to retain their Unit as a primary residence for a minimum of five (5) years in order for the Building to qualify for 421-a real estate tax benefits. See Paragraph 27 of the Purchase Agreement in Part II of the Offering Plan.

49. Purchasers should not that pursuant to the terms of the Purchase Agreement; 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 on the Unit. Furthermore, Purchaser and Seller shall 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.

If the Sponsor/Seller seeks to enforce or defend any of its rights, then the Purchaser may be required to pay the Sponsor/Seller's attorneys' fees if the Sponsor is the prevailing party. See Paragraph 35 of the Purchase Agreement in Part II of the Offering Plan.

50. Sponsor and/or the Board of Managers shall comply with § 12-11 Owner Responsibilities for Notices of Suspected Gas Leak Procedures under the NYC Administrative Code, as follows:

(a) Deliver or cause to be delivered to each tenant and prospective tenant of such dwelling one time, along with the first lease or first lease renewal for such tenant or prospective tenant, a notice in a form approved by the NYC Department of Finance ("DOF") describing the procedures to be followed when a gas leak is suspected;

(b) Post a notice in a form approved by DOF in a common area of the dwelling, readily visible, informing the occupants of such dwelling of the procedures to be followed when a gas leak is suspected. This notice shall conform with the following requirements:

(1) the notice shall have letters not less than three-sixteenths of an inch in height;

(2) the lettering of the notice shall be of bold type and shall be properly spaced to provide good legibility and the background shall be of contrasting colors;

(3) the notice shall be durable and shall be substantially secured to the common area where posted;

(4) the notice shall be of metal, plastic, or decal; and

(5) lighting shall be sufficient to make the notice easily legible.

For more information see DOF 's website at www.nyc.gov/ DOF.

51. Purchasers should note, the Administrative Code of the City of New York, § 27-2052, et seq., requires one of the following when a building has 9 or more units: (1) that the owner performs the janitorial services; or (2) that there be a full time superintendent who resides in the building or within 200 feet of the building; or (3) that there be a janitorial service approved by the Department of Buildings available 24 hours per day. The Condominium will enter into an agreement for janitorial service, which will be available 24 hours per day. See Schedule B in Part I of the Offering Plan.

52. Purchasers should note, 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 for more information regarding the projected assessed valuation after completion of construction.

53. New York City law require all owners of multiple dwellings (Sponsor) must install at least one carbon monoxide detector. Carbon Monoxide Detectors must be checked every ninety (90) days. After initial installation, the Unit Owner is responsible for maintenance and replacement, if required.

54. There are no lot line windows in this project. Unit Owners must notify the Managing Agent in writing when a Child or Children under the age of Eleven (11) years lives or resides (even temporarily) in the Unit. Each Residential Owner shall install at

Residential Owner's expense, the required Window Guards in all windows of the Unit and shall not remove them until permitted by law in any event, without the full knowledge of the Managing Agent. Pursuant to NYC Department of Haelth, Owners can charge a one-time fee per window guard for units, but they cannot charge tenants for window guards that were previously installed. See the Description of Property Report, Schedule G, in Part II of the Offering Plan.

55. There are private terraces designed on second and sixth floor adjacent to condominium units of the building. The roof terraces are the limited common element of the condominium unit adjacent to it. The second floor terraces in between Unit-A, Unit-B and Unit-H terraces is divided with 4'-0" high vinyl fencing. The private terraces will be allocated as an accessory to residential space in the Certificate of Occupancy. The terraces are appurtenant to Residential Units 2A, 2B, 2C, 2D, 2F, 2G, 2H, 6B and 6D. The balconies are appurtenant to Residential Units 3A, 3B, 3C, 3D, 3E, 3F, 3G, 3H, 4A, 4B, 4C, 4D, 4E, 4F, 4G, 4H, 5A, 5B, 5C, 5D, 5E, 5F, 6A and 6C. Terraces may not be enclosed or used for storage or trash. Additionally, Purchaser cannot place obstacles in the fire department access path.

There shall also be an open space on the roof as a Common Element and no furniture or equipment is being provided by the Sponsor. All amenities such as recreation room, roof terrace and Storage Units will be fully operational as of the date of commencement of Condominium operation.

56. Each Purchaser will be required to pay to the Sponsor $3,000.00 for reimbursement of the filing fees advanced or payable to the City of New York City and for professional fees and disbursements advanced or payable to obtain the 421-a real estate tax and/or ICAP abatement and exemption benefits. The 2017/18 ICAP Program has been extended to March 1, 2022. NYC Department of Finance ("DOF") is the supervisory authority administering the ICAP benefits.This program provides abatements for property taxes for periods of up to 25 years. To be eligible, industrial and commercial buildings must be built, modernized, expanded, or otherwise physically improved. Sponsor does not warranty that ICAP benefits will be obtained, and a failure to obtain said benefits will not entitle Purchasers to a right of rescission. Sponsor will use its best efforts to obtain the ICAP benefits but there is no guarantee.

Schedule of progressive decrease in tax benefits during the benefits period:

Tax year during benefit period	Amount of abatement
Years 1 to 11	100% of abatement base
12	80% of abatement base
13	60% of abatement base
14	40% of abatement base
15	20% of abatement base

Sponsor will cooperate with the Board of Managers to obtain the benefits and will keep and make available all records required in order to obtain the benefits. Sponsor shall

keep all records required by HPD and DOF and will make them available whenever requested to do so. HPD and DOF routinely conduct audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Sponsor shall, upon closing, make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits; and Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits. Schedule A does not contain projected tax amounts with and without 421-a and ICAP benefits. See Section XXI.

57. The administrative code of the City of New York, in accordance with Local Law 11 of 1998 in relation to Façade Inspection Safety Program (FISP) of the exterior walls of buildings greater than six stories in height, in order to maintain a building's exterior walls and appurtenances thereof in a safe condition shall be conducted at least once every five years. This project cycle falls during Cycle 9, commenced on February 21, 2020, and will run through February 20, 2025.

The Local Law 11/98 (FISP) is not applicable now, as the building is new construction and just completed. In that this is new building which has never been occupied, there is no need to further examine the FISP since there is no existing structure to be concerned with safety of the walls. The next relevant inspection starts at cycle number, 10 in 2021. The inspection frequency is Every 5-year cycle. Condominium Board director is responsible for managing the inspections and the Condominium Board is responsible for paying for it.

58. The By-Laws do not contain any provision that provides that after the Sponsor relinquishes control of the Board a majority of the Board of Managers must be owner occupants or members of an owner occupant’s household, 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 a Residential Unit to live in as opposed to purchasing as an investment.

59. Cellar, balcony and terrace space may not legally be used as a bedroom or living room and to do so may result in a building code violation being issued for the building. Cellar space has less light and air than ordinary living space and it is more susceptible to dampness.

60. Prohibition Against Advertising Of Unit For Sale - 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 the Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement plus the cost of Extras as liquidated damages. Purchasers should note that, pursuant to the new 421-a requirements, Purchasers are required to retain their Unit as a primary residence for a minimum of five (5) years in order for the Building to qualify for 421-a real estate tax benefits.

61. This property is located in FEMA flood zone: X, which is an area of minimal flood hazard. This is the very last zone that would be called to evacuate. Purchasers shall not be required to purchase flood insurance.

62. 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.

63. The Board's collection of Common Charges will be in an amount necessary to carry out the duties of the Board of Managers as is set forth in this Offering Plan and such Common Charges shall be paid by the Unit Owners and the Sponsor as Owner of the unsold Units in accordance with the Common Interest set forth herein.

POLARIS CONDOMINIUM

PLAN OF CONDOMINIUM OWNERSHIP

I. INTRODUCTION

This is an Offering Plan (the "Plan") for the sale of thirty-four (34) Residential Units (the "Residential Units"), four (4) Commercial Units, one (1) Community Facility Unit, thirty-one (31) Parking Space Units and two (2) Storage Bin Units in a Condominium to be known as Polaris Condominium located at 32-58 105th Street, East Elmhurst, New York 11369.

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

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. Amendments will be served on all offerees as defined in section 20.1(d) of this Part.

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 Residential Unit. The Condominium is subject to and complies with the New York Condominium Act.

The Sponsor of the Offering Plan is Sanford 147 Development LLC. Sponsor acquired the property by deed September 10, 2019. The prior use of the property was commercial and was non-residential vacant land prior to Sponsor acquiring the property. The property was vacant as of the date on which the Sponsor submitted the proposed Offering Plan to the Department of Law. This property is located in FEMA flood zone: X, which is an area of minimal flood hazard. This is the very last zone that would be called to evacuate.

The Sponsor will be the owner of the Non-Residential Units (Commercial Units and Community Facility Units) until the Sponsor conveys the units to owners, upon a sale of same. Each Non-Residential Unit Owner will be responsible to pay common charges in accordance with such Unit Owner's percentage of Common Interest. The common charges payable by each Non-Residential Unit Owner are sufficient to cover the expenses fairly attributable to such Unit. Community Facility Units may only be used for Daycare uses or Treatment Healthcare Facility. Commercial units may be used for retail,

restaurant and/or office uses. Such Community Facility and Commercial Units (Non-Residential) will comply with the intended use pursuant to the Certificate of Occupancy.

If Sponsor decides to implement special allocations at any time in the future, the Sponsor will first amend the plan before doing so in accordance with the relevant provisions of the declaration and bylaws.

The Condominium will contain thirty-four (34) Residential Units (the “Residential Units”), four (4) Commercial Units, one (1) Community Facility Unit and two (2) Storage Bin Units located in a seven (7) story building with cellar. The Condominium will consist of a total lot area of approximately 13,284 square feet.

The Condominium will contain thirty-one (31) Parking Space Units, including two (2) designated handicapped Parking Space Units; twenty-two (22) Parking Space Units will be located in an enclosed parking garage on the cellar floor and nine (9) Parking Space Units will be located in an exterior parking area on the first floor level. The Parking Space Units shall be used solely for the parking or storage of motor vehicles of the occupants of the Condominium, except that, in the event such Parking Space Unit is not used by such occupants, it may be rented by the owner or owners of such Parking Space Units to persons other than occupants of the Condominium. The Parking Space Unit, which has thus been rented, shall be made available to an occupant of the Condominium within thirty (30) days after written request therefor. However, Parking Space Units may be used for the storage of any mechanical or motor-driven equipment or other accessory device required for the proper maintenance of the Condominium. Separate tax lots will be obtained for each Parking Space Unit and each Parking Space Unit will be offered for sale to Residential Unit Owners on a first come first served basis. Said Parking Space Units will be offered for sale at the prices set forth in Schedule A. Sponsor reserves the right to retain ownership of the Parking Space Units and rent said Parking Space Units.

Parking Space Units will be offered for sale to Residential Unit Owners only, with a limit of one (1) Unit per Owner; said Units shall not be attended. Once a Parking Space Unit is purchased by a Unit Owner, such space shall be for the exclusive use of that Owner.

Initially any handicapped Parking Space Unit will only be available for sale to a Purchaser who meets the qualification of a disabled person under the federal Fair Housing Amendments Act of 1988 (the "Act") and has been issued a handicapped parking sticker or permit from the City or State of New York. Pursuant to the Act an individual is disabled if he/she has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment.

At this time two (2) Parking Space Units, Unit 8 and Unit 9 in the enclosed parking area on the cellar level, have been designated as a handicapped Parking Space Units. The handicapped Parking Space Units will be the last Parking Space Units sold if they have not previously been sold to Purchasers who themselves or a member of their family

have a vehicle with handicapped plates. The purchase of any handicap designated Parking Space Unit and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed:

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

In the event the present or future owner of a Unit or member of his or her family residing in the Unit, becomes handicapped and said Unit Owner does not own a Parking Space Unit, said Unit Owner has the right to demand that the non-handicapped owner of a handicap designated Parking Space Unit sell it at then current, fair market value to said handicapped Unit Owner. All costs and expenses entailed in the transfer of title to the Parking Space Unit, including without limitation, title abstracts, title insurance, transfer taxes and recording fees and reasonable attorney fees shall be borne by the party requesting the transfer. The owner of a handicap designated Parking Space Unit must comply with the aforementioned demand upon thirty (30) days written notice.

If the parties cannot agree on the fair market value of a handicap designated Parking Space Unit then the parties agree to submit the matter to binding arbitration in accordance with Article XI of the By-Laws of the Condominium. See Section III for a detailed description of the Parking Space Units and parking facilities. See also Article XI of the By-Laws regarding binding arbitration.

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 the Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement plus the cost of Extras as liquidated damages. Purchasers should note that, pursuant to the new 421-a requirements, Purchasers are required to retain their Unit as a primary residence for a minimum of five (5) years in order for the Building to qualify for 421-a real estate tax benefits.

Sponsor will make application for real estate tax benefits under the new Section 421-a program. Department of Housing Preservation and Development of the City of New York ("HPD") has jurisdiction over the new 421-a tax benefits. Applications for tax exemption benefit must be made after construction is completed, but within one year from the time of completion; the construction period benefit is retroactive. 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 Final Certificate of Occupancy is issued for the entire building.

Sponsor will use its best efforts to obtain those benefits and duration of the benefits, however, the new 421-a program is designed to be extremely difficult to procure. Although Sponsor anticipates obtaining Section 421-a benefits, Sponsor makes no guarantee that Section 421-a tax benefits will be granted or if granted when the abatement will commence and Purchasers should not rely on receiving the new 421-a benefits. Sponsor expects the abatement will be approved approximately 5-7 months after the submission of the application, subject to application requirements set forth below.

To be eligible for 421-a benefits construction must have commenced prior to Deember 31, 2015 and be completed by December 31, 2026. 421-a tax exemption benefits are not available if the project receives exemption benefits under any other law, however, this Condominium will not receive any other exemption and thus remains eligible for 421-a tax benefits.

New 421-a regulations require that:

i. None of the Units in the Condominium may exceed the assessed value cap of $65,000 in order to qualify for tax benefits. If any Units exceed this maximum, the entire building will be deemed ineligible.

ii. Purchase Agreements be executed for all Units in the Condominium prior to Sponsor submitting the 421-a application. Additionally, all Purchase Agreements must be executed within one year of completion of construction.

iii. All owners must agree in writing to maintain such Unit as their primary residence for no less than five years from acquisition date of such Unit. However, HPD has not stated the penalty for such non-compliance of the residency requirement.

iv. Completion of construction is the date either when a Temporary Certificate of Occupancy is issued for all residential areas in the Condominium, or when a Final Certificate of Occupancy is issued for the entire Condominium.

HPD has adopted new regulations with respect to the 421-a(16) homeownership program, which require each Purchaser of a Unit in a Homeownership Project to authorize an officer of the Board of Managers to submit the 421-a application and to execute and record the 421-a(16) restrictive declaration on their behalf. Executed consent forms for each Unit in a Homeownership Project must be submitted with the application along with executed and recorded deeds for each Unit, and such deeds are also required to include the Primary Residence Requirement. This consent form must also include the homeowner's acknowledgement of the Primary Residence Requirement, the Building Size Requirement and the Post-Completion Assessment Cap Requirement.

In order to maintain eligibility status under the new 421-a benefits, Sponsor may not rent Units before or after consummation; as stated above, Sponsor will not rent Units. The Sponsor will not enter into interim leases with Purchasers for Residential Units prior to closing. If however, prior to consummation, the Sponsor were to rent any residential Unit (or portion thereof) to any person other than an interim lessee, the Sponsor is obligated to abandon the Offering Plan in accordance with the provisions of 13 N.Y.C.R.R. 20.1(1)(2) and 20.5(g). Notwithstanding the foregoing, Sponsor will not rent Residential

Units unless 421-a benefits are not obtained. **Sponsor must sell all of the Units in the Condominium and the Units must be maintained as Purchaser's primary residence. It is the Sponsor's intention to sell all of the Units.** Additionally, Sponsor must inform must inform HPD of intent to operate as a rental building; and all Units will be subject to rent stabilization.

The twenty-year exemption would be applied as follows:

a) 100% exemption, for up to $65,000 per Unit (as detailed above) during the first 14 years; and
b) A 25% exemption during the next 6 years; and
c) The exemption is subject to an assessed valuation cap of $65,000 per dwelling Unit.

Further, in order to obtain an exemption from real property taxation pursuant to §421-a(16), 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 expert 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, as a Restrictive Declaration:

1. 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").
2. 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").
3. 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 form the acquisition of such unit ("Primary Residence Requirement").
4. No portion of the Property shall be operated as a Hotel during the Restriction Period ("Hotel Prohibition Requirement").
5. This Restrictive Declaration may be enforced by the City of New York and any of its agencies and instrumentalities, and any tenant.

See Schedule N in Part II of the Plan for a copy of the Restrictive Declaration.

Under the replacement ratio requirement of option D of the 421-a(16), any dwelling units that were on the eligible site three (3) years prior to the commencement date and there after demolished removed or reconfigured must be replaced with at least one (1) affordable housing unit for each residential dwelling unit removed. **Within three (3) years prior to the commencement date the eligible site had no residential units removed and therefore there is no residential replacement required.**

As shown above, there have been numerous changes to the 421-a law since its most recent passage. The major procedural change is the elimination of the preliminary certificate of eligibility. Therefore, it is likely that even if this project is eligible for 421-a benefits, the benefits will be implemented retroactively, and Purchaser may not have the benefits of 421-a on their initial tax bills. The application for 421-a benefits must be submitted within one year after completion of construction; which shall be the responsibility of the Sponsor or his representative. A filing fee of $3,000 per dwelling unit, will need to be submitted to HPD along with the 421-a (16) Application for Certification of Eligibility for Tax Exemption; which, if approved, would result in a final certificate of eligibility. Therefore, Schedule A of the Offering Plan reflects the estimated real estate taxes for each Residential Unit both with and without Section 421-a benefits. Purchasers should note that if approved, it is anticipated that the 421-a tax benefits will be retroactive and a Residential Unit Owner would then be entitled to either a reimbursement for the amount overpaid or a credit against future real estate taxes.

Under the new 421-a program, Sponsor must sell all of the Units in the Condominium and the Units must be maintained as Purchaser's primary residence; it is the Sponsor's intention to sell all of the Units.

As stated herein, Sponsor will use best efforts to obtain the tax benefits set forth herein, however, in the event the tax benefits are not granted, Purchasers will not be offered rescission and any payment made to Sponsor for reimbursement of costs to obtain such tax benefits will not be refunded.

Sponsor is <u>not</u> applying for these benefits based on the affordability component of the 421-a program. Instead, Sponsor is relying on the Post-Completion Assessment Cap Requirement. 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 for more information regarding the projected assessed valuation after completion of construction. Schedule A does not contain projected tax amounts with and without 421-a and ICAP benefits. See Section Section XXI for more information regarding the projected assessed valuation after completion of construction/rehabilitation.

Purchasers shall be required to reimburse Sponsor for obtaining 421-a and/or ICAP tax benefits. The reimbursement amount of $3,000 will be payable at the time of closing. This reimbursement will be non-refundable, even in the event the Building does not qualify for 421-a tax benefits.

Sponsor will cooperate with the Board of Managers to obtain the benefits and will keep and make available all records required in order to obtain the benefits. Sponsor shall keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Sponsor shall, upon closing, make all tax benefit documents available to the Board of Managers for inspection

and copying for the life of the benefits; and Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

The building construction is substantialy complete. The 421-a application must be made **only after all of the Units have been sold and within one year after the completion of construction**, which means all units must be sold within one year after procurement of a TCO for all residential areas or FCO for the Condominium in order to qualify for 421-a benefits. As this project anticipates completion of construction, as evidenced by a FCO by December 31, 2021, contracts for all Residential Units in the Building must be entered into prior to December 30, 2022 as the application for 421-a must be submitted within one (1) year of the Building obtaining either a TCO or FCO, whichever is earlier.

Sponsor will endeavor in good faith to sell the Residential Units in the Condominium. However, in the event Sponsor is unsuccessful in obtaining 421-a tax benefits (which will be applied for under the new Affordable NY program) for the Condominium, the Sponsor is retaining the unconditional right to rent rather than sell the Residential Units, upon consummation of the Plan. In such a case, the Sponsor will amend the terms of the Offering Plan to disclose the fact that 421-a benefits will not be obtained. Because Sponsor is retaining the unconditional right to rent rather than sell the Residential Units, in the event 421-a benefits are not obtained, 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. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, Sponsor's obligation is limited to entering into purchase agreements for a minimum of fifteen (15%) percent (or six (6)) of the Residential Units being offered for sale, which is the minimum necessary to declare the plan effective. As such, owner-occupants may never gain effective control and management of the Condominium. Purchasers should note, renting the units would not only result in disqualifying the Condominium from receiving the 421-a benefits, but Purchasers would then be responsible for the projected taxes contained on the Schedule A without 421-a. Purchasers should further note that, in the event 421-a benefits have not been obtained, the By-Laws do not contain a provision requiring that after the sponsor-control period expires the Board must be made up of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on the management of the Condominium. See Section I of the Offering Plan.

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 are divided into General Common Elements for use by all Unit Owners and Limited Common Elements which are Common Elements irrevocably restricted in use to specified Residential Units and Residential Unit Owners.

The Sponsor has not reserved any air development rights.

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 Limited Common Elements and include without limitation the following:

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

2. All foundations, columns, girders, beams and supports;

3. Those portions of the walls and partitions dividing Residential Units located between the unexposed faces of the sheetrock walls enclosing the Residential Units; those portions of the ceilings of the highest floor above the unexposed face of the sheetrock;

4. Roofs, stairs and stairways, which are not located wholly within a Residential Unit and which are not designated as Limited Common Elements, and entrances to and exits from a Building other than entrances to the individual Units;

5. All improved and unimproved areas of the property outside the boundary of an individual Unit except for any Limited Common Elements;

6. All central and appurtenant installations in the Building or Property that provide service to the entire Building, 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;

7. All sewer pipes and drainage pipes and facilities that provide service to the entire Building or two (2) or more Units;

8. All meter rooms, compactor rooms, storage rooms, refuse rooms, equipment rooms and any other mechanical rooms or areas that service two (2) or more Units;

9. The elevator and elevator equipment;

10. The bike room in the cellar and the two (2) bike rooms on the third and fourth floors;

11. The indoor recreation room located at the second floor and the outdoor recreation space provided on seventh floor;

12. The parking area, excluding the Parking Space Units;

13. The storage area, excluding the Storage Bin Units;

14. The video communication intercom system which controls the main entrance from each unit;

15. All pedestrian walkways, intended for the common use of all Unit Owners; and

16. All other parts of the property and all apparatus and installations existing in a Building or on the property for common use to all Units or necessary or convenient to the existence, maintenance or safety of the property, including such equipment which may be on the roof and appurtenant to the Units.

The nine bicycle parking spaces (located in the bike rooms in the cellar and third and fourth floors) shall be made available on a first come first serve basis, at no charge; offered only to residents. The elevator, bike rooms, indoor recreation room on the second floor, storage area (excluding Storage Bin Units) and roof terrace located on the seventh floor, shall be common elements and made availablel for all residents to use on a first come first serve basis.

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 Common Element and subject to the rules of the Board of Managers. 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 detailed descriptions of the irrevocably restricted Limited Common Elements:

1. Community Facility Unit Limited Common Elements. The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of individual owners of the Community Facility Unit and are herein sometimes collectively referred to as the “Community Facility Unit Limited Common Elements”:

   (a) The entrances to and exits from the Community Facility Unit.

   (b) The equipment and facilities that service solely the Community Facility Unit and all other apparatus, installations, systems equipment and facilities in the Building (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively the Community Facility Unit.

The Community Facility Unit Limited Common Elements servicing the individual Community Facility Units shall be maintained, repaired and replaced by the individual Community Facility Unit Owner's sole expense.

2. Commercial Unit Limited Common Elements. The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of individual owners of the Commercial Units and are herein sometimes collectively referred to as the "Commercial Unit Limited Common Elements":

   (a) The entrances to and exits from the Commercial Units.

   (b) The equipment and facilities that service solely the Commercial Unit and all other apparatus, installations, systems equipment and facilities in the Building (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively the Community Facility Unit.

The Commercial Unit Limited Common Elements servicing an individual Commercial Unit shall be maintained, repaired and replaced by the individual Commercial Unit Owner at its sole expense.

3. General Residential Units' Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of all the Residential Unit Owners and are herein, sometimes collectively referred to as the "General Residential Units' Limited Common Elements:

   (a) The residential entrance and lobby.

   (b) The residential stairway.

   (c) The residential hallways.

   (d) Any heating, cooling or other mechanical system servicing exclusively the Residential Units that are located in 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 exclusively all the Residential Units.

4. Individual Residential Unit Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual Residential Unit Owner and are herein,

sometimes collectively referred to as the "Individual Residential Unit Limited Common Elements":

(a) The terraces appurtenant to Residential Units 2A, 2B, 2C, 2D, 2F, 2G, 2H, 6B and 6D.

(b) The balconies appurtenant to Residential Units 3A, 3B, 3C, 3D, 3E, 3F, 3G, 3H, 4A, 4B, 4C, 4D, 4E, 4F, 4G, 4H, 5A, 5B, 5C, 5D, 5E, 5F, 6A and 6C.

(c) Any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements.

(d) 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 exclusively a Residential Unit.

All general maintenance, repairs and replacements to a balcony or terrace that is a Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, including the repair of leaks and the repair or replacement of the balcony or terrace surface shall be the responsibility of the Residential Unit Owner whose balcony or terrace is appurtenant to their Residential Unit and is a Limited Common Element of their Residential Unit.

All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements 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 exclusively a Residential Unit shall be the responsibility of the Residential Unit Owner for such equipment services, etc.

All maintenance and repairs to all Parking Space Units, whether structural or non-structural, Ordinary or Extraordinary, will be made by the Board of Managers and the cost thereof will be a Common Charge payable by all Unit Owners, including Sponsor in its role as owner of the unsold Parking Space Units. The costs associated with the maintenance and repairs will include special assessments, if any, necessary to effectuate said maintenance and repairs.

Balcony and Terrace space may not be legally used as a bedroom or living room and to do so may result in a building code violation being issued for the building. The balconies and terraces are not permitted to be used for storage of any items and are not permitted to be enclosed.

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

Sponsor will endeavor in good faith to market and sell the Units in the Condominium, however, in the event Sponsor is unsuccessful in obtaining benefits under the new 421-a program for the Condominium, the Sponsor is retaining the unconditional right to rent rather than sell the Residential Units, upon consummation of the Plan. Sponsor will not rent Units unless and until there is no longer a possibility of obtaining 421-a benefits. In such a case, the Sponsor will amend the terms of the Offering Plan to disclose the fact that 421-a benefits will not be obtained. Because Sponsor is retaining the unconditional right to rent rather than sell Units this Plan may result in the creation of a condominium in which a majority of the Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, Sponsor's is required to enter into purchase agreements for a minimum of fifteen (15%) percent (six (6) Units) of the Residential Units being offered for sale, as that is the minimum necessary to declare the plan effective. As such, owner-occupants may never gain effective control and management of the Condominium. In the event Sponsor makes a bulk sale of all or some of its unsold Residential Units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell Units and will also be responsible for all Sponsor's obligations under the Offering Plan with respect to such Units. Purchasers should note, renting the Units would not only result in disqualifying the Condominium from receiving the 421-a benefits, but Purchasers would then be responsible for the projected taxes contained on the Schedule A without 421-a. Purchasers should further note that, in the event 421-a benefits have not been obtained, the By-Laws do not contain a provision requiring that after the sponsor-control period expires the Board must be made up of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals.

None of the Units in the Condominium may exceed the assessed value cap of $65,000 in order to qualify for 421-a tax benefits. If any Units exceed this maximum, the entire building will be deemed ineligible. Additionally, Purchasers are required to maintain their Units as their primary residence for a period of five (5) years from the date of closing in order for the Building to qualify for 421-a benefits, as such, Purchasers must agree to do so in writing. Sponsor does not warranty that 421-a benefits will be obtained, and a failure to obtain 421-a benefits will not entitle Purchasers to a right of rescission.

Under the replacement ratio requirement of **option D of the 421-a(16)**, any dwelling units that were on the eligible site three (3) years prior to the commencement date and there after demolished removed or reconfigured must be replaced with at least one (1) affordable housing unit for each residential dwelling unit removed. Within three (3) years prior to the commencement date the eligible site had no residential units removed and **therefore there is no residential replacement required**.

Sponsor will use its best efforts to get the 421-a benefits. Sponsor will cooperate with the Board of Managers to obtain the benefits and will keep and make available all records required in order to obtain the benefits. Sponsor shall keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Sponsor shall, upon closing, make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits; and Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

NO WARRANTY IS OR CAN BE MADE THAT THE BENEFITS SET FORTH THEREIN WILL BE OBTAINED. IN THE EVENT THE BENEFITS ARE NOT OBTAINED, OR IN THE EVENT THERE ARE INCREASES IN THE TAX RATE, OR THE PROPERTY'S ASSESSED VALUATION, OR IN THE STATUTES GOVERNING THE TAX BENEFITS, REAL ESTATE TAXES MAY BE HIGHER THAN ANTICIPATED FOR THE FIRST YEAR OF OPERATION AND IN FUTURE YEARS. HENCE, INDIVIDUAL CARRYING COSTS FOR ALL UNITS WOULD ALSO BE HIGHER. Prospective purchasers are urged most strongly to read the section entitled REAL ESTATE TAX BENEFITS LETTER included herein. Purchasers will not be entitled to a right of rescission should the benefits not be obtained.

If the Condominium is found to be eligible for benefits, Sponsor expects the abatement will be approved approximately 5-7 months after the submission of the application.

Sponsor has obtained construction financing (the “Construction Loan”) from Cathay Bank (“Construction Lender”), 41-48 Main Street, Flushing NY 11355 (“Construction Lender”), which has enabled Sponsor to construct the Development. The Sponsor will be obligated to pay off and otherwise comply with the terms of the Construction Loan on the entire Condominium. After the recording of the Declaration and before the closing of title to the first Unit, any Construction Loan mortgage will be satisfied or released. Therefore, the lender will set a release price for Unit so that Sponsor can pay-off such amount of the underlying mortgage with the sale of the Unit. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by partial release duly recorded. In order to obtain partial releases, the Construction Lender will require that the Sponsor pay a release price on the sale of each Unit, until the loan is repaid in full. Such minimum release price shall be determined prior to the closing of a Unit and be based on the total outstanding loan at that time. This portion of the loan will not be added to the Purchase price, but rather Sponsor may use the proceeds from such sale to pay towards the underlying mortgage. Therefore, there will be no resulting costs from Sponsor’s construction loan added to Purchaser’s individual mortgage, and no delay to the closing of title to a Unit due to the underlying mortgage. Sponsor is not imposing the payment of the minimum release price on the Purchaser at closing (or any other time).

Purchaser shall not be obligated to pay any adjournment fee as a result of a delay caused by any assignment/consolidation of Sponsor’s construction loan. The terms of the

Construction Loan contemplate the project as a “for-sale” condominium project. Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent (six (6)) of the Residential Units being offered for sale.

At the time of conveyance of the first 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.

There will be no steps needed to be undertaken by Purchaser, as previously stated, Sponsor will work directly with lender and pay a release price, which price shall not affect purchaser or Purchaser's financing, if any.

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 and a right to use the Limited Common Elements that pertain to an individual Residential Unit or to all the Residential Units. A full description of the General and applicable Limited Common Elements is described above.

Each Residential Unit and Non-Residential Unit includes the area measured horizontally from the outside face of exterior walls to the centerline of the walls separating adjacent Units, to the outside face of drywalls and/or interior walls separating the Units from the utility rooms/closets and stairs, and to the outside face of the walls separating a Unit from the corridors. Doors and windows, which open from or create a border to a Unit shall be deemed part of the Unit. For a detailed description of the Residential Unit to be conveyed see Schedule K, Article Third in Part II of the 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 339-m of the New York Condominium Act. Monthly Common Charges may commence with the closing of the first Residential Unit, which is expected to be in January 1, 2022*, however, see Section XVIII as to the right of the first Board of Managers to commence* the collection of Common Charges at a subsequent date. Until title to a Residential Unit has passed to a Purchaser, the Sponsor will pay such Common Charges and special assessments as are assessed by the Board of Managers on the Units to which title has not passed. Once title has passed to a Purchaser, the Purchaser will be responsible for all costs, including all Common Charges and individual expenses associated with the Unit, as well as any costs associated with the Limited Common Elements that pertain to the Purchasers’ Unit.

Sponsor reserves the right to delay the commencement of collection of Common Charges. During any such delay, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments. Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided for in governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice, or statement to Purchaser's. Thereafter, Sponsor shall also disclose such fact in the post-closing Amendment to the Offering Plan as a benefit to subsequent Purchasers. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Owners in writing the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following Amendment to the Offering Plan.

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. The Board of Managers has the authority to manage the Condominium and the Unit Owners have the right to vote for Members of the Board of Managers. The first Board of Managers shall consist of three (3) 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. See Section XIX.

There is no restriction upon ownership of a Residential Unit. Occupancy of a Residential Unit, however, may only be for residential purposes as described in Section XVIII of the Offering Plan. Units can be sold by a Residential Unit Owner, provided that the 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 Unit. A Purchaser is free to make a gift of their Unit to anyone during their lifetime or to devise their Unit by will, or to have it pass by intestacy without any restriction. No Unit can be sold without a simultaneous sale of the undivided interest in the Limited Common Elements that pertain to the Unit.

There are no restrictions on who may purchase a Residential Unit in the Condominium except that this offer is made only to persons over eighteen (18) years of age. Each Residential Unit Owner can sell their Residential Unit to whomever they desire. Residential Unit Owners may lease their Residential Units subject to the conditions contained in Section XVIII of the Offering Plan. The Board of Managers does not have the right to approve or disapprove Purchasers.

Any Residential Unit Owner who wishes to enter into a lease for their Residential Unit shall be required to provide the Board of Managers with a copy of the proposed lease prior to its execution. Any lease entered into must contain a provision that the Lessee is subject to the Declaration, By-Laws and Rules and Regulations of the Condominium, the provisions of Article XI, Section 2 of the Condominium By-Laws and the Deed to the Residential Unit. Failure to comply with the above shall be deemed an automatic violation of the By Laws of the Condominium. Rental of a Residential Unit in the Condominium is not currently subject to any local or state regulation and is not subject to a right of first refusal by the Board of Managers.

There is no limit on the number of Owners who may purchase for investment rather than for personal occupancy and there may always be a substantial percentage of Owners who are non-residents. Owner-occupants and non-resident Owners, including Sponsor, may have inherent conflicts on how the Condominium shall be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to an investment.

Parking Space Units may only be used for the purpose of parking automobiles and other permitted vehicles. Parking of commercial automobiles and/or trucks shall be prohibited unless expressly permitted by the Board of Managers. Parking Space Unit Owners may only sell their Parking Space Units to current or future Residential Unit Owners. Parking Space Unit Owners may lease their Parking Space Units to current or future Residential Unit Owners or a tenant of a Residential Unit.

Storage Bin Units shall be offered for sale to Unit Owners (1 per Owner until both are sold) and may only be used for the purpose of storing general household items. No flammable or inherently dangerous items may be store in a Storage Bin Unit. Such bin shall be for the exclusive use of the Owner. All maintenance and repairs to both Storage Bin Units, whether structural or non-structural, Ordinary or Extraordinary, will be made by the Board of Managers and the cost thereof will be a Common Charge payable by all Unit Owners, including Sponsor in its role as owner of the unsold Storage Bin Units. The costs associated with the maintenance and repairs will include special assessments, if any, necessary to effectuate said maintenance and repairs. Storage Bin Units shall not be rented.

Sponsor shall be responsible for paying the costs and expenses associated with the unsold Parking Space Units and unsold Storage Bin Units.

The Units can be purchased for all cash or may be purchased partly for cash and partly by mortgage. The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Unit as a

result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, and incurred by Sponsor, will be retained by Sponsor as liquidated damages. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. Sponsor has the discretion to offer financing to Purchasers on an individual basis.

The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective purchaser who executes a Purchase agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Home as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages. Sponsor has the discretion to offer financing to Purchasers on an individual basis.

Notwithstanding the foregoing, the Sponsor has engaged the following lenders to be the on-site mortgage consultants throughout the sales process (the "Preferred Lenders"):

Popular Community Bank
85 Broad Street
New York, NY 10004
Attn: Philip Robles
Sr. Home Lending Officer
Tel: (917) 405-4536

Wells Fargo Home Mortgage
150 E 42nd Street, 32nd Floor
New York, NY 10017
Attn: Adam Soffer
Private Mortgage Banker
Tel: (212) 214-7014

Only Purchasers that complete a loan application and are pre-approved for financing with either of the Preferred Lenders will be given a mortgage contingency in their Purchase Agreement. **Purchaser will only be entitled to a mortgage contingency if Purchaser applies to a Preferred Lender, and said Preferred Lender approves financing for the Purchaser.** The Condominium complies with the Sponsor's Preferred Lender's requirements applicable to condominiums, including, without limitation, the amount of the reserve fund and the By-Laws. Sponsor's Preferred Lender does not have a minimum sales and/or Owner-occupancy requirement. Sponsor shall also have discretion to offer financing on an individual basis.

The condominium complies with the Sponsor's Preferred Lender's requirements applicable to Condominiums, including, without limitation, the amount of the reserve fund

and the By-Laws. Preferred Lenders do not have a minimum sales and/or owner-occupancy requirement.

Note that under New York law, when a mortgage commitment is not fulfilled through no fault of a purchaser, performance is excused. Therefore, if the purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused, and the sponsor must grant to such purchaser a right of rescission and a reasonable period of time to exercise such right. See Section XII of the Offering Plan.

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

Primary responsibility for operating the Condominium rests with the Board of Managers who is elected by the Residential Unit Owners. See Schedule J, Article III in Part II of the Plan. For information concerning Sponsor's initial control of the Board of Managers, see Section XVI of the Offering Plan.

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

Each Unit will be taxed separately for real estate tax purposes and may be separately mortgaged. Therefore, no Unit Owner is liable for the payment of real estate taxes or mortgage payments on any other Unit. In the opinion of counsel, a Residential Unit Owner may presently be entitled to deductions for local and state income tax purposes for payments for real estate taxes applicable to their Unit, up to a maximum of $10,000 per year (inclusive of state and local taxes). In addition, provided the Unit will be the Purchaser's principal residence or one (1) other residence selected pursuant to Section 163(h)(5)(A)(i)(II) of the Internal Revenue Code of 1986 and the Tax Cuts and Jobs Act of 2017, a Residential Unit Owner may also deduct the interest on the mortgage they procure to finance the purchase of their Residential Unit, for income tax purposes, up to a maximum loan amount of $750,000. See Section XX of the Offering Plan.

Fire and liability insurance covering the General Common Elements are included with other items as part of Common Charges, but fire and liability insurance for the Purchaser's personal effects, the interior of the Residential Unit and the Limited Common Elements for an individual Residential Unit Owner's exclusive use must be carried by the individual Purchaser. Common Charges are levied in proportion to the interest in the "Common Elements" appurtenant to each Unit. For possible increases in Common Charges upon default in payment by a Unit Owner see Section XVIII of the Offering Plan. Each Residential Unit Owner is responsible for the cost of their own interior repairs and decoration in their Residential Unit after closing.

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

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

This Offering Plan contains all of the material terms of this transaction. Parts I and II along with Parts A, B, C and D of the Exhibits 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 Exhibits 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 Office of the Attorney General, Real Estate Finance Bureau, 28 Liberty Street, New York, New York 10005.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A PURCHASE AGREEMENT.

II. DEFINITIONS

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

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

2. "Board Member" or "Member" - Each individual representative elected, designated or appointed to the Board of Managers. The Board Members are classified as follows:

    a. "Residential Board Member" – a Residential Unit Owner representative elected, designated or appointed to the Board of Managers.

    b. "Non-Residential Unit Member" – a Non-Residential Unit Owner representative elected, designated or appointed to the Board of Managers.

3. "Building" - The seven (7) story building containing thirty-four (34) Residential Units, four (4) Commercial Units, one (1) Community Facility Unit, thirty-one (31) Parking Space Units, two (2) Storage Bin Units, Cellar and Bulkhead.

4. “By-Laws” - The document governing the operation of the Condominium.

5. “Common Charges” - Each Unit Owner’s proportionate share of the General Common Expenses as determined in accordance with the Common Interest appurtenant to the Unit.

6. “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, including all sewer and drainage pipes for the Building, and Limited Common Elements which are Common Elements that are irrevocably restricted for the exclusive use of an individual Residential Unit Owner.

7. “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.

8. “Common Interest” - The proportionate, undivided interest each Unit Owner has in the Common Elements.

9. “Community” or “Development” - As used herein refers to Polaris Condominium.

10. “Condominium” – Polaris Condominium, which is comprised of the Common Elements, Residential Units, Community Facility Units, Commercial Units, Parking Space Units, Storage Bin Units and Unit Owners.

11. “Declaration of Condominium” - The instrument by which the property is submitted to the provisions of the Condominium Act, and such instrument as from time to time is amended, consistent with the provisions of the Condominium Act and of the By-Laws.

12. “Equal or Better” – Equal or better quality shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

13. “Escrow Account” - The attorney’s account where a Purchaser’s initial deposit will be held as provided for in Section X of the Offering Plan.

14. “Escrow Agent” - The attorney or law firm overseeing the Escrow Account as provided for in Section X of the Offering Plan.

15. “Extraordinary” - Very unusual, remarkable or not the norm.

16. “General Common Elements” – shall mean and refer to those common elements shared by all Unit Owners and include all portions of the Condominium except for the individual Units and the Limited Common Elements (irrevocably restricted in use to specified Units or Unit Owners).

17. “Irrevocably Restricted” or “Limited Common Elements” - A Common Element appurtenant to a particular Residential Unit or Units, the use of which is restricted to the Owners of such Residential Unit or Units.

18. “Ordinary” - with no special or distinctive features; normal.

19. “Parking Space Unit” - The thirty-one (31) Parking Space Units, as identified in the Floor Plans in Part II of the Offering Plan, which are to be used solely for parking automobiles and other permitted vehicles.

20. “Primary Residence” – shall mean and refer to is the primary dwelling for the Unit Owner. A person can only have one primary residence at any given time, though they may share the residence with other people. A primary residence is considered to be a legal residence for the purpose of income tax and/or acquiring a mortgage.

21. “Purchaser” - The person(s) who have entered into a Purchase Agreement to acquire a Residential Unit and/or Community Facility Unit, if applicable, in the Condominium.

22. “Purchase Agreement” - The document to be executed by the Purchaser which will obligate the Purchaser to acquire the Residential Unit, or the Community Facility Unit, in the Condominium and which will obligate the Seller to sell to Purchaser the Residential Unit in the Condominium.

23. “Residential Units” - The thirty-five (35) Residential Units designated in the Declaration of Condominium for residential use. As used herein the terms “Residential Unit” is equivalent to the term “Unit” in Article 9-B of the Real Property Law of the State of New York.

24. “Sponsor” Sanford 147 Development LLC, a New York limited liability company with an address at 133-47 Sanford Avenue, Suite C1E, Flushing, New York 11355, and its successors and/or assigns.

25. “Unit” - A Unit includes all the Units in the Condominium and is divided as follows:

    (a) “Residential Units” - The Units designated in the Declaration of Condominium for Residential use.

(b) “Community Facility Units” – The Unit designated in the Declaration of Condominium for community facility use.

(c) “Commercial Units” – The Unit designated in the Declaration of Condominium for commercial use.

(d) ““Parking Space Units” – The Units designated as Parking Space Units in the Declaration of Condominium.

(e) “Storage Bin Units” – The Units designated in the Declaration of Condominium for storage use.

(f) “Non-Residential Unit” – The Units designated in the Declaration of Condominium as Commercial Units, Community Facility Units, Parking Space Units, and/or Storage Bin Units.

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

26. “Unit Owner” - A Unit Owner includes all the Unit Owners in the Condominium and is divided as follows:

(a) “Residential Unit Owner” - The owner of a Residential Unit.

(b) “Community Facility Unit Owner” – The owner of a Community Facility Unit.

(c) “Commercial Unit Owner”– The owner of the Commercial Unit.

(d) “Parking Space Unit Owner” – The Owner of a Parking Space Unit.

(e) "Storage Unit Owner" – The Owner of a Storage Unit.

(f) “Non-Residential Unit Owner” – The owner of a Commercial Unit, Community Facility Unit and/or Parking Space Unit.

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

III. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Improvements - General Description/Topographical Features

The Building will contain an elevator. Certain Residential Units will have balconies and/or terraces as Limited Common Elements.

This project anticipates completion of construction, as evidenced by a FCO by December 31, 2021; within the time paremeters of the new 421-a program. The Condominium as fully developed will consist of thirty-four (34) Residential Units, (the "Residential Units"), four (4) Commercial Units, one (1) Community Facility Unit and two (2) Storage Bin Units. In addition, the Condominium will contain thirty-one (31) Parking Space Units; twenty-two space, including two (2) handicapped Parking Space Units, will be located in an enclosed parking area on the cellar level and nine (9) will be located in an exterior area on the first floor level. Certain Residential Units will have balconies and/or terraces as Limited Common Elements. Each Residential Unit will have a laundry closet with stacked washer and dryer included in the purchase price of the Unit. Installation and the cost of any upgraded appliance or appliance not provided is the sole responsibility of each Residential Unit Owner.

Storage Bin Units shall be offered for sale to Unit Owners (1 per Owner until both are sold) and may only be used for the purpose of storing general household items. No flammable or inherently dangerous items may be store in a Storage Bin Unit. Such bin shall be for the exclusive use of the Owner. All maintenance and repairs to both Storage Bin Units, whether structural or non-structural, Ordinary or Extraordinary, will be made by the Board of Managers and the cost thereof will be a Common Charge by all Unit Owners, including Sponsor in its role as owner of the unsold Storage Bin Units. The costs associated with the maintenance and repairs will include special assessments, if any, necessary to effectuate said maintenance and repairs. Storage Bin Units shall not be rented.

Sponsor shall be responsible for paying the costs and expenses associated with the unsold Parking Space Units and unsold Storage Bin Units.

The nine bicycle parking spaces (located in the bike rooms loated in the cellar and rhird and fourth floors) shall be made available on a first come first serve basis, at no charge; offered only to residents. The elevator, bike rooms, indoor recreation room on the second floor, storage area (excluding Storage Bin Units) and terrace located on the second floor, shall be Common Elements and made available for all residents to use on a first come first serve basis.

There are no lot line windows in this project. Unit Owners must notify the Managing Agent in writing when a Child or Children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Residential Owner shall install at Residential Owner's expense, the required Window Guards in all windows of the Unit and shall not remove them until permitted by law in any event, without the full knowledge of the

Managing Agent. Pursuant to NYC Department of Haelth, Owners can charge a one-time fee per window guard for units, but they cannot charge tenants for window guards that were previously installed. See the Description of Property Report, Schedule G, in Part II of the Offering Plan.

There are a variety of types of Residential Units. The types and number of rooms, layouts and variations of the Residential Units are set forth in the Description of Property Report in Part II of the Plan. The site consists of one (1) building over flat land.

The Building Plans are available for inspection at the Sponsor's office.

The Residential Units, 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 Residential Unit, a temporary or final Certificate of Occupancy will be issued for such Residential Unit or the Building in which it is located. At the time of the first closing of title to a Residential Unit, the construction of all Residential Units in the Building will have been partially or substantially completed.

Recreation Area

There is a Common Element accessory indoor recreation room provided in the second floor and a Common Element outdoor recreation space provided on seventh floor of the building. The flooring of the accessory indoor recreation room is made of rubber mat. There will be no equipment provided in the recreation room by Sponsor, and no equipment provided in the outdoor space by Sponsor.

There are private terraces designed on second and sixth floor adjacent to condominium units of the building. The roof terraces are the limited common element of the condominium unit adjacent to it. The second floor terraces in between Unit-A, Unit-B and Unit-H terraces is divided with 4'-0" high vinyl fencing. The private terraces will be allocated as an accessory to residential space in the Certificate of Occupancy.

Construction Data for Residential Units and Common Elements

The Residential Units and Common Elements will be constructed in the manner set forth in the Building Plans and specifications identified in the Offering Plan and as filed with Building Department of the City of New York and any amendments thereto, which Plans will not be changed so as to materially adversely affect the Residential Unit Owners. For a detailed description see Schedule G in Part II of the Plan.

Construction of the Building has commenced and completion and closing of title to the first Residential Unit is expected to occur in January of 2022, barring any strikes, material shortages, acts of God, sales activity or other unforeseen delays beyond the control of the Sponsor. Completion of the balance of the Residential Units and the Common Elements of the Condominium is expected within one (1) year thereafter barring any strikes, material shortages, acts of God, sales activity or other unforseen delays beyond the control of the Sponsor. Any such strikes, material shortages, acts of God, sales activity or other unforseen delays beyond the control of the Sponsor shall toll Sponsor's obligations for a resoanble time period. Sponsor shall address such delay indivually with each Purchaser, and or Purchaser's attorney, in contract. Purchasers may be excused from obligations if it becomes impossible for them to fulfill their obligations due to an act of God and, under these circumstances, Purchasers should speak to their attorneys to address same with the Sponsor. All measurements within the Condominium and Units are approximate, within reasonable tolerances, and Sponsor retains the right to make changes to the Condominium as long as they comply with the City of New York Department of Buildings. There is a rebuttable presumption that a decrease in a unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change.

Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits and public utility lines located in the Common Elements, including any Limited Common Elements, or located in other Units and servicing the Unit Owner's Unit. 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 replacements 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. Further, each Unit Owner will have an easement for the continuance of any encroachment by their Unit on any adjoining Unit or Common Element now existing or which may come into existence hereafter as a result of the settling of the Building or repair or alteration of the Unit by the Board of Managers, after damage by fire or other casualty or as a result of condemnation or eminent domain proceeding, or by reason of an alteration made by the Board to the Common Elements so that any such encroachment may remain undisturbed so long as the Unit stands. Each Unit will be subject to such encroachments and easements in favor of all other Units. The Board of Managers, its agents and employees shall have a right of access to the Units and the Common Elements (irrespective of the restricted nature of such Common Element) to inspect, maintain or repair the Common Elements or to make repairs to the Unit to prevent damage to the Common Elements or any other Unit.

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. Each Unit Owner has the percentage of Common Interest in the Condominium set forth on Schedule A. Such allocation has been made based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

Parking Facilities

The Condominium will include thirty-one (31) Parking Space Units for sale to Residential Unit Owners at the prices listed in Schedule A. Twenty-two (22) of the Parking Space Units are located in an enclosed parking area on the cellar level and nine (9) Parking Space Units are located in an exterior parking area, on the first floor level, as shown on the floor plans in Part II of the Offering Plan.

If a Residential Unit Purchaser elects to purchase one (1) of the Parking Space Units, the price of the Residential Unit will be increased by the price of said Parking Space Unit and the percentage of Common Interest allocated to such Residential Unit will be increased by the percentage of Common Interest for a Parking Space Unit listed in Schedule A and all Common Charges and individual expenses, including any real estate taxes associated with the Parking Space Unit, will become the responsibility of the applicable Residential Unit Owner. See Footnote 5 to Schedule A and Section XXI of the Plan.

Parking Space Units may only be used for parking of automobiles or other permitted vehicles. Parking Space Unit Owners may only sell their Parking Space Units to current or future Residential Unit Owners. Parking Space Units may not be for storage and may not be enclosed. Parking Space Unit Owners may lease their Parking Space Units to current or future Residential Unit Owners or a tenant of a Residential Unit. Sponsor shall have the right to lease an Unsold Parking Space Unit to whomever Sponsor desires.

A Purchaser can only purchase one (1) Parking Space Unit unless there are Parking Space Units available for sale after all the Residential Units are sold. Thereafter, if all closings have taken place, Purchasers and/or Unit Owners, will be offered any additional Parking Space Units on first come first serve basis. The Sponsor has the sole right to designate the number and location of a Parking Space Unit being purchased.

Initially the two (2) handicapped Parking Space Units (Unit 8 and Unit 9 on the cellar level) will only be available for sale to a Purchaser who meets the qualification of a disabled person under the federal Fair Housing Amendments Act of 1988 (the "Act") and has been issued a handicapped parking sticker or permit from the City or State of New York. Pursuant to the Act an individual is disabled if he/she has a physical or mental

impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment.

In the event the handicapped Parking Space Units have not been sold as provided for above by the sale of the last Unit in the Condominium, the handicapped Parking Space Units will be made available for sale to any prospective Purchaser or Unit Owner on a first come first served basis.

In the event that a prospective Purchaser or Unit Owner already owns a space needed by a person meeting the requirements for a handicapped parking space, the Purchaser of the designated handicapped Parking Space Unit will be required to either lease, sell or swap the designated handicapped Parking Space Unit to a disabled resident of the Condominium. If leasing the space, the rent will be at market value in compliance with Handicapped Parking Requirements RS 4.6 of the New York City Building Code 27.292.19. In the event the disabled resident has another space in the Condominium and requires the designated handicapped Parking Space Unit, the handicapped resident and owner of the designated handicapped Parking Space Unit will be required to swap Parking Space Units. In the event the owner of the designated handicapped Parking Space Unit is required to sell the Parking Space Unit, the maximum price they will be entitled to receive is the original price paid for as reflected in Schedule A.

All amenities such as recreation room, roof terrace and Storage Units will be fully operational as of the date of commencement of Condominium operation.

IV. LOCATION AND AREA INFORMATION

Location and Acreage

The Condominium is located at 32-58 105th Street, in East Elmhurst , New York. Access to the Condominium on the North side of Northern Blvd. and West side of 105th Street, a corner lot. The Condominium will consist of a total lot area of approximately 13,284 square feet. The property is zoned R6A, which permits construction of the Condominium. R6A zoning permits mixed-use, residential and community facility uses. Examples of permitted community facility uses are: daycare centers, medical and health related uses, and religious uses. The prior use of the property, when prucjased by Sponsor, was non-resindetial vacant land; such use also means that the replacement ratio requirement of option D of the 421-a(16), is inapplicable to this offering.

Area Information

East Elmhurst is a suburban-style neighborhood in northern Queens. Much of the landscape has been virtually unchanged for decades, and it’s quite common to have neighbors who have lived in the same home for forty years or more. The neighborhood has Public transportation which is readily available all throughout the area.

East Elmhurst his home to many shopping destinations with several restaurants within walking distance of the Condominium. Polaris Condominium is also close to many family oriented attractions such as Citi Field and Flushing Meadows Corona Park, among many smaller parks inside the neighborhood and nearby.

Primary fire protection is provided by the FDNY Engine Co. 305/Ladder Co. 151 and Engine Co. 319 in New York. The nearest US Post Office is located 92 -24 Queens Boulevard, Rego Park, New York 11374. The nearest police station is 112th Precinct, located at 68-40 Austin Street, Forest Hills, New York 11375.

The City of New York provides police, fire, sanitation, snow removal and road maintenance.

Utilities

The following utilities will service the Condominium:

Water: Water is obtained from a tap to the water main located in a public street maintained by New York City Water Board and will be metered for the entire Building. All water expenses will be a Common Charge of the Condominium.

Sewer: The Building will be connected to the sanitary sewer located on a public street and maintained by the New York City Sewer Department. The Condominium will be responsible to maintain and repair the sewer within the boundary of the Condominium. The sewer tax will be paid as part of the Common Charges of the Condominium.

Gas: Natural gas service will be provided by National Grid. All charges for gas service will be included in the Common Expenses of the Condominium and charged to each Residential Unit Owner as part of their Common Charges.

Electric: Electric service will be brought in from the terminal point, owned and maintained by Con Edison. All Residential Units will be separately metered for individual electric consumption and all costs associated therewith will be the sole responsibility of each Residential Unit Owner. See Schedule C for estimated individual electrical costs. All common electric will be included in the Common Expenses of the Condominium and charged to each Residential Unit Owner as part of their Common Charges.

Sanitation: Refuse removal will be provided by the City of New York. The individual Residential Unit Owners will be responsible for placing their trash into the refuse disposal room located on each floor. Normal pickup is two times a week but is subject to change.

Telephone: Verizon will provide telephone service. Each Residential Unit will be separately billed and the telephone service to each Residential Unit will be the sole responsibility of each Residential Unit Owner.

Cable Television/Internet: Time Warner Cable and/or Verizon (if available) will provide cable television/internet services. Each Residential Unit will be separately billed and the cable service to each Residential Unit will be the sole responsibility of each Residential Unit Owner.

Snow Removal/Road Maintenance: Snow removal and road maintenance for all public streets adjoining the Condominium is provided by The New York City Sanitation Department. All interior snow removal and maintenance of the parking areas and driveways will be provided by an independent contractor and will be part of the Common Charges of the Condominium.

Medical, Educational and Religious Facilities

Hospitals

New York Presbyterian Hospital, located at 56-45 Main Street, Flushing, New York 11355 and New York Health & Hospital/ Elmhurst Hospital, also a 24hour facility, is located at 79-01 Broadway, Elmhurst New York 11373.

Schools

East Elmhurst has a strong educational infrastructure of public and private, primary and secondary schools. The includes private schools such as A Child's Play Day School, Our Lady of Sorrow's School and Sister Clara Muhammad School. There are also several Public Elementary Schools, P.S. 330 Elementary School, PS 92 Harry T Stewart SR, JHS 189 Daniel Carter Beard, Corona Arts and Science Academy, and Flushing High School.
Although the 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.

There are houses or worship of many faiths in the vicinity of the property.

Public Transportation

The Condominium is conveniently located near public transportation, including 7 transit stops within 2.5 miles. Transit options include 111 Street (7 Line) and 103 Street Corona Plaza. All are located within minutes walking distance of the Building.

Polaris Condominium is readily accessible to La Guardia and John F. Kennedy International airport, both located under 11 miles away. There are many major

highways that are easily accessible and located within 5 miles of the Condominium.

Zoning

The Condominium is zoned C2-4 in R6A which allows for construction of the Condominium. The surrounding areas are basically developed as follows:

North:	Mixed-Use (Commercial/Residential)
South:	Mixed-Use (Commercial/Residential)
East:	Mixed-Use (Commercial/Residential)
West:	Mixed-Use (Commercial/Residential)

No representation is made as to the eventual use or zoning of any parcel surrounding the Condominium except as noted above.

Neither Sponsor nor any of its Principals have an option or right to acquire any of the adjoining areas within the immediate vicinity (i.e., one block radius); and no development projects by Sponsor have been approved by the NYC Department of Buildings (or authority having jurisdiction) that will be adjacent to or directly across the street from the property. Any change in this information that occurs while sales are continuing shall be disclosed in an amendment within 30 days after the information becomes known to the Sponsor.

This property is located in FEMA zone “X”; areas outside the 1-percent annual chance of floodplain. There is no environmental restriction present on the property.

V. SCHEDULE A

ESTIMATED INDIVIDUAL EXPENSES FOR THE FIRST FULL YEAR AT
POLARIS CONDOMINIUM

For the Period of January 1, 2022 to December 31, 2022

Unit	(1) Price	(2) Number of Rooms, Bedrooms (BR), Bathrooms (BTH)	Approximate Floor Area in Square Feet				(3) Percentage of Common Interest	(4) Estimated Monthly Common Charges	Estimate of Monthly Real Estate Taxes	(5) Estimate of Annual Real Estate Taxes	Total Monthly Combined Common Charges & Real Estate Taxes
			Gross	Unit Net	Non-Habitable Balcony ("B") Terrace ("T")	Total					
C1	$1,285,000	Commercial/ Retail	1,603	1,603	N/A	1,603	4.59%	$574	$1,335.83	$16,030.00	$1,909.83
C2	$805,000	Commercial/ Retail	1,008	1,008	N/A	1,008	2.92%	$365	$840.00	$10,080.00	$1,205.00
C3	$965,000	Commercial/ Retail	1,205	1,205	N/A	1,205	3.45%	$431	$1,004.17	$12,050.00	$1,435.17
C4	$1,055,000	Commercial/ Retail	1,321	1,321	N/A	1,321	3.75%	$469	$1,100.83	$13,210.00	$1,569.83
CF1	$925,000	Ambulatory/ Healtcare	1,234	1,234	N/A	1,234	3.53%	$441	$1,028.33	$12,340.00	$1,469.33
1A	$285,000	Studio	419	335	N/A	335	0.96%	$120	$162.20	$1,946.41	$282.20
2A	$445,000	1Br/1Bth	600	480	252 T	732	1.56%	$195	$231.38	$2,776.50	$426.38
2B	$625,000	2Br/2Bth	939	751	402 T	1,153	2.44%	$305	$362.57	$4,350.81	$667.57
2C	$575,000	2Br/2Bth	969	775	20 T	795	2.24%	$280	$374.49	$4,493.93	$654.49
2D	$545,000	2Br/2Bth	920	736	20 T	756	2.12%	$265	$355.41	$4,264.94	$620.41
2F	$525,000	2Br/2Bth	876	701	19 T	720	2.03%	$254	$338.71	$4,064.57	$592.71
2G	$555,000	2Br/2Bth	924	739	19 T	758	2.13%	$266	$356.60	$4,279.25	$622.60
2H	$465,000	1Br/1Bth	678	542	137 T	679	1.65%	$206	$262.38	$3,148.61	$468.38
3A	$425,000	1Br/1Bth	600	480	42 B	522	1.40%	$175	$231.38	$2,776.50	$406.38
3B	$588,000	2Br/2Bth	939	751	42 B	793	2.18%	$273	$362.57	$4,350.81	$635.57
3C	$609,000	2Br/2Bth	969	775	46 B	821	2.26%	$283	$374.49	$4,493.93	$657.49
3D	$580,000	2Br/2Bth	920	736	47 B	783	2.15%	$269	$355.41	$4,264.94	$624.41
3E	$675,000	3Br/2Bth	1076	861	46 B	907	2.50%	$313	$417.43	$5,009.15	$730.43
3F	$555,000	2Br/2Bth	876	701	46 B	747	2.05%	$256	$338.71	$4,064.57	$594.71
3G	$585,000	2Br/2Bth	924	739	46 B	785	2.16%	$270	$356.60	$4,279.25	$626.60
3H	$465,000	1Br/1Bth	661	529	42 B	571	1.55%	$194	$255.23	$3,062.74	$449.23
4A	$435,000	1Br/1Bth	600	480	42 B	522	1.40%	$175	$231.38	$2,776.50	$406.38
4B	$605,000	2Br/2Bth	939	751	42 B	793	2.18%	$273	$362.57	$4,350.81	$635.57
4C	$625,000	2Br/2Bth	969	775	46 B	821	2.26%	$283	$374.49	$4,493.93	$657.49
4D	$599,000	2Br/2Bth	920	736	47 B	783	2.15%	$269	$355.41	$4,264.94	$624.41
4E	$695,000	3Br/2Bth	1076	861	46 B	907	2.50%	$313	$417.43	$5,009.15	$730.43
4F	$575,000	2Br/2Bth	876	701	46 B	747	2.05%	$256	$338.71	$4,064.57	$594.71
4G	$595,000	2Br/2Bth	924	739	46 B	785	2.16%	$270	$356.60	$4,279.25	$626.60
4H	$475,000	1Br/1Bth	661	529	42 B	571	1.55%	$194	$255.23	$3,062.74	$449.23
5A	$445,000	1Br/1Bth	600	480	42 B	522	1.40%	$175	$231.38	$2,776.50	$406.38

V. SCHEDULE A

ESTIMATED INDIVIDUAL EXPENSES FOR THE FIRST FULL YEAR AT POLARIS CONDOMINIUM

For the Period of January 1, 2022 to December 31, 2022

Unit	(1) Price	(2) Number of Rooms, Bedrooms (BR), Bathrooms (BTH)	Approximate Floor Area in Square Feet				(3) Percentage of Common Interest	(4) Estimated Monthly Common Charges	Estimate of Monthly Real Estate Taxes	(5) Estimate of Annual Real Estate Taxes	Total Monthly Combined Common Charges & Real Estate Taxes
			Gross	Unit Net	Non-Habitable Balcony ("B") Terrace ("T")	Total					
5B	$625,000	2Br/2Bth	939	751	42 B	793	2.18%	$273	$362.57	$4,350.81	$635.57
5C	$645,000	2Br/2Bth	969	775	46 B	821	2.26%	$283	$374.49	$4,493.93	$657.49
5D	$615,000	2Br/2Bth	920	736	47 B	783	2.15%	$269	$355.41	$4,264.94	$624.41
5E	$715,000	3Br/2Bth	1076	861	46 B	907	2.50%	$313	$417.43	$5,009.15	$730.43
5F	$639,000	2Br/2Bth	958	766	46 B	812	2.23%	$279	$369.72	$4,436.68	$648.72
6A	$755,000	2Br/2Bth	1169	935	84 B	1,019	2.74%	$343	$452.02	$5,424.20	$795.02
6B	$855,000	2Br/2Bth	1363	1,090	734 T	1,824	3.65%	$456	$527.15	$6,325.85	$983.15
6C	$680,000	2Br/2Bth	961	769	46 C	815	2.24%	$280	$370.92	$4,450.99	$650.92
6D	$998,000	2Br/2Bth	1648	1,318	1071 T	2,389	4.53%	$566	$638.07	$7,656.85	$1,204.07
P1	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P2	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P3	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P4	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P5	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P6	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P7	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P8	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P9	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P10	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P11	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P12	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P13	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P14	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P15	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P16	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P17	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P18	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P19	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P20	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P21	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P22	$45,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P23	$35,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P24	$35,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P25	$35,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89

V. SCHEDULE A

ESTIMATED INDIVIDUAL EXPENSES FOR THE FIRST FULL YEAR AT
POLARIS CONDOMINIUM

For the Period of January 1, 2022 to December 31, 2022

Unit	(1) Price	(2) Number of Rooms, Bedrooms (BR), Bathrooms (BTH)	Approximate Floor Area in Square Feet				(3) Percentage of Common Interest	(4) Estimated Monthly Common Charges	Estimate of Monthly Real Estate Taxes	(5) Estimate of Annual Real Estate Taxes	Total Monthly Combined Common Charges & Real Estate Taxes
			Gross	Unit Net	Non-Habitable Balcony ("B") Terrace ("T")	Total					
P26	$35,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P27	$35,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P28	$35,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P29	$35,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P30	$35,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
P31	$35,000	Parking	153	153	N/A	153	0.25%	$31	$68.89	$826.65	$99.89
S1	$205,000	Storage	684	684	N/A	684	0.25%	$31	$293.87	$3,526.44	$324.87
S2	$125,000	Storage	415	415	N/A	415	0.25%	$31	$180.11	$2,161.36	$211.11
Total	**$26,748,000**	**N/A**	**$43,071**	**36,897**	**0**	**40,684**	**100.00%**	**$12,497**	**$19,845.27**	**$238,142.65**	**$32,342.27**

*** Two (2) Months Common Charges will be collected from each Purchaser at Closing as Working Capital Contribution.**
**** Balcony/Terrace may not be legally used as bedroom/living space; to do so may result in a building code violation issued for building.**
***** Square footage of exterior non-habitable space, if any, is shown & calculated separately from the Unit square footage above.**
****** Sponsor is transferring its statutory obligation to pay real estate transfer tax to Purchaser. See Footnote 7 to Schedule A.**
*******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. Additionally, Purchasers are required to maintain their Units as their primary residence for a period of five (5) years from the date of closing in order for the Building to qualify for 421-a benefits; as such, Purchasers must agree to do so in writing. See Footnote 5 to Schedule A for more information regarding the projected assessed valuation after completion of construction and 421-a information.**
The replacement ratio requirement of option D does not apply to this Offering Plan.
In that there will be no 421-a or ICAP for the 1st year of Condominium operation, see chart in Section XXI for estimated taxes with and without 421-a and ICAP benefits.
******** Unit Key: "C" = Commercial/Retail; "CF" = Community Facility (Note: intended use for C and CF may change to other permissible use); "P" = Parking; and "S" = Storage Bin**

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 IX 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 of Part II of the Plan for details of each type of Unit. The square footage of each Residential Unit is based on the area measured horizontally from the outside face of exterior walls to the centerline of the walls separating adjacent Units, to the outside face of drywalls and/or interior walls separating the Units from the utility rooms/closets and stairs, and to the outside face of the walls separating a Unit from the corridors. Doors and windows, which open from or create a border to a Unit shall be deemed part of the Unit. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual, usable, floor area comprising the Residential Unit is substantially less than the area listed in Schedule A. The measurement of the Unit, as depicted in Schedule A, includes square footage attributable to Common Elements.

   The following Units will have balconies and/or terraces as Limited Common Elements: The terraces appurtenant to Residential Units 2A, 2B, 2C, 2D, 2F, 2G, 2H, 6B and 6D; the balconies appurtenant to Residential Units 3A, 3B, 3C, 3D, 3E, 3F, 3G, 3H, 4A, 4B, 4C, 4D, 4E, 4F, 4G, 4H, 5A, 5B, 5C, 5D, 5E, 5F, 6A and 6C. There will be one common roof terrace shared by all Unit Owners. See Schedule A.

3. The Common Interest of each Residential Unit is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. 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 determines the amount that the Residential, Commercial, Community Facility and Parking Space Unit Owners will pay for their Common Charges.

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. Common Charges exclude repair and decoration to the inside of a Residential Unit, utilities for each Residential Unit and insurance for personal belongings. In the event a Purchaser obtains a

mortgage, a Purchaser's monthly carrying charges will increase. See Schedule B-1 for estimated heating and electrical costs for the Residential Units.

5. The Condominium may be eligible for 421-a tax benefits under the new Affordable NY program. If eligible, 421-a benefits will not be become effective until after the post-completion assessment is completed. Schedule A does not contain projected tax amounts with and without 421-a and ICAP benefits. See Section XXI for an estimate of real estate taxes for the 2022/2023 tax year, which reflects the estimated taxes for the Residential Units with and without the 421-a tax abatement.

   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 Section XXI for more information regarding the projected assessed valuation after completion of construction/rehabilitation.

   Real estate tax estimates are based upon current real estate tax assessment information from the New York City Department of Finance and an opinion letter dated September 20, 2021, from Highpoint Incentives Inc. ("Highpoint"), 769 Empire Avenue, Far Rockaway, New York 11691. The figures are based upon the Class 2, with a tax rate of 12.267%. (i.e., $12.267 per $100 of assessed value, the final 2020/2021 tax rate [although it is unlikely that the tax rate will remain as it is currently]), for the Residential Units. As described more fully in Section XXI, taxes may increase in subsequent years as the amount of applicable tax abatement benefits decrease and/or if tax rates increase.

   Based on review of all applicable information, it is the opinion of Highpoint that the Taxable Assessed Value of the residential units, upon completion of construction, will be approximately $2,011,657. Considering this estimate, we project that the average assessed value of each unit will not exceed $65,000. In the event that the average assessed value will exceed $65,000, the project will be deemed ineligible for the 421-a tax exemption benefits.

   As the anticipated first year of condominium operation, which is expected to commence on January 1, 2022, will include a portion of the 2021/2022 tax year and the 2022/2023 tax year, the estimated first year taxes for the residential portion of the condominium will be based on pre-construction assessed value which is currently $369,810 multiplied by 50% equals $184,905 and the estimated post-completion assessed value of the building, whichis projected to be $2,011,657 multiplied by 50% equals $1,005,828.5. As the projected commencement of condominium operation is January 1, 2022, it is anticipated that the building will be taxed on the pre-completin assessed valu for 6 months and the post-completion assessed value for 6 months, which together, encompass the first full year of the condominium operation.

Based upon information provided by the sponsor, the building will contain approximately 36,890 square feet (66.89%) and the parking area consisting of approximately 4743 square feet (12.85%) and the storage consisting of approximately 1099 square feet.As such it is anticipated that the assessed values projected above will be apportioned between the residential and parking areas and storage areas based upon the respective percentage of square footage each area contains, as set forth herein.

Accordingly, the projected taxes for units during the first half year of condominium operation can be illustrated as follows and are based on the current 2020/2021 tax rate of $10.694 per $100 of assessed value for the tax class 4 classification. The second half year of the condominium operation starting July 1, 2022 thru December 31, 2022. The first half of the 2022/2023 tax tear based on the current 2020/2021 tax rate of $12.267% per $100 of assessed value for tax class II.

Under the replacement ratio requirement of option D of the 421-a(16), any dwelling units that were on the eligible site three (3) years prior to the commencement date and there after demolished removed or reconfigured must be replaced with at least one (1) affordable housing unit for each residential dwelling unit removed. **Within three (3) years prior to the commencement date the eligible site had no residential units removed and therefore there is no residential replacement required.**

Sponsor will use its best efforts to obtain the ICAP benefits. The 2017/18 ICAP Program has been extended to March 1, 2022. This program provides abatements for property taxes for periods of up to 25 years. To be eligible, industrial and commercial buildings must be built, modernized, expanded, or otherwise physically improved. Sponsor does not warranty that ICAP benefits will be obtained, and a failure to obtain said benefits will not entitle Purchasers to a right of rescission. Please note that the **ICAP Abatement will only become effective after the Certificate of Occupancy is issued and will not be eligible for the 2021/2022 tax year.**

Purchasers should further note, 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.

In that there will be no 421-a or ICAP for the 1st year of Condominium operation, see Section XXI for a chart which reflects the estimated taxes with and without 421-a and ICAP for the 2nd year of Condominium operation.
Purchasers are encouraged to review the projected real estate taxes with a real estate tax professional.

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

6. 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. Additionally, projected carrying charges do not include certain costs for which the unit owner is responsible such as (where applicable) repairs to the interior of the unit, separately metered gas, electricity, hot water, heat, air conditioning and cable television service. Purchasers should refer to Schedule B-1 herein for estimated individual utility charges.

7. Sponsor is transferring its statutory obligation to pay New York State Transfer Tax ("NYSTT") of 0.4% of the Purchase Price where the consideration is less than $3,000,000 and 0.65% of the Purchase Price where the consideration is $3,000,000 or greater; New York City Real Property Transfer Taxes ("NYCRPTT") of one (1%) percent of the Purchase Price where the consideration is less than $500,000 and 1.425% where the consideration is $500,000 or greater. For purposes of calculating the NYCRPTT, as the Purchaser shall be responsible for paying the NYCRPTT, the tax due New York City will be based on the Purchase Price plus the amount of both the NYCRPTT and NYSTT due, which equates to a "grossed up" Purchase Price for calculation of the NYCRPTT. For purposes of calculating the NYSTT, as the Purchaser shall be responsible for paying the NYSTT, the tax due New York State will be based on the Purchase Price plus the amount of the NYCRPTT only. In addition, the Purchaser will be responsible for New York State Mansion Tax pursuant to Section 1402-a of the Tax Law of one (1%) percent of the Purchase Price for any Residential Unit which has a combined sales price of $1,000,000 or more.

   The Tax Law Amendment eliminates the requirement to "gross-up" the consideration payable by a Purchaser for a Unit pursuant to a Purchase Agreement that requires the Purchaser to pay the New York State Real Estate Transfer Tax at the closing of title to the Unit. Pursuant to the Tax Law Amendment, a Purchaser will no longer pay the portion of the New York State Real Estate Transfer Tax based on grossed-up consideration.

   The Mansion Tax is required to be paid by the Purchaser, however the Tax Law was amended to provide that when the Purchaser fails to pay the tax, the seller is required to pay. When the seller is required to pay the additional tax because the Purchaser failed to pay, the additional tax becomes the joint and several liability of the seller and the Purchaser.

   The Tax Law was amended to provide for an addition to the base tax (additional base tax) in the amount of $1.25 for each $500, or fractional part, of the consideration for certain conveyances of real property located in New York City. The tax applies to:

• The conveyance of residential real property where the consideration for the entire conveyance is $3 million or more.
• The conveyance of real property other than residential real property where the consideration for the entire conveyance is $2 million or more.

The seller is required to pay the additional base tax, but here Sponsor is transferring its statutory obligation to the Purchaser. If the seller fails to pay the tax or is exempt from the tax, the Purchaser is required to pay the tax. When the Purchaser is required to pay the tax because the seller has failed to pay, the additional base tax becomes the joint and several liability of the seller and the Purchaser. For purposes of the additional base tax, all mixed-use real property is considered residential real property. Therefore, if the consideration for the conveyance of mixed-use real property is $3 million or more, the entire consideration is subject to the additional base tax.

Residential real property includes any premises that is or may be used in whole or in part as a personal residence, and includes a one-, two- or three-family house, an individual condominium unit or a cooperative apartment unit. Mixed-use real property is real property that is used for both residential and other than residential (for example, commercial) purposes.

The Tax Law was also amended to add a supplemental tax on the conveyance of residential real property located in New York City where the consideration for the conveyance is $2 million or more. The supplemental tax differs depending on the amount of the consideration for the entire conveyance. For example: entire conveyance amount of at least $ 2 million but less than $ 3 million = Supplemental tax rate of one-quarter of one percent (.25%), and entire conveyance amount of at least $ 3 million but less than $ 5 million = Supplemental tax rate of one-half of one percent (.5%). The Purchaser is required to pay the supplemental tax. If the Purchaser fails to pay the tax or is exempt, the seller is required to pay the tax. When the seller is required to pay the tax because the Purchaser has failed to pay, the supplemental tax becomes the joint and several liability of the seller and the Purchaser. The supplemental tax is due on the conveyance of mixed-use real property when the consideration for the entire property is $2 million or more. Tax is computed only on the consideration attributed to the residential portion of the property.

In addition, Purchasers will be required to pay the following additional closing costs: (a) an initial non-reimbursable capital contribution in an amount equal to two (2) months Common Charges to the Condominium; and (b) $2,500 to Sponsor's attorney for the preparation of the closing documents. 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 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 $500. In addition, if a closing takes place, at the request of Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney a travel fee in the sum of $250. See Section XVI.

8. Cellar, balcony and terrace space may not legally be used as a bedroom or living room and to do so may result in a building code violation being issued for the building. Cellar space has less light and air than ordinary living space and it is more susceptible to dampness.

VI. SCHEDULE B

POLARIS CONDOMINIUM
PROJECTED BUDGET FOR FIRST YEAR OF OPERATION

January 1, 2022 to December 31, 2022*

PROJECTED INCOME

(1)	4 Commercial Units, 1 Community Facility Unit 34 Residential Units, 31 Parking Space Units and 2 Storage Bin Units	**$150,025**

PROJECTED EXPENSES

(2)	Salary, Wages, Payroll Taxes & Benefits	$27,850
(3)	Electricity & Gas	$21,000
(4)	Water & Sewer	$10,175
(5)	Repairs & Maintenance	$ 3,500
(6)	Services & Supplies	$18,000
(7)	Insurance	$16,000
(8)	Management Fee	$24,000
(9)	Legal & Auditing Fees	$ 5,000
(10)	Administration	$ 2,500
(11)	Contingency	$ 5,000
(12)	Reserve	$17,000
	Total Projected Expenses	**$150,025**

*In the event the actual first year budget differs from the actual commencement of the budget year by six (6) months or more, Sponsor will amend the Plan to include a revised budget. See explanatory footnotes. If the total of the amended budget exceeds the total of the above budget by twenty-five (25%) percent or more, the Sponsor will offer all purchasers the right to rescind their purchase agreement and have their deposits returned, with interest, if any, provided such election to rescind is received by Sponsor within fifteen (15) days of the date of presentation of the amendment disclosing the revised budget. Sponsor may not declare the Plan effective where there are material changes to the budget if these changes have not been disclosed in a duly filed amendment to the Plan.

FOOTNOTES TO SCHEDULE B

(1) PROJECTED INCOME

The estimated common charges to be collected from unit owners during the first year of condominium operation are based upon the assumption that the first year of condominium operation will be the twelve months commencing January 1, 2022. The actual first year of operation may be earlier or later.

In the event the projected commencement date of the first year of condominium operation is to be delayed more than six (6) months from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. Sponsor will not declare the Plan effective if any material changes to the budget are not yet disclosed in an amendment to the Plan.

If the common charges in the revised budget projections exceed the earlier budget projections by twenty-five percent (25%) or more, the sponsor will offer all purchasers the right to rescind their purchase agreements and have their deposits refunded to them, whether or not the sponsor offers to guarantee the earlier budget projections.

There are no contracts or leases that will provide income to the Condominium. Sponsor shall amend the Plan if any new lease or extension of any existing lease is for a term in excess of two years.

There is no special allocation involving the commercial units, community facility units, storage bin units, and parking space units. Sponsor shall be responsible for paying the costs and expenses associated with the unsold Parking Space Units and unsold Storage Bin Units.

(2) SALARIES, WAGES, PAYROLL TAXES & BENEFITS

The Condominium will hire a part-time superintendent who will fulfill the role of the janitor as required under the relevant provision of the NYC Housing Maintenance Code. This part-time superintendent will not live on the premises but will handle routine maintenance of the building and be on-call 24 hours per day, as needed, and shall be paid a fixed amount. The projected level of staffing for the building complies with all applicable housing and labor laws. It is anticipated that such employee will be non-union member. The budget includes benefits required by local, state or Federal law or required by contract such as worker's compensation, disability insurance, welfare and pension contributions by employers, unemployment insurance and payroll taxes. The budget reflects current wage rates and payroll tax rates applicable for the budgeted year.

Position	**Yearly Base Wage Rate**
(1) Part-Time Superintendent	$24,000
Total Base Wages	$24,000
FICA @ 7.65% of Base Wages	$1,836.00
Worker's Compensation @ 5.5% of total wages	$1,320.00
FUI and FUTA-NYS Unemployment @ $425 per employee	$ 425.00
NYS Disability @ $60 per employee	$ 60.00
Contingency	$ 200.00
TOTAL WAGES TAXES & BENEFITS	**$ 27,850**

(3) ELECTRICITY & GAS

The sponsor has obtained an estimate from Galli Engineering, P.C., located at 35 Pinelawn Road, Suite 209E, Melville, NY 11747 and has estimated the costs for electricity and gas consumption for the first year of condominium operation for the common areas based on similar buildings.

a. Electricity will be used for the common hall lighting, garage lighting, mechanical equipment, heating pumps, lobby air conditioning, stair lighting and one (1) elevator. Electric consumption is estimated at 54,596 KWH per year at an average cost of $0.20 per KWH average for a total cost of $10,919 annually plus 10% inflation factor = $12,011. This includes taxes and fuel adjustments.

b. Gas Consumption at $1.18 per therm (100,000 btu/h/therm) including delivery charge.

Common charge natural gas consumption is based on the natural gas units designed for the common area usage, residential cooking gas units, and domestic hot water for showers, washing machines, and sinks in each apartment. Natural gas consumption is estimated to be 649,700,000 btu per year, or 6,497 therms per year. At a rate of $1.18 per therms, the total estimated cost of $7,666.46 annually plus 10% inflation factor = $8,433.

Gas costs are based on Therms ratings mentioned above, including taxes and fuel adjustments but no inflation factor.

There is no residential cost for natural gas, as each unit does not have its own gas meter. Residential cost has been included in common charge cost.

Electric costs are based on a KWH rating mentioned above, including taxes and fuel adjustments but no inflation factor.

The above costs are estimated only, and are based on conditions outlined herein and the following natural gas, electric and water rated currently in effect which include the latest utility company surcharges for fuel adjustments plus applicable taxes. It also takes in account the variation of family size and lifestyle. The figures are not intended to be a guarantee.

(4) WATER & SEWER

The sponsor has obtained an estimate from Galli Engineering, P.C. located at 35 Pinelawn Road, Suite 209E, Melville, NY 11747 and has estimated the costs for Water and Sewer for the first year of condominium operation for the common areas and residential areas based on similar buildings. Water and sewer are not indiviudaly metered for residential units.

a. **Water:** Based upon metering of the estimated water consumption using the rate of $3.99 per 748 gallons of water, the common charge water cost is equal to $954.03 annually. Taking inflation into consideration, common charge water cost is equal to **$1,049.43 annually**.Residential charge water consumption is based on the square footage of the proposed building residential area. The total residential unit water consumption is estimated to be 490,925 gallons annually. Using the rate of $3.99 per 748 gallons of water, the residential charge water cost is equal to $2,618.70 annually. Taking inflation into consideration, residential charge water cost is equal to **$2,880.57 annually**. **Total Water = $3,930 annually with inflation**.

b. **Sewer:** Based upon metering of the estimated water consumption Common charge sewage is based upon metering of the estimated water consumption of 178,850 gallons annually. Sewage is priced at a rate of $6.34 per 748 gallons. Therefore, the common charge sewer cost is $1,515.92. Taking inflation into consideration, common charge sewage cost is equal to **$1,667.51 annually**. Residential charge sewage is based upon metering of the estimated water consumption of 490,925 gallons annually. Sewage is priced at a rate of $6.34 per 748 gallons. Therefore, the common charge sewer cost is $4,161.05. Taking inflation into consideration, residential charge sewage cost is equal to **$4,577.15 annually**. **Total Sewer = $6,244.66 annually with inflation**.

(5) REPAIRS & MAINTENANCE

Since the building will be newly constructed, it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in the first year's budget since all major construction and mechanical systems will be new. Future major capital repairs to the common elements will be borne by all unit owners.

The budgeted figure for this item includes the cost of normal maintenance and repairs to the common elements of the building that are the responsibility of the condominium. Each unit owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of their respective units, including the appliances, incremental heating/air-conditioning units and any Limited Residential Common Elements appurtenant thereto.

(6) SERVICES & SUPPLIES

The budgeted amount includes the cost of cleaning equipment and miscellaneous supplies for the common elements, as well as the anticipated cost of service contracts during the first year of condominium operation.

All of the mechanical systems within the building will be new, and some will be under a full service maintenance contract for the first year of condominium operation from the contractor who will install the system. No maintenance or service contracts have been entered into as of the date of the plan. The budgeted amounts are based upon the experience of the sponsor's budget expert in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the first year of condominium operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

It is projected that the condominium will enter into maintenance agreements for the following services:

Heating and Cooling System	$ 1,500
Elevator Maintenance	$10,000
Sprinkler System/Fire Protective Alarm System	$ 2,500
Exterminator	$ 2,000
Miscellaneous Supplies	$ 2,000

(7) INSURANCE

Based upon the proposal from Oakmont Insurance Services LLC, located at 30-50 Whitestone Expressway, Suite 302, Flushing NY 11354, the following insurance coverage will be obtained for the building for the first year of condominium operation:

Property Policy

Liability Coverages	
General Aggregate Limit	$2,000,000
Product Aggregate Limit	$0
Personal Advertising Injury Limit	$1,000,000
Each Occurrence Limit	$1,000,000
Damage to Rented Premises	$100,000
Medical Expenses	$5,000
Total Premium	**$16,000.00**

The actual coverage quoted in the plan for All Risk for the building is $12,000,000.00. This is adequate, in my judgment, to cover 100% of the replacement cost of the insurable portion of the premises. The proposed level of coverage provides that the insured shall not be a co-insurer. The proposed policy does cover replacement cost. The budget must provide and the Condominium must and shall have public liability insurance at closing.

The fire, casualty and general liability insurance carried by the condominium will provide that each unit owner is an additional insured party; that there will be no cancellation without notice to the Condominium Board and Permitted Mortgagees; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and unit owners; and a waiver of pro-rate reduction if unit owners obtain additional coverage.

THE ABOVE PACKAGE POLICY PROVIDES FOR THE FOLLOWING:

1. All unit owners are listed as an additional insured party
2. Waiver of Subrogation Clause is included
3. Replacement Cost coverage endorsement is included
4. Notice to owners and board of managers in event of cancellation
5. Waiver of invalidity due to acts of insured & unit owners obtain additional coverage if included.
6. Waiver of Pro-rata reduction if unit owners obtain additional coverage is included
7. The fire insurance coverage in the unit owners amount of $12,000,000 budgeted in the plan is adequate so that insured shall not be a co-insurer if the policy contains a co-insurance provision.

The above proposed coverages are provided by a New York licensed company with a minimum of A.M. best rating of “A” – excellent and meets the requirements of any mortgage lender produces by Sponsor.

It is recommended that the board of managers consider the purchase of the following policies at additional costs:

- Directors & Officer’s Liability- Included
- Crime- Included
- Workers Compensation
- Disability
- Auto Liability
- Umbrella Liability Coverage.

Each individual unit owner should consider the desirability of obtaining additional insurance at his own cost for the following coverage, which is not included in the above coverage: fire or casualty losses to the contents of his unit and any replacements, additions, upgraded fixtures and improvements therein; and liability for personal injury or property damage as a result of occurrences in his unit, including water damage legal liability to cover damage arising from leaks or other conditions within the unit.

Although there is no requirement for annual appraisals to ascertain whether the insurance coverage is adequate, such appraisals are required prior to renewal of any fire policy.

(8) MANAGEMENT FEE

At or prior to the First Closing, the condominium will enter into a management agreement with Success Property Management, Inc., having an office address at 42-32 147 Street #7A Flushing NY 11355, a real estate management firm. The agreement will be for an initial term of (one) 1 year. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice.

The Managing Agent will receive an annual fee of $24,000 payable in equal monthly installments of $2,000. The Managing Agent's fee for the first year of condominium operation is comparable to the "going rate" for similar services in comparable buildings.

See the section of the plan entitled "Agreements Affecting Building Operations" for further details. Sponsor is not affiliated with the management agent.

(9) LEGAL & AUDITING FEES

The condominium will engage a law firm to act as the attorney for the Condominium. The estimated cost for these legal services for the condominium's first year is $3,800. It is anticipated that the Condominium will enter into an agreement with CCTS Inc. ("CCTS"), a certified public accountant and tax preparation firm, located at 11 East Broadway, Suite 12 C New York NY 10038 to provide audit, tax returns preparation, and financial statement preparation services for the condominium. Audit fees are based on the fee quotation from CCTS for preparing the yearly certified financial statement for the condominium. It is estimated that the first year cost for these services will be $1,200.

(10) ADMINISTRATION

The budgeted amount includes anticipated expenses for telephone, beepers, postage, printing, miscellaneous office supplies, payroll processing costs, permits, fees and local telephone usage in the Manager's office.

(11) CONTINGENCY

This item is included in the budget to provide funds for unforeseen increases in Residential Common Expenses and General Common Expenses before or after the First Closing or to cover expenses not included in this budget.

(12) RESERVE FOR EQUIPMENT REPLACEMENT

A reserve amount, which equals 10% of the budget, less the reserve line item, is being held for replacement of the Common Elements. No representation is made that the reserve fund will be adequate for future replacements of Common Elements or for major capital repairs or replacements. However, it is not anticipated that there will be the need for replacement of capital items in the first five years. In the unlikely event additional funds

are required over and above the reserve fund, it may be necessary to increase the maintenance charges or Common Charges payable by the Unit Owners or to collect a Special Assessment from each Unit Owner. 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. See Section XXIV Reserve Fund.

IN THE OPINION OF G BUDDY INC., 8725 18TH AVENUE, 2ND FL., BROOKLYN, NY 11214, CONSULTANT (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 (ADJUSTED TO REFLECT CONTINUED INFLATION AND PRESENT LEVELS OF CONSUMPTION FOR COMPARABLE RESIDENTIAL UNITS SIMILARLY SITUATED) TO MEET THE ESTIMATED EXPENSES FOR THEIR FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE YEAR COMMENCING JANUARY OF 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 THE 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. IF THE ACTUAL EXPENSES EXCEED THE DISCLOSED PROJECTIONS BY 25% OR MORE, THE SPONSOR MUST OFFER ALL PURCHASERS THE RIGHT TO RESCIND AND A REASONABLE PERIOD OF TIME THAT IS NOT LESS THAN FIFTEEN (15) DAYS AFTER THE DATE OF PRESENTATION TO EXERCISE THE RIGHT, WHETHER OR NOT SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION.

VII. SCHEDULE B-1

The following is based on information provided by Galli Engineering, P.C., 35 Pinelawn Road, Suite 209E, Melville, NY 11747. Residential charge electric consumption is based on the square footage of the proposed building residential area.

Electric consumption is estimated at 25,589 KWH per year, at a rate of $0.20 per KWH for a total cost of $5,118, including taxes. Taking inflation into consideration, residential charge electric cost is equal to $5,630 annually. See table below for Electrical Cost Breakdown by Unit:

Unit(s)	KWH/year	Cost/year	Cost/year w/ infl.
2A, 3B, 4B, 5A	494.43	$98.89	$108.77
1A, 3A, 4A	542.57	$108.51	$119.37
2C	704.04	$140.81	$154.89
3G, 4G	716.07	$143.21	$157.54
2E, 2G, 3E, 3H, 4E, 4H, 5D	749.17	$149.83	$164.82
2B, 3C, 4C, 5B	755.18	$151.04	$166.14
6C	771.23	$154.25	$169.67
2D, 3D, 4D, 5C	777.25	$155.45	$170.99
5F	781.26	$156.25	$171.88
2F, 3F, 4F, 5E	873.53	$174.71	$192.18
6A	962.78	$192.56	$211.81
6B	1,096.17	$219.23	$241.16
6D	1,367.96	$273.59	$300.95

Residential Water and Sewer are included in the common charge cost as there are no individual residential meters for water and sewer. Residential charge gas consumption is based on the natural gas units designated for residential area usage. There is no residential cost for natural gas, as each unit does not have its own gas meter. Residential cost has been included in common charge cost.

The above costs are estimated only, and are based on conditions outlined herein and electric and water rated currently in effect which include the latest utility company surcharges for fuel adjustments plus applicable taxes in the area of the Condominium. It also takes in account the variation of family size and lifestyle. The above costs may also vary depending upon the setting of the apartments' thermostats and the maintenance of the equipment in good and efficient condition. Non-residential utility costs are included in the common charges on Schedule B.

The projected costs presented herein cannot be guaranteed and should only be used as a guide. A true assessment of the costs can only be made after several years of stable building operation. 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 Residential 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 a optimum efficiency at the lowest cost.

VIII. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

September 27, 2021

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

Re: **POLARIS 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 numerous Condominium Offering Plans and legal representation of several Condominium Boards of Managers in the State of New York.

In reviewing said Schedule A, the percentage of Common Interest for each Unit as contained therein 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 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 Polaris Condominium to be filed with the Department of Law.

Very truly yours,

MORITT HOCK & HAMROFF LLP

By: _____
Anthony J. Ficara, Partner

IX. CHANGES IN PRICE AND NON-RESIDENTIAL UNITS

The Condominium will contain four (4) Commercial Units and one (1) Community Facility Unit; these five (5) Units shall be subject to the rights of the Non-Residential Unit Owners to subdivide and merge same. Non-Residential Unit Owner will be responsible to pay common charges in accordance with such Unit Owner's percentage of Common Interest. The common charges payable by each Non-Residential Unit Owner are sufficient to cover the expenses fairly attributable to such Unit. For purposes of this Section, the Parking Space Units and Storage Bin Units are not considered Non-Residential Units.

The Community Facility Unit may be used for any lawful purposes permitted under the local zoning code, including, without limitation, for Community Facility uses. Pursuant to the New York City zoning code, the lawful uses permitted in the Community Facility Unit include health care uses, child care/day care uses and educational uses. The Commercial Units may be used for any lawful purposes permitted under the local zoning code, including, without limitation, for commercial uses. Pursuant to the New York City zoning code, the lawful uses permitted in the Commercial Units include retail, restaurant, office and similar uses. Notwithstanding the foregoing, the Non-Residential Units shall not be used for any illegal uses or for the following uses: pornography stores, drug treatment facilities or homeless shelters. Commercial units may be used for retail, restaurant and/or office uses. Such Community Facility and Commercial Units (Non-Residential) will comply with the intended use pursuant to the Certificate of Occupancy.

If Sponsor decides to implement special allocations at any time in the future, the Sponsor will first amend the plan before doing so in accordance with the relevant provisions of the declaration and By-Laws.

If Sponsor is the owner of Non-Residential Units, and if Sponsor is offering such Units for sale, any material change to the size or any subdivision of the Non-Residential Units will be disclosed in an amendment.

The Sponsor and/or Owner(s) of a Non-Residential Unit will have the right, without the consent of the Condominium Board or Residential Board, 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 their Units; or (b) alter or improve any Limited Common Elements applicable to their Unit; provided, however, that in each instance the Non-Residential Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Boards and all other Unit Owners harmless from any liability arising therefrom. Notwithstanding the foregoing, such access shall not materially affect the other Unit Owners' use and enjoyment of the premises.

Except to the extent prohibited by law, the Sponsor, its successor, assignee or designee and the Non-Residential Unit Owner(s) shall have the right, without the vote or consent of the Boards to: (a) make alterations, additions or improvements, whether

structural or nonstructural, interior or exterior, Ordinary or Extraordinary, in, to and upon the Non-Residential Unit(s); (b) change the layout of, or number of rooms in the Non-Residential Unit(s) from time to time; (c) change the size and/or number by subdividing one or more Non-Residential Units into two or more separate Non-Residential Units, combining separate Non-Residential Units (including those resulting from such subdivision or otherwise) into one or more Non-Residential Units, altering the boundary walls between any Non-Residential Units, or otherwise; (d) if appropriate, reapportion among the Non-Residential Unit(s) 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 Non-Residential Units shall not be changed by reason thereof unless the owners of such Non-Residential Units shall consent thereto and, provided further, that the Declarant, its successor, assignee or designee and the Non-Residential Unit Owner(s) shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Boards and all other Non-Residential Unit Owner(s) harmless from any liability arising therefrom.

Nothing contained in the Declaration shall prohibit the division or consolidation of any Non-Residential Unit(s) and Common Interest appurtenant thereto, including but not limited to a change in the number of rooms. In no case, however, may such division or consolidation result in a different percentage of Common Interest for the total of the new Non-Residential Unit(s) than existed for the total of the original Non-Residential Units(s) before division or consolidation.

The Owner(s) of a Non-Residential Unit will 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 any Non-Residential 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 Non-Residential Unit, provided, however, that except in the case of an emergency, the right of access may be exercised only after prior notice to the Condominium Board; and (iii) for access to any equipment that services the Non-Residential Units and which are located in the Residential Area of the Condominium or the General Residential Units Limited Common Elements.

The Non-Residential Unit(s) will also be subject to easements in favor of any other Unit(s) for the installation, maintenance, repair and replacement of all utility pipes, lines, conduits, ducts, etc., including gas, electricity, heating, air-conditioning, ventilating and water and other mechanical lines and fixtures and equipment serving the Non-Residential Unit(s). The Owner(s) and tenants of the Non-Residential Unit(s) will have the right, at their sole expense, to install separate heating systems for the Non-Residential Unit(s) and an easement is granted in, over, under and through the 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.

Each Non-Residential Unit and/or their tenants will have an easement to erect, maintain and replace one (1) sign on the property as permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be in compliance with the requirements of the City of New York.

At the request of a Non-Residential Unit Owner, the Condominium 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 Non-Residential Unit or the operation thereof. The Non-Residential Unit Owner(s) shall indemnify and hold the Condominium Board and the Unit Owners harmless from any liability resulting therefrom.

A Non-Residential Unit Owner shall have the right, without the payment of any fees or charges to the Condominium Board, to sell or lease the Non-Residential Unit without the Condominium 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 applicable Non-Residential Unit Owner.

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

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

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

The Owner(s) of the Non-Residential Units will be obligated to pay a share of the cost of insurance and maintenance and operation of the Common Expenses shared with the Residential Units and other costs reflected in Schedule B based on their percentage of General Common Interest in the Condominium. The Non-Residential Unit Owners will also be responsible for the entire cost of the maintenance and operation of the Non-Residential Units Limited Common Elements. There are no special allocations of Common Expenses in this Offering Plan. In the event of any dispute relating to the expenses to be borne by the Non-Residential Unit Owners such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XII of the By-Laws.

The Residential Unit Owners shall have an easement through the Non-Residential Unit(s) and Non-Residential Units 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 Limited Common Elements, the Residential Units and/or the entire Building.

At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of seven (7) Members shall be elected or designated. A total of two (2) members shall be elected/appointed collectively by the Non-Residential Unit Owners (Community Facility and Commercial) and five (5) members shall be elected by the Residential Unit Owners

X. CHANGES IN PRICES AND RESIDENTIAL UNITS

Sponsor will not make any material change in the size or adverse material change in the quality of Common Elements without the consent of all Residential Unit Owners. There is a rebuttable presumption that adecrease in a unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material.

Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of common interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default. Furthermore, no change will be made in the size or number of units and/or their respective percentages of Common Interest, and that no material change will be made in the size or

quality of Common Elements, except by amendment to the offering plan and, when applicable, to the declaration of condominium.

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

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: upgrades to a Residential Unit or the fixtures or equipment contained therein or credits or allowances therefor; treatment of reduced and/or split down payment; financing contingency; extension of period to secure financing; 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; 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 the purchase of a Unit and application of rent toward the purchase price. As a result, a Purchaser may receive different terms than a prior or subsequent Purchaser may receive for a similar Unit. 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.

XA. INTERIM LEASES

The Sponsor will <u>not</u> enter into interim leases with Purchasers for Residential Units prior to closing. In no event shall Purchaser take possession of the Residential Unit prior to the time of the delivery of the deed, nor shall Purchaser enter the Residential Unit or have his or her contractors or agents enter the Residential Unit to perform work prior to closing without the written authorization of the Sponsor. Should the Purchaser violate this provision, Sponsor will have the right to remove Purchaser from the Residential Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default of the Purchase Agreement and Sponsor may retain the funds being held in escrow to a maximum of ten (10%) percent

of the sales price plus the cost of extras ordered, as liquidated damages. Purchasers should refer to Paragraph 22 of the Purchase Agreement.

In that Sponsor is applying for 421-a benefits under the new program, **Sponsor must sell all of the Units in the Condominium and the Units must be maintained as Purchaser's primary residence.** It is the Sponsor's intention to sell all Units and Sponsor may not, and shall not, rent any Units either before or after consummation if Sponsor applies for the new 421- a benefits.

HPD has adopted new regulations with respect to the 421-a(16) homeownership program, which require each Purchaser of a Unit in a Homeownership Project to authorize an officer of the Board of Managers to submit the 421-a application and to execute and record the 421-a(16) restrictive declaration on their behalf. Executed consent forms for each Unit in a Homeownership Project must be submitted with the application along with executed and recorded deeds for each Unit, and such deeds are also required to include the Primary Residence Requirement. This consent form must also include the homeowner's acknowledgement of the Primary Residence Requirement, the Building Size Requirement and the Post-Completion Assessment Cap Requirement.

XI. PROCEDURE TO PURCHASE

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

In that Sponsor is applying for 421-a benefits under the new program, Sponsor must sell all of the Units in the Condominium and the Units must be maintained as Purchaser's primary residence. It is the Sponsor's intention to sell all Units and Sponsor may not, and shall not, rent any Units either before or after consummation if Sponsor applies for the new 421- a benefits. Sponsor will endeavor in good faith to sell the Units in the Condominium.

In the event Sponsor is unsuccessful in obtaining 421-a tax benefits for the Condominium, the Sponsor is retaining the unconditional right to rent rather than sell the Residential Units, upon consummation of the Plan. In such a case, the Sponsor will amend the terms of the Offering Plan to disclose the fact that 421-a benefits will not be obtained. Because Sponsor is retaining the unconditional right to rent rather than sell the Units, in the event 421-a tax benefits are not obtained, this plan may result in the creation of a condominium in which a majority of the Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. In the event 421-a benefits are not obtained, Sponsor is not limiting the conditions under which it will rent rather than sell the Units, there will be no commitment to sell more Residential Units than the fifteen (15%) percent, or six (6) Residential Units, necessary to declare the plan effective and owner-occupants

may never gain effective control and management of the Condominium. Purchasers should note, renting the units would not only result in disqualifying the Condominium from receiving the 421-a benefits, but Purchasers would then be responsible for the projected taxes contained on the Schedule A without 421-a; however, Sponsor does not intend to rent Residential Units unless and until there is no longer a possibility of obtaining 421-a benefits. Schedule A does not contain projected tax amounts with and without 421-a and ICAP benefits. See Section XXI.

Sponsor will cooperate with the Board of Managers to obtain the benefits and will keep and make available all records required in order to obtain the benefits. Sponsor shall keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Sponsor shall, upon closing, make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits; and Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

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 IX 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 Polaris 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.

Upon signing the Purchase Agreement, the Purchaser shall make a down payment of a minimum of ten (10%) percent of the purchase price of a Unit plus the cost of any special work ordered by the Purchaser. Upon full payment of the balance of the purchase price and the balance of the cost of any special work ordered at the closing, in cash or by mortgage, 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 XIII of the Offering Plan. The Purchase Agreement may be modified with the consent of Purchaser and Sponsor in a manner not inconsistent with law, subject to the terms of this Offering Plan. Sponsor must either return a fully executed Purchase

Agreement within twenty (20) days to the Purchaser or reject the Purchase Agreement and refund the full deposit monies. In the event the Sponsor does not act within said twenty (20) day period the Purchase Agreement will be deemed rejected by the Sponsor.

The risk of loss from fire or other casualty remains with the Sponsor unless and until a Purchaser takes actual possession of a Unit pursuant to an interim lease (or written agreement with the Sponsor) or legal title to the Unit has been conveyed to the Purchaser.

The Power of Attorney included as Schedule E herein, as same may be amended from time to time so as to comply with applicable law, must be executed by Purchaser at the closing of title. This Power of Attorney is being given to the Board of Managers, and, to a limited degree, the Sponsor. Failure to execute the Power of Attorney will result in a default under the Purchase Agreement.

Sponsor anticipates that the closing to the first Residential Unit will occur on or about January 1, 2022. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than December 31, 2022, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, Purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. All common elements, including, but not limited to the recreation room, roof terrace and Storage Units, will be fully operational as of the date of commencement of Condominium operation.

However, if the first unit closing occurs before December 31, 2022, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

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 Residential Unit unless a Purchaser waives such thirty (30) day notice. Notice on each Purchaser stating the date of the first closing and setting such Purchaser's closing date will be served in compliance with section 20.1(d)(1). A form for such waiver is contained as Schedule D-3 to the Offering Plan.

Sponsor must make a written demand for payment after default at least thirty (30) days before forfeiture of the deposit may be declared. Time is of the essence for a Purchaser to cure a default within such thirty (30) day period.

The Purchase Agreement may not be assigned by Purchaser without the written consent of Sponsor. Sponsor and its agents will not discriminate against any person on

the basis of race, creed, color, national origin, sex, age, disability, marital status, or other grounds prohibited by law.

Purchasers should note that if a 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, **time being of the essence.** Time of the essence indicates that failure to cure the default by a certain date will constitute and incurable default under the Purchase Agreement. Upon Purchaser's failure to cure such default within such thirty (30) day period, the Purchase Agreement shall, at Sponsor's option, be deemed canceled and Sposnor 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.. See Paragraph 21 of the Purchase Agreement in Part II of the Offering Plan.

The Purchase Agreement and Offering Plan may not contain, or be modified to contain, a provision waiving Purchaser's rights or abrogating Sponsor's obligations 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 down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Unit as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. Sponsor has discretion to offer financing to Purchasers on an individual basis.

The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective purchaser who executes a Purchase agreement

and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Home as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages. Sponsor has the discretion to offer financing to Purchasers on an individual basis.

Notwithstanding the foregoing, the Sponsor has engaged the following lenders to be the on-site mortgage consultants throughout the sales process (the "Preferred Lenders"):

Popular Community Bank
85 Broad Street
New York, NY 10004
Attn: Philip Robles
Sr. Home Lending Officer
Tel: (917) 405-4536

Wells Fargo Home Mortgage
150 E 42nd Street, 32nd Floor
New York, NY 10017
Attn: Adam Soffer
Private Mortgage Banker
Tel: (212) 214-7014

Only Purchasers that complete a loan application and are pre-approved for financing with either of the Preferred Lenders will be given a mortgage contingency in their Purchase Agreement. **Purchaser will only be entitled to a mortgage contingency if Purchaser applies to a Preferred Lender, and said Preferred Lender approves financing for the Purchaser.** The Condominium complies with the Sponsor's Preferred Lender's requirements applicable to condominiums, including, without limitation, the amount of the reserve fund and the By-Laws. Sponsor's Preferred Lender does not have a minimum sales and/or Owner-occupancy requirement. Sponsor shall also have discretion to offer financing on an individual basis.

The condominium complies with the Sponsor's Preferred Lender's requirements applicable to Condominiums, including, without limitation, the amount of the reserve fund and the By-Laws. Preferred Lenders do not have a minimum sales and/or owner-occupancy requirement.

Note that under New York law, when a mortgage commitment is not fulfilled through no fault of a purchaser, performance is excused. Therefore, if the purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused, and the sponsor must grant to such purchaser a right of rescission and a reasonable period of time to exercise such right. See Section XII of the Offering Plan.

Purchasers should note that on November 15, 2018 the Financial Crimes Enforcement Network ("FinCEN") announced the issuance of an updated Geographic Targeting Order ("GTO"), which requires U.S. title insurance companies to report to FinCEN the personal identity of purchasers in residential real estate transactions in which: (1) the purchaser is a legal entity as defined in the GTO; (2) the purchaser purchases residential real property (including condominium units) located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan and Staten Island; (3) the total purchase price is in an 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 cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

As long as the updated GTO remains in effect, the reporting requirements set forth above apply to all residential real property closings (including condominium units) meeting the above criteria and occurring on or after November 17, 2018.

Further information regarding the revised GTO is available at the following web address:https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf

See Section XI of the Offering Plan and Exhibit D-5 Mortgage Contingency Rider for a full description of the contingency language contained within the Mortgage Contingency Rider.

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 Sections 352-e (2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto. All funds required to be held pursuant to GBL, Sections 352-e(2-b) and 352-h on the effective date of this section shall be transferred into escrow accounts in compliance with this regulation within 60 days thereafter.

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 trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Offering Plan or in a Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of the Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

All deposits, down payments, or advances made by Purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the Plan, will be placed, within five (5) business days after the Purchase Agreement is tendered to the Escrow Agent along with the deposit, in a segregated special Escrow

Account of Moritt Hock & Hamroff LLP, the Escrow Agent, who address is 11407 Broadway, 39th Floor, New York, NY 10018. The Escrow account will be opened with Popular Bank, 85 Broad Street, New York, New York 10006. The signatories on this account authorized to withdraw funds are: Anthony J. Ficara, Ted A. Berkowitz, Gary C. Hsiger and Robert M. Finkel. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing. The name of the account is "Moritt Hock & Hamroff LLP, IOLA/FBO Polaris Condominium"". 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. Additionally, any other deposits a Purchaser may have at the escrow bank will count towards the $250,000 FDIC insurance limit.

The Escrow Account will be Interest-On-Lawyer-Account ("IOLA"). Pursuant to Judiciary Law, Section 497, all interest earned on the IOLA account will be paid to the State of New York.

Purchasers should note as a special risk that although all funds received by Sponsor for upgrades or extras to a Residential Unit will initially be placed in the escrow account, such funds may be released from the Escrow Account without the requirements outlined below as long as the Sponsor uses the funds for such upgrade or extra. 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, and actually expended, for upgrades or extras.

All instruments shall be made payable to or endorsed to the order of "Moritt Hock & Hamroff LLP, as Escrow Agent" and shall be accepted subject to collection.

The Purchase Agreement is included herein as Schedule D in Part II of the Plan. The relevant escrow trust fund provisions are included in Paragraph 29 of the Purchase Agreement, which must be executed by the Escrow Agent.

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 Sponsor, conforming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

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

Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Office of the Attorney General, Real Estate Finance Bureau, 28 Liberty Street, New York, New York 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.

Purchasers should note that the deposit of a Purchaser's down payment into the Escrow Account shall not be deemed acceptance by the Sponsor of the Purchase Agreement. The Purchase Agreement shall be deemed accepted by the Sponsor only when countersigned by the Sponsor.

The Escrow Agent will hold funds in escrow until otherwise directed in:

(i) a writing signed by both Sponsor and Purchaser. Sponsor and/or the Escrow Agent may require a Purchaser to execute a writing authorizing release of the funds by the Escrow Agent as a condition of closing, upon closing. Authorization of the release of funds at closing in the Purchase Agreement will be deemed such a writing. In no event shall the funds be release or authorized to be released prior to closing, unless a bond or letter of credit has been posted, pursuant to the terms of the Offering Plan, as same may be amended; or

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

(iii) a final, non-appealable judgment or order 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 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 (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 Building is located and shall give written notice to both parties of such deposit.

The Escrow Agent will also be permitted to release the escrow funds if:

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

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

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

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

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

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

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 General Business Law Sections 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.

Nothing contained herein shall diminish or impair the sponsor's statutory obligation to each purchaser pursuant to GBL section 352-h to hold in trust all 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 section 352-h. Funds from the escrow account remain the property of the purchaser until employed in connection with the consummation of the transaction. Such funds shall not be a part of the estate of the sponsor or the escrow agent upon any bankruptcy, incapacity or death.

Under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to General Business Law Sections 352-3(2-b) and 352-h.

Purchasers should note that it shall be an express condition of closing of title that the Purchaser sign the form contained in Part II 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 escrow accounts to determine compliance with statute and regulation.

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

A copy of the Escrow Agreement between the Sponsor and the Escrow Agent which incorporates the terms of the Attorney General's regulations is contained in Part II of the Plan as Schedule L. The Escrow Agent shall maintain all records concerning the 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.

Before escrow funds are transferred to a new escrow account, or if the Escrow Agent is replaced, the Plan shall be amended to provide the same full disclosure with respect to the new escrow account, the new Escrow Agent and Escrow Agreement, as was originally provided.

In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the Board of Managers has adopted the following smoking policy (the "Smoking Policy") for the Condominium:

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, basement, corridors, hallways, stairwells, elevators, playroom, garage, garage ramp, walkways; and (ii) within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

For the purposes of this Smoking Policy, the term "smoking" includes, but is not limited to, inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe or any other form of lighted object or device which contains tobacco, including the use of electronic cigarettes or any similar device that delivers vapor for inhalation (including any refill, cartridge or other component of an electronic cigarette or similar device), or any other items or materials that may be smoked, whether such substance is a legal substance or an illegal substance. This Smoking Policy applies to all unit owners, tenants, subtenants, occupants and residents of the Building, and to any guests, agents, licensees and invitees of a Unit Owner. It is the Unit Owner's responsibility to ensure that its tenants, subtenants, occupants, residents, guests, agents, licensees and invitees comply with this Smoking Policy.

Smoking is PERMITTED within individual apartments and on the terraces, balconies, patios and yards attached to individual apartments (except within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units). However, if there are reported and substantiated incidents of infiltration of smoke/smoke odors into common areas of the Building (including, but not limited to, hallways) and/or other apartments in the Building, it will be the offending Unit Owner's responsibility, at its sole cost and expense, to abate the nuisance.

Any Unit Owner who sells, leases, or subleases its apartment must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation.

This Smoking Policy shall become effective immediately. The Board will advise Unit Owners of any changes to the Smoking Policy.

XII. FINANCING CONTINGENCY

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.

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 offer to sell is contingent upon the Plan's being declared effective and upon compliance with the relevant conditions and time periods described in the Offering Plan.

The Plan may be declared effective by: (i) an amendment to the plan; or (ii) by personal service of notice on every Purchaser or by commencement of service by mail in the manner required by section 20.1(d) of this Part stating that the Plan is declared effective and submitting an amendment to the Department of Law within five days confirming that the Plan was declared effective on a specified date. The amendment must conform to section 20.5(e) of this Part. The closing of the first unit shall not occur until the Plan is declared effective and the post-closing amendment is accepted for filing by the Department of Law.

The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective purchaser who executes a Purchase agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with one of the Preferred Lenders below before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. In no event will the Sponsor be obligated to return a Purchaser’s down payment in the event a Purchaser is unable to obtain a

mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Home as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages. Sponsor has the discretion to offer financing to Purchasers on an individual basis.

Notwithstanding the foregoing, the Sponsor has engaged the following lenders to be the on-site mortgage consultants throughout the sales process (the "Preferred Lenders"):

Popular Community Bank
85 Broad Street
New York, NY 10004
Attn: Philip Robles
Sr. Home Lending Officer
Tel: (917) 405-4536

Wells Fargo Home Mortgage
150 E 42nd Street, 32nd Floor
New York, NY 10017
Attn: Adam Soffer
Private Mortgage Banker
Tel: (212) 214-7014

Only Purchasers that complete a loan application and are pre-approved for financing with either of the Preferred Lenders will be given a mortgage contingency in their Purchase Agreement. **Purchaser will only be entitled to a mortgage contingency if Purchaser applies to a Preferred Lender, and said Preferred Lender approves financing for the Purchaser.** The Condominium complies with the Sponsor's Preferred Lender's requirements applicable to condominiums, including, without limitation, the amount of the reserve fund and the By-Laws. Sponsor's Preferred Lender does not have a minimum sales and/or Owner-occupancy requirement. Sponsor shall also have discretion to offer financing on an individual basis. There shall be no closing costs charged by Sponsor to Purchaser in connection with financing for qualified purchasers.

The condominium complies with the Sponsor's Preferred Lender's requirements applicable to Condominiums, including, without limitation, the amount of the reserve fund and the By-Laws. Preferred Lenders do not have a minimum sales and/or owner-occupancy requirement.

The material terms of the mortgage contingency are set forth as follows:

1. The obligation of Purchaser to purchase under this Agreement shall be conditioned upon issuance, **on or before forty five (45) days** after a fully executed copy of the Purchase Agreement is given to Purchaser, or Purchaser's attorney, in the manner set forth therein, (hereinafter called the "Commitment Date"), of a written commitment from one of the Preferred Lenders, pursuant to which the Preferred Lender agrees to make a first mortgage loan, other than a VA, FHA or other governmentally insured loan, to Purchaser, at Purchaser's sole cost and expense, in the amount equal to eighty (80%) percent of the total purchase price of the Unit, for a term of at least thirty (30) years (or such lesser sum or shorter term as Purchaser shall be willing to accept) at the prevailing fixed or adjustable rate of

interest and on other customary commitment terms, (hereinafter called the "Commitment"). To the extent a Commitment is conditioned on Preferred Lender's approval of an appraisal, the sale of Purchaser's current home, payment of any outstanding debt, no material adverse change in Purchaser's financial condition or any other customary conditions, Purchaser accepts the risk that such conditions may not be met. Purchaser's obligations are conditioned only on issuance of a Commitment. Once a Commitment is issued, Purchaser is bound under this Agreement even if the Commitment lapses or expires prior to the Closing, except as mentioned herein, the Preferred Lender fails or refuses to fund the loan or revokes the Commitment for any reason, including, but not limited to, a change in Purchaser's financial condition or employment, or Purchaser's inability or refusal to pay all required costs, fees and expenses to extend the Commitment up to the Closing. Purchaser shall notify Sponsor of inability to obtain financing within five (5) business days after the forty-five (45) day period has expired.

PURCHASER UNDERSTANDS THAT PURCHASER IS FREE TO SEEK FINANCING DIRECTLY FROM OTHER LENDERS, EITHER SOLELY OR PARALLEL WITH THE APPLICATION TO THE PREFERRED LENDER, BUT THE CONTINGENCY CONTAINED IN THIS AGREEMENT SHALL ONLY APPLY IF AN APPLICATION ON THE ABOVE-SPECIFIED TERMS IS MADE IN GOOD FAITH TO THE PREFERRED LENDER AND IS DILIGENTLY PURSUED. THEREFORE, REFUSAL BY ANY LENDER TO MAKE A COMMITMENT TO PURCHASER WILL NOT ENTITLE PURCHASER TO CANCEL THIS AGREEMENT OR RECEIVE A REFUND OF THE DEPOSIT.

2. Purchaser shall (i) make prompt application to the Preferred Lender, for such mortgage loan within five (5) days after the fully executed copy of this Agreement is given to Purchaser or Purchaser's attorney in the manner set forth herein, (ii) furnish to the Preferred Lender accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (iii) pay all fees, points and charges required in connection with such application and loan, (iv) pursue such application with diligence, and (v) cooperate in good faith with the Preferred Lender. Purchaser shall accept a Commitment meeting the terms set forth herein and shall comply with all requirements of such Commitment (or any other commitment accepted by Purchaser). IF PURCHASER FAILS TO COMPLY WITH THESE OBLIGATIONS AND REQUIREMENTS, PURCHASER SHALL BE DEEMED TO HAVE WAIVED PURCHASER'S RIGHT TO CANCEL THIS AGREEMENT AND TO RECEIVE A REFUND OF THE DEPOSIT BY REASON OF THE CONTINGENCY CONTAINED IN THIS AGREEMENT. Purchaser shall furnish Sponsor with a copy of the Commitment promptly after receipt thereof.

3. If a Commitment was issued but it lapsed or expired prior to the Closing, Purchaser shall pay all required costs, fees and expenses to extend the Commitment up to the Closing. In no event whatsoever shall Sponsor be liable for any costs, fees or expenses relating to the extension of the Commitment, even if the lapse or

expiration of the Commitment resulted from a delay in the Closing caused by Sponsor.

If a Commitment was issued but it lapsed or expired prior to the Closing, Purchaser shall make a good faith effort to extend the Commitment and pay all required costs, fees and expenses to extend the Commitment up to the Closing. In no event whatsoever will Sponsor be liable for any costs, fees or expenses relating to the extension of the Commitment, even if the lapse or expiration of the Commitment resulted from a delay in the closing caused by Sponsor. If a Commitment was issued but its terms changed prior to the closing, Purchaser shall nevertheless be required to purchase a Unit.

Notwithstanding anything to the contrary stated anywhere in this Agreement, if a Commitment was issued but it lapsed or expired prior to the Closing, and Purchaser has made a good faith effort the extend the Commitment, but the Preferred Lender nevertheless refused or failed to extend the Commitment, Purchaser will have a right of rescission until the midnight of the fifteenth day following notice from the Preferred Lender of its failure or refusal to extend the Commitment. Purchaser must either personally deliver a written notice of rescission to Sponsor or Selling Agent prior to the midnight of said fifteenth day or mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor or Selling Agent so that mailing is post-marked by post-office prior to the midnight of said fifteenth day. If Purchaser fails to give timely notice of cancellation, then Purchaser will be deemed to have waived Purchaser's right to cancel the Purchase Agreement and to receive a refund of the Deposit by reason of the contingency.

4. If the Preferred Lender denies such application in writing prior to the Commitment Date, Purchaser will have a right of rescission until the midnight of the tenth day following the Commitment Date, provided that Purchaser has complied with all his obligations under this Agreement. Purchaser must either personally deliver a written notice of rescission to Sponsor or Selling Agent prior to the midnight of said tenth day or mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor or Selling Agent so that mailing is post-marked by post-office prior to the midnight of said tenth day.

5. If no Commitment is issued by the Preferred Lender on or before the Commitment Date, then, unless Purchaser has accepted a written commitment from the Preferred Lender that does not conform to the terms set forth in this Agreement, Purchaser will have a right of rescission until the midnight of the tenth day following the Commitment Date, provided that Purchaser has complied with all his obligations under this Agreement.

   Purchaser must <u>either</u> personally deliver a written notice of rescission to Sponsor or Selling Agent prior to the midnight of said tenth day or mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor or

Selling Agent so that mailing is post-marked by post-office prior to the midnight of said tenth day.

6. If this Agreement is canceled by Purchaser pursuant to Sections (3), (4) or (5) hereof, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan, except that the Deposit shall be promptly refunded to Purchaser and except as set forth in Purchase and Sale Agreement.

7. If Purchaser fails to give timely notice of cancellation pursuant to (3), (4), or (5) or if Purchaser accepts a written commitment from the Preferred Lender that does not conform to the terms set forth in this Agreement, then Purchaser shall be deemed to have waived Purchaser's right to cancel this Agreement and to receive a refund of the Deposit by reason of the contingency contained in the Purchase Agreement.

8. If Sponsor has not received a copy of a Commitment from the Preferred Lender accepted by Purchaser by the Commitment Date, Sponsor may cancel this Agreement by giving notice to Purchaser within five (5) business days after the Commitment Date, which cancellation shall become effective unless Purchaser delivers a copy of such Commitment to Sponsor within five (5) business days after the Commitment Date. After such cancellation, neither party shall have any further rights against, or obligations or liabilities to, the other by reason of this Agreement, except that the Deposit shall be promptly refunded to Purchaser (provided Purchaser has complied with all of his obligations under this Agreement).

9. The attorneys for the parties are hereby authorized to give and receive on behalf of their clients all notices and deliveries under this Agreement.

10. For purposes of Sections (1) and (2) hereof, Purchaser shall be deemed to have been given a fully executed copy of this Agreement, when personal delivery or delivery by overnight courier is effected, or in the case of regular mailing, three (3) business days after the date of mailing.

The Sponsor makes no representation as to the Lenders compliance with Fannie Mae, Freddie Mac or FHA loan requirements. Purchasers are directed to contact the individual Lenders to confirm compliance with same.

Note that under New York law, when a mortgage commitment is not fulfilled through no fault of Purchaser, performance is excused. Sponsor may not condition Purchaser’s obligations upon obtaining a commitment. If Purchaser acts in good faith and lender revokes a commitment after contingency period expires, performance is excused.

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.

Any purchaser who executes a purchase agreement and does not obtain financing through the Preferred Lenders may lose the deposit if unable to pay the balance of the purchase price. Prospective purchasers who need financing to purchase are advised to consult with a bank before executing a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by Sponsor as to the availability or cost of such financing. Sponsor has the discretion to offer financing to Purchasers on an individual basis.

The risk of loss from fire or other casualty remains with the Sponsor unless and until a Purchaser takes actual possession of a Unit pursuant to an interim lease (or written agreement with the Sponsor) or legal title to the Unit has been conveyed to the Purchaser. However, Sponsor is not entering into any interim leases so there should be no pre-closing possession.

The closing of title to a Unit where the Purchaser has obtained financing will take place simultaneously with the closing of the mortgage loan and the proceeds will be applied towards the then balance of the purchase price.

XIII. ASSIGNMENT OF PURCHASE AGREEMENTS

The Purchase Agreement may not be assigned by Purchaser without the express written consent of Sponsor, which consent may be granted or withheld in Sponsors sole and absolute discretion. However, Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, or other grounds prohibited by law.

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 Residential Units offered under the Plan (34 x 15% = 6 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 Residential Unit until the pos-closing amendment disclosing the effectiveness of the Condominium has been accepted for filing by the Attorney General.

The Plan may be declared effective by: (i) an amendment to the plan; or (ii) by personal service of notice on every purchaser or by commencement of service by mail in the manner required by section 20.1(d) of this Part stating that the Plan is declared effective and submitting an amendment to the Department of Law within five days confirming that the plan was declared effective on a specified date. The amendment must conform to section 20.5(e) of this Part. The first unit shall not occur until the Plan is declared effective and the post-closing amendment is accepted for filing by the Department of Law.

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 bonafide.

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 the Residential Units offered hereby are sold and title to any Residential Unit has not been conveyed (34 x 80% = 27 Residential Units). In the event Sponsor exercises such option, it shall forthwith return to the Purchaser all monies paid with interest, if any, within five (5) days of acceptance of an amendment abandoning the Plan. When Purchase Agreements for eighty (80%) percent of the Residential Units have been entered into, the Sponsor must declare the Plan effective.

Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, the Sponsor will re-declare the Plan effective if all purchase agreements are either rescinded or terminated prior to the date of first Unit Closing, regardless of whether the Condominium Declaration has been recorded.

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 (½%) percent of the total amount of the offering or (ii) material damage or destruction of a Building by fire or other casualty which cannot be cured for less than one-half (½%) percent 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 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 five (5) days of the abandonment of the Plan.

If Sponsor abandons 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.

XV. TERMS OF SALE

After the Plan has been declared effective the Sponsor will fix a date for the closing of title to all Residential 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.

Such notice will be served no less than thirty (30) days before the date set for the closing of the Units. Sponsor shall permit Purchasers to waive the thirty (30) day provision by a written waiver. A form for such waiver is contained as Schedule D-3 to the Offering Plan. Said notice will also include notice of the obligation to pay the balance of the purchase price. On the closing date, fee title to the Unit will be conveyed to the Purchaser together with the Unit's undivided interest in the Common Elements. The closing of title to the first Residential 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 Residential Unit. In the event a Home is damaged by casualty or other cause prior to the closing of Purchaser's Home, through no fault of Purchaser, Sponsor shall repair the

Home to meet the specifications set forth in the architects and/or engineers property description report(s) contained herein prior to closing of title to such Home. In the event Sponsor cannot complete such repair within the anticipated delivery timeframe set forth in the Offering Plan or Purchase Agreement, Purchaser shall be afforded a right of rescission.

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

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

5. If applicable, prior to closing, the sponsor will procure the real property transfer gains tax tentative assessment and return (or statement of no tax due) and will, at closing, pay all real property transfer gains tax and all other transfer taxes due and comply with the requirements of the New York State Department of Taxation and Finance.

6. If so requested by the Purchaser, Gotham Abstract & Settlement LLC ("Gotham"), a title company authorized to do business in the State of New York, 370 Lexington Avenue, Ste.800, New York NY 10017, 212-767-0707. Gotham shall agree to insure that such Purchaser has good and marketable fee title in the Unit, free and clear of all liens, encumbrances and title exceptions, except those set forth below, the Deed, and subject to the provisions of the Declaration and By-Laws and any mortgage executed by the Purchaser and that the Condominium was validly formed pursuant to Article 9-B of the Real Property Law. Purchasers are free to obtain title insurance from any title company authorized to do business in the State of New York without incurring any additional fees or penalty from Sponsor.

7. All articles of personal property, fixtures and equipment as set forth in the Offering Plan for the Residential Unit being purchased are to be included in the sale of such Residential Unit.

8. 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 Registers Office, Queens County. The recording of the referenced documents will occur prior to conveyance of title to a Unit.

9. The Unit and its undivided 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.

10. The Sponsor will give each Purchaser who has entered 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 their Unit unless a Purchaser waives such thirty (30) days notice. A form of such waiver 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 will be met, that the Residential Units to be closed have been constructed in accordance with the plans 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 Residential 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 the 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 Residential 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 Tenth, Section (c) of the Declaration of Condominium.

Title to the Unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those permitted below and/or described in the proposed Unit deed. Title to the Units will be subject to the following:

1. The state of facts shown on a stated survey and any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unmarketable.

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 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 Residential Units having restricted use to portions of the Common Elements.

   (d) Easements in favor of the Residential Unit Owners for access through any other part of a 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 an individual Residential Unit.

   (e) 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.

(f) Easement in favor of the Sponsor, it's agents and employees for access through any part of a Building for the purpose of access, installation, maintenance, repair and replacement to of any portion of the Building, including but not limited to the installation of solar energy panels on the roof.

5. Any additional declarations, covenants, restrictions, 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 a Residential Unit as a one (1) family residence.

If existing mortgages or construction loans will not be satisfied at or prior to the closing of the first Unit, at the time of conveyance of the first 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.

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.

XVI. CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs and expenses to be borne by each Purchaser are as follows:

1. Gotham Abstract & Settlement LLC ("Gotham"), a title company authorized to do business in the State of New York, 370 Lexington Avenue, Ste.800, New York NY 10017, 212-767-0707, at the estimated rates of $5.81 per thousand for the first $50,000 of fee title insurance, approximately $4.74 for each additional $1,000 of insurance up to $100,000 and approximately $3.80 per thousand for each additional $1,000 up to $500,000 plus six (6%) percent.

   Each Purchaser will be free to obtain title insurance from a title insurance company of their own choosing without incurring a penalty from Sponsor.

2. Mortgage title insurance at the estimated rates of $4.84 per thousand for the first $50,000 of mortgage title insurance, approximately $3.95 for each additional $1,000 of mortgage title insurance up to $100,000 and approximately $3.17 per thousand for each additional $1,000 up to $500,000 plus six (6%) percent.

   In the event a Purchaser obtains both mortgage and fee title insurance at closing, the Mortgage Policy shall be issued at a reduced rate known as the Simultaneous Mortgage Rate. The fee title insurance policy will be based on the full fee rate and the Simultaneous Mortgage Policy is based on thirty (30%) percent of the applicable mortgage rate up to the amount of the Mortgage Policy. Any excess is based on the full mortgage rates.

   Each Purchaser will be free to obtain title insurance from a title insurance company other than Cornerstone without incurring a penalty from Sponsor. Sponsor makes no representation or warranty as to cost, terms or availability of such other title insurance.

3. Fees for the recording of the deed, power of attorney and any affidavit required in connection with the mortgage tax credit available under RPL §339-ee which are approximately $235, $100 and $50 for each document.

4. 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 4 on Residential Units which are not covered by mortgages.

5. Sponsor is transferring its statutory obligation to pay New York State Transfer Tax ("NYSTT") of 0.4% of the Purchase Price where the consideration is less than $3,000,000 and 0.65% of the Purchase Price where the consideration is $3,000,000 or greater; New York City Real Property Transfer Taxes ("NYCRPTT") of one (1%) percent of the Purchase

Price where the consideration is less than $500,000 and 1.425% where the consideration is $500,000 or greater. For purposes of calculating the NYCRPTT, as the Purchaser shall be responsible for paying the NYCRPTT, the tax due New York City will be based on the Purchase Price plus the amount of both the NYCRPTT and NYSTT due, which equates to a "grossed up" Purchase Price for calculation of the NYCRPTT. For purposes of calculating the NYSTT, as the Purchaser shall be responsible for paying the NYSTT, the tax due New York State will be based on the Purchase Price plus the amount of the NYCRPTT only. In addition, the Purchaser will be responsible for New York State Mansion Tax pursuant to Section 1402-a of the Tax Law of one (1%) percent of the Purchase Price for any Residential Unit which has a combined sales price of $1,000,000 or more.

The Tax Law Amendment eliminates the requirement to "gross-up" the consideration payable by a Purchaser for a Unit pursuant to a Purchase Agreement that requires the Purchaser to pay the New York State Real Estate Transfer Tax at the closing of title to the Unit. Pursuant to the Tax Law Amendment, a Purchaser will no longer pay the portion of the New York State Real Estate Transfer Tax based on grossed-up consideration.

The steps to compute the tax are:

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

(b) Multiply the purchase price by the New York City Tax Rate to compute the tentative NYCRPTT.

(c) For NYSTT purposes, add the NYCRPTT to the purchase price (item "b")

(d) For NYCRPTT purposes, add both the NYSTT and NYCRPTT to the purchase price (items "a" and "b").

(e) Multiply the total of "c" above by the NYS tax rate for the NYSTT due.

(f) Multiply the total of "d" above by the NYC Tax Rate for the NYCRPTT due.

EXAMPLE: Purchase Price = $675,000

(a) $675,000 x .004 = $2,700 = tentative NYSTT
(b) $675,000 x .01425 = $9,619 = tentative NYCRPTT
(c) $675,000 + $9,619 = $684,619 = Purchase Price for NYSTT
(d) $675,000 + $2,700 + $9,619 = $687,319 = Purchaser Price for NYCRPTT

(e) $687,319 x .004 = $2,713 = amount due for NYSTT
(f) $687,319 x .01425 = $9,794 = amount due for NYCRPTT

6. Working capital in the amount of 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.

7. The Mansion Tax is required to be paid by the Purchaser, however the Tax Law was amended to provide that when the Purchaser fails to pay the tax, the seller is required to pay. When the seller is required to pay the additional tax because the Purchaser failed to pay, the additional tax becomes the joint and several liability of the seller and the Purchaser.

The Tax Law was amended to provide for an addition to the base tax (additional base tax) in the amount of $1.25 for each $500, or fractional part, of the consideration for certain conveyances of real property located in New York City. The tax applies to:

• The conveyance of residential real property where the consideration for the entire conveyance is $3 million or more.
• The conveyance of real property other than residential real property where the consideration for the entire conveyance is $2 million or more.

The seller is required to pay the additional base tax, but here Sponsor is transferring its statutory obligation to the Purchaser. If the seller fails to pay the tax or is exempt from the tax, the Purchaser is required to pay the tax. When the Purchaser is required to pay the tax because the seller has failed to pay, the additional base tax becomes the joint and several liability of the seller and the Purchaser. For purposes of the additional base tax, all mixed-use real property is considered residential real property. Therefore, if the consideration for the conveyance of mixed-use real property is $3 million or more, the entire consideration is subject to the additional base tax.

Residential real property includes any premises that is or may be used in whole or in part as a personal residence, and includes a one-, two- or three-family house, an individual condominium unit or a cooperative apartment unit. Mixed-use real property is real property that is used for both residential and other than residential (for example, commercial) purposes.

The Tax Law was also amended to add a supplemental tax on the conveyance of residential real property located in New York City where the consideration for the conveyance is $2 million or more. The supplemental tax differs depending on the amount of the consideration for the entire

conveyance. For example: entire conveyance amount of at least $ 2 million but less than $ 3 million = Supplemental tax rate of one-quarter of one percent (.25%), and entire conveyance amount of at least $ 3 million but less than $ 5 million = Supplemental tax rate of one-half of one percent (.5%). The Purchaser is required to pay the supplemental tax. If the Purchaser fails to pay the tax or is exempt, the seller is required to pay the tax. When the seller is required to pay the tax because the Purchaser has failed to pay, the supplemental tax becomes the joint and several liability of the seller and the Purchaser. The supplemental tax is due on the conveyance of mixed-use real property when the consideration for the entire property is $2 million or more. Tax is computed only on the consideration attributed to the residential portion of the property.

8. Each Purchaser shall pay $2,500 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.

9. Purchasers shall be required to reimburse Sponsor for obtaining 421-a tax benefits. The reimbursement amount of $3,000 will be payable at the time of closing. This reimbursement will be non-refundable, even in the event the Building does not qualify for 421-a tax benefits.

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

11. A pro-rata portion of the estimated first year condominium insurance based on the percentage of Common Interest of the Unit being purchased.

As an example, a Purchaser of a Residential Unit in which the purchase price is $675,000 and who procures a first mortgage in the amount of $540,000 will pay the following approximated closing costs:

Fee Title Insurance:	$ 2,595
Mortgage Insurance:	$ 639
Deed Recording Fee:	$ 235
Power of Attorney Recording Fee:	$ 100
Mortgage Recording Fees:	$ 225
§339-ee Affidavit Recording Fee:	$ 50
New York State Transfer Tax:	$ 2,700
New York City Transfer Tax:	$ 9,619
Mortgage Tax:	$10,365
Condominium Working Capital:	$ 628
Pro-Rata Insurance	$ 400
421-a Reimbursement	$ 3,000
Sponsor Attorney Fees for	

Preparation of Deed, Power of
Attorney and other Closing Documents: $ 2,500

TOTAL $33,056

In addition, if a closing takes place, at the request of Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney a travel fee in the sum of $250.

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 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 $500.

In the unlikely 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 said Unit for the six (6) month period following the first closing. This is a determination made by the taxing authority and not in control of the Sponsor. Said amount is to be paid by Purchaser. 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 and either the Sponsor or the Board of Managers will be entitled to reimbursement from Unit owners to the extent of the actual assessment. Until the Units are separately assessed, all post-closing amendments will disclose the amount of the funds deposited in escrow for the payment of the real estate taxes.

If through no fault of Sponsor, Purchaser fails for any reason to close title within seven (7) days 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% (which equals an annual rate of 16%) of the purchase price for the Unit(s) and 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 Residential 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 him 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, it is within their sole power to enforce the obligations of the Sponsor pertaining to the Common Elements. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's Board representatives cannot lawfully vote on that issue. Sponsor must enforce its obligations under the Plan, as those obligations are described in the Plan, and owes a duty to the Condominium to do so.The following shall pertain to the Sponsor:

1. Sponsor will make application for real estate tax benefits under the new Section 421-a program. Department of Housing Preservation and Development of the City of New York ("HPD") has jurisdiction over the new 421-a tax benefits. Applications for tax exemption benefit must be made after construction is completed, but within one year from the time of completion; the construction period benefit is retroactive. 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 Final Certificate of Occupancy is issued for the entire building.

   Sponsor will use its best efforts to obtain those benefits and duration of the benefits, however, the new 421-a program is designed to be extremely difficult to procure. Although Sponsor anticipates obtaining Section 421-a benefits, Sponsor makes no guarantee that Section 421-a tax benefits will be granted or if granted when the abatement will commence and Purchasers should not rely on receiving the new 421-

a benefits. Sponsor expects the abatement will be approved approximately 5-7 months after the submission of the application, subject to application requirements set forth below.

To be eligible for 421-a benefits construction must have commenced prior to December 31, 2015 and be completed by December 31, 2026. 421-a tax exemption benefits are not available if the project receives exemption benefits under any other law, however, this Condominium will not receive any other exemption and thus remains eligible for 421-a tax benefits.

New 421-a regulations require that:

i. None of the Units in the Condominium may exceed the assessed value cap of $65,000 in order to qualify for tax benefits. If any Units exceed this maximum, the entire building will be deemed ineligible.
ii. Purchase Agreements be executed for all Units in the Condominium prior to Sponsor submitting the 421-a application. Additionally, all Purchase Agreements must be executed within one year of completion of construction.
iii. All owners must agree in writing to maintain such Unit as their primary residence for no less than five years from acquisition date of such Unit. However, HPD has not stated the penalty for such non-compliance of the residency requirement.
iv. Completion of construction is the date either when a Temporary Certificate of Occupancy is issued for all residential areas in the Condominium, or when a Final Certificate of Occupancy is issued for the entire Condominium.

HPD has adopted new regulations with respect to the 421-a(16) homeownership program, which require each Purchaser of a Unit in a Homeownership Project to authorize an officer of the Board of Managers to submit the 421-a application and to execute and record the 421-a(16) restrictive declaration on their behalf. Executed consent forms for each Unit in a Homeownership Project must be submitted with the application along with executed and recorded deeds for each Unit, and such deeds are also required to include the Primary Residence Requirement. This consent form must also include the homeowner's acknowledgement of the Primary Residence Requirement, the Building Size Requirement and the Post-Completion Assessment Cap Requirement.

In order to maintain eligibility status under the new 421-a benefits, Sponsor may not rent Units before or after consummation; as stated above, Sponsor will not rent Units. The Sponsor will not enter into interim leases with Purchasers for Residential Units prior to closing. If however, prior to consummation, the Sponsor were to rent any residential Unit (or portion thereof) to any person other than an interim lessee, the Sponsor is obligated

to abandon the Offering Plan in accordance with the provisions of 13 N.Y.C.R.R. 20.1(1)(2) and 20.5(g). Notwithstanding the foregoing, Sponsor will not rent Residential Units unless 421-a benefits are not obtained.

Sponsor must sell all of the Units in the Condominium and the Units must be maintained as Purchaser's primary residence. It is the Sponsor's intention to sell all of the Units. Additionally, Sponsor must inform must inform HPD of intent to operate as a rental building; and all Units will be subject to rent stabilization.

The twenty-year exemption would be applied as follows:

a) 100% exemption, for up to $65,000 per Unit (as detailed above) during the first 14 years; and
b) A 25% exemption during the next 6 years; and
c) The exemption is subject to an assessed valuation cap of $65,000 per dwelling Unit.

Further, in order to obtain an exemption from real property taxation pursuant to §421-a(16), 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 expert 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, as a Restrictive Declaration:

1. 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").
2. 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").
3. 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 form the acquisition of such unit ("Primary Residence Requirement").
4. No portion of the Property shall be operated as a Hotel during the Restriction Period ("Hotel Prohibition Requirement").
5. This Restrictive Declaration may be enforced by the City of New York and any of its agencies and instrumentalities, and any tenant.

See Schedule N in Part II of the Plan for a copy of the Restrictive Declaration.

Under the replacement ratio requirement of option D of the 421-a(16), any dwelling units that were on the eligible site three (3) years prior to the commencement date and there after demolished removed or reconfigured must be replaced with at least one (1) affordable housing unit for each residential dwelling unit removed. **Within three (3) years prior to the commencement date the eligible site had no residential units removed and therefore there is no residential replacement required.**

As shown above, there have been numerous changes to the 421-a law since its most recent passage. The major procedural change is the elimination of the preliminary certificate of eligibility. Therefore, it is likely that even if this project is eligible for 421-a benefits, the benefits will be implemented retroactively, and Purchaser may not have the benefits of 421-a on their initial tax bills. The application for 421-a benefits must be submitted within one year after completion of construction; which shall be the responsibility of the Sponsor or his representative. A filing fee of $3,000 per dwelling unit, will need to be submitted to HPD along with the 421-a (16) and/or ICAP Application for Certification of Eligibility for Tax Exemption; which, if approved, would result in a final certificate of eligibility. Therefore, Schedule A of the Offering Plan reflects the estimated real estate taxes for each Residential Unit both with and without Section 421-a benefits. Purchasers should note that if approved, it is anticipated that the 421-a tax benefits will be retroactive and a Residential Unit Owner would then be entitled to either a reimbursement for the amount overpaid or a credit against future real estate taxes.

Sponsor must sell all of the units in the condominium and the units must be maintained as purchaser's primary residence. It is the Sponsor's intention to sell all of the units.

As stated herein, Sponsor will use best efforts to obtain the tax benefits set forth herein, however, in the event the tax benefits are not granted, Purchasers will not be offered rescission and any payment made to Sponsor for reimbursement of costs to obtain such tax benefits will not be refunded.

Sponsor is <u>not</u> applying for these benefits based on the affordability component of the 421-a program. Instead, Sponsor is relying on the Post-Completion Assessment Cap Requirement. 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 for more information regarding the projected assessed valuation after completion of construction. See Section also Section XXI for more information regarding the projected assessed valuation after completion of construction/rehabilitation.

Purchasers shall be required to reimburse Sponsor for obtaining 421-a tax benefits. The reimbursement amount of $3,000 will be payable at the time of closing. This reimbursement will be non-refundable, even in the event the Building does not qualify for 421-a tax benefits.

Sponsor will cooperate with the Board of Managers to obtain the benefits and will keep and make available all records required in order to obtain the benefits. Sponsor shall keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Sponsor shall, upon closing, make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits; and Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

As this project anticipates completion of construction, as evidenced by a FCO by December 31, 2021, contracts for all Residential Units in the Building must be entered into prior to December 30, 2022, as the application for 421-a must be submitted within one (1) year of the Building obtaining either a TCO or FCO, whichever is earlier. Schedule A does not contain projected tax amounts with and without 421-a and ICAP benefits. See Section XXI.

NO WARRANTY IS OR CAN BE MADE THAT THE BENEFITS SET FORTH HEREIN WILL BE OBTAINED. IN THE EVENT THE BENEFITS ARE NOT OBTAINED, OR IN THE EVENT THERE ARE INCREASES IN THE TAX RATE, OR THE PROPERTY'S ASSESSED VALUATION, OR IN THE STATUTES GOVERNING THE TAX BENEFITS, REAL ESTATE TAXES MAY BE HIGHER THAN ANTICIPATED FOR THE FIRST YEAR OF OPERATION AND IN FUTURE YEARS. HENCE, INDIVIDUAL CARRYING COSTS FOR ALL UNITS WOULD ALSO BE HIGHER. Prospective purchasers are urged most strongly to read the section entitled REAL ESTATE TAX BENEFITS included herein. PURCHASERS WILL NOT BE OFFERED A RIGHT OF RESCISSION SHOULD THE BENEFITS NOT BE OBTAINED.

2. The Sponsor shall be obligated to defend any suit or proceeding arising out of Sponsor’s acts or omissions and shall indemnify the Board of Managers and the Unit Owners for same.

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's repair of any damage from a casualty or other cause that occurs before the closing of Purchaser's Residential Unit. In the event a Unit is damaged by casualty or other cause prior to the closing of Purchaser's Home, through no fault of Purchaser, Sponsor shall repair the Unit to meet the specifications set forth in the architects and/or engineers property description report(s) contained herein prior to closing of title to such Unit. In the event Sponsor cannot complete such repair within the anticipated delivery timeframe set forth in the Offering Plan or Purchase Agreement, Purchaser shall be afforded a right of rescission.

6. Sponsor will initially procure fire and casualty insurance for the Condominium on the terms set forth in the budget, which shall be pursuant to an agreed upon amount for replacement value or in an amount sufficient to avoid coinsurance, and, in the event Sponsor has prepaid the first year insurance premium, will collect a pro-rata share of said insurance from a Purchaser at each closing based on the Unit's percentage of common interest. Notwithstanding, in the event the amount of insurance increases or additional funds are required to pay for such insurance, Sponsor will have the option to lend the Condominium such funds and Sponsor will be repaid out of subsequent Common Charges collected. No Board or Unit Owner approval is required to make such loan.

7. In the event of the dissolution or liquidation of the Sponsor or the transfer of twenty (20%) percent or more of the total number of Residential Units in the Condominium, 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 Residential Units under the Offering Plan, applicable laws or regulations.

8. Sponsor has obtained construction financing (the "Construction Loan") from Cathay Bank ("Construction Lender"), 41-48 Main Street, Flushing NY 11355 ("Construction Lender"), which has enabled Sponsor to construct the Development. The Sponsor will be obligated to pay off and otherwise

comply with the terms of the Construction Loan on the entire Condominium. After the recording of the Declaration and before the closing of title to the first Unit, any Construction Loan mortgage will be satisfied or released. Therefore, the lender will set a release price for Unit so that Sponsor can pay-off such amount of the underlying mortgage with the sale of the Unit. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by partial release duly recorded. In order to obtain partial releases, the Construction Lender will require that the Sponsor pay a release price on the sale of each Unit, until the loan is repaid in full. Such minimum release price shall be determined prior to the closing of a Unit and be based on the total outstanding loan at that time. This portion of the loan will not be added to the Purchase price, but rather Sponsor may use the proceeds from such sale to pay towards the underlying mortgage. Therefore, there will be no resulting costs from Sponsor's construction loan added to Purchaser's individual mortgage, and no delay to the closing of title to a Unit due to the underlying mortgage.

Purchaser shall not be obligated to pay any adjournment fee as a result of a delay caused by any assignment/consolidation of Sponsor's construction loan. The terms of the Construction Loan contemplate the project as a "for-sale" condominium project. Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent (six (6)) of the Residential Units being offered for sale.

At the time of conveyance of the first 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.

There will be no steps needed to be undertaken by Purchaser, as previously stated, Sponsor will work directly with lender and pay a release price, which price shall not affect purchaser or Purchaser's financing, if any.

Purchasers should note, in the event Sponsor seeks an assignment of a portion of the Construction Loan to Purchaser's mortgage lender, such severance and assignment would not result in any additional risk or cost to the Purchaser. Sponsor will initiate any severance and assignment transaction only after financing has been procured by Purchaser. Furthermore, should this transaction fail to take place and result in the loss of Purchaser's finnacing commitment, then Purchaser will be afforded an opportunity to obtain new financing, if Purchaser so elects.

9. The Sponsor will diligently, expeditiously and at its own cost, complete construction of the Condominium in accordance with the plans and specifications described in the architects and/or engineers property description report(s) contained 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 with a full set of building plans filed with the local Municipality together with any "field changes" made during the course of construction. There is a rebuttable presumption that a decrease in a unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Furthermore, Sponsor reserves the right to select the ultimate location of the kitchen and bathroom cabinets, counters and drawers, as same may differ from the locations set forth on the floorplans. 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. The substitution of materials, fixtures, appliances and equipment will be disclosed in an amendment to the Offering Plan.

Sponsor may not change the size, location of buildings or Units other improvements or common elements if such changes affect the percentage of common interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change. Sponsor further reserves the right to determine the ultimate Residential Unit type mix to be constructed at a Building; determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, speed bumps, mailboxes; and make any other changes required by the City of New York. Any such changes may not adversely affect the value of any Unit to which title has closed or for which a purchase agreement has been executed unless all Unit Owners or contract vendees, who are not in default, have consented.

Sponsor has a right to substitute equipment or materials and make modifications of layout or design, provided however, that Sponsor may not substitute equipment or materials of lesser quality or design. In the event an affected Unit is under contract, Sponsor shall first obtain consent from the Purchaser of said Unit. Sponsor is obligated to construct the premises in accordance with building plans and specifications identified in the Plan .

Sponsor's obligation is to build and complete the Condominium in accordance with the building plans and specifications identified in the Plan.

Any modification to or variation therefrom will be first disclosed in an amendment to the Offering Plan.

10. The Sponsor will obtain a temporary or final Certificate of Occupancy and any other certificate or permit required by law for the Building or Residential Unit before the closing of title to a Residential Unit and will, at its own cost, perform any work and supply any materials necessary to obtain the Certificates or permits. In addition, Sponsor will deliver a Bureau of Electrical Control Certificate, or its equivalent, to the Building Department of the City of New York prior to the issuance of a Final Certificate of Occupancy.

In the event a Final Certificate of Occupancy for the Building or an individual Residential Unit has not been issued as of the date of closing for said Residential Unit, the Sponsor will continue to hold all deposits and funds in the special escrow account required pursuant to Section 352-e (2-b) and 352-h as described in Section X 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 Final 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 Final 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; however, such leter or bond must first meet the satisfaction of the Department fo Law. In such event, it will disclose such fact by duly filed amendment to the Plan prior to releasing the escrow deposit. The amounts retained in escrow pending the delivery of a Final Certificate of Occupancy and the architect's certification(s), certifying such amount(s) will be included in each post-closing amendment to the Offering Plan until such time as the Final Certificate of Occupancy is obtained.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive 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 conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified in the TCO. No Change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date.

A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a 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 DOB will issue the FCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings.

Furthermore, because Sponsor and the By-laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of an FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO. Buyers are advised to visit the DOB website for further recommendations when purchasing a Unit in a building that does not have an FCO. See a factsheet on Certificates of Occupancy at:
http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

11. At the closing of title of the Unit, the Sponsor must assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit Owner and assign any warranties with respect to equipment and appliances installed in the Common Elements to the Board of Managers.

12. The Purchaser of a Residential Unit will inspect such Residential Unit prior to the Closing Date and will execute at such time an inspection statement acknowledging Purchaser’s acceptance of the Residential 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 Residential 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. Notwithstanding the foregoing, Sponsor’s obligation is to construct the premises in accordance with all applicable codes and filed plans and specifications and Sponsor will complete any work that does

not meet such obligations. A Purchaser will receive prior notice that a Residential 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 Residential Unit will be deemed to have accepted the Residential Unit in good condition and in accordance with the terms of the Plan. After Closing of title to each Residential Unit the Purchaser thereof must comply with the procedures established by the Managing Agent or the Board of Managers regarding such Purchaser's move into the Residential Unit. This will include "move in" 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. In such an event the move in fees will be used to repair said damage. In the event the move in fees are less than any damage caused, the Purchaser will be responsible for the additional amount. In the event the move in fees are greater than the damage caused, the Purchaser will be refunded the excess amount. At this time the Sponsor will be collecting move in fees from Purchasers in the initial amount of $1,000. In addition, Purchasers will be required to utilize licensed professional movers when moving in and out of the Building. Said movers must carry all-risk general liability insurance in a minimum amount of $1,000,000 per occurrence and name the Board of Managers of the Condominium as additional insured. A copy of said policy must be tendered to the Board a minimum of three (3) business days prior to the scheduled move date.

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 materially adverse condition in the construction of the Residential Unit or in the installation or operation of any mechanical equipment therein due to materials or improper workmanship materially at variance with the plans and specifications set forth in the architects and/or engineers property description report(s), as may have been changed by Sponsor from time to time provided that it is notified of such materially adverse construction condition in writing by certified mail: a) for patent defects within the Unit, or patent defects in the Common Elements affecting the Unit, 6 months from the date of closing; b) for latent defects within the Unit, or latent defects in the Common Elements affecting the Unit, one year from date of closing; c) for general Common Element defects, one year from the later of issuance of the Certificate of Occupancy or completion of that portion of the Common Elements which is claimed to be defective ("Limited Warranty"). If a materially adverse construction condition occurs in an item, which is covered by this warranty, the Sponsor or Sponsor's contractors will (a) repair or (b) replace the item. The choice between repair or replacement is strictly the Sponsors. **Sponsor's obligation, regardless of any limitations in the warranty or in this offering plan, is to construct the premises in accordance with**

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

Purchaser should note that:

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

(b) Sponsor accepts no responsibility for any warranty obligation for incidental or consequential damage caused by any materially adverse construction condition.

(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 materially adverse condition in the construction of the Common Elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material materially 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 material adverse construction condition(s) within twelve (12) months from the Date of the Closing of the first Residential Unit. 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 materially adverse condition of construction (whether arising as a result of defects in material or improper workmanship or material materially at variance with the plans and specifications contained within the architects and/or engineers property description report(s)), 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 contained within the architects and/or engineers property description report(s).

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) construction issues or adverse construction condition 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; discoloration or shrinkage; slight separation between base and floors; (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in roof ballast, or concrete cracks which do not reduce the structural integrity of the Building; (iv) deviations in the level of ceilings, and imperfections in ceiling finishes; (v) imperfections in painting finishes; (vi) deviations in the level of a floor or failure of finished floors and walls to be straight or on plane or at less than 90º from each other; (vii) alignment of bathroom finishes and variation in grouting thickness; (viii) air infiltration and water infiltration from windows in accordance with customary practice and professional standards; (ix) noise from normal plumbing and the HVAC system; (x) normal floor noises and creaking; (xi) carpet or floor discoloring or stretching; (xii) scratches and imperfections or variations in width, length, thickness, finish or color range of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood; (xiii) repair of chips, scratches, mars, breaks, dents, cracks or other defects in: exterior stone; windows, window glass, frames and hardware; insulation attached to the curtain wall; sliding glass doors, frames, door glass and hardware; louvers; shower doors; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, water closets; kitchen cabinets, back splashes and countertops; vanity tops and cabinets; all tile or natural stone floors and walls; saddles; all appliances (except if appliances are dented or chipped due to improper installation); woodwork, millwork and doors; mirrors and after the Residential Unit Closing, paint touch-ups, repair of dented appliances, or replacement of light bulbs; (xiv) cracks or variations in tone or color of natural stone or variations in tone or color of vanity tops or variations in veining of any natural stone surfaces; (xv) leaching or color variation in color mortar and colored brick, and dimensional variations in brick joints, and mortar droppings on bricks; (xvi) ponding and/or controlled drainage on the roof surface; (xvii) cracks in pressure-treated lumber used or intended for use outside the Building; (xviii) cracks or discoloration in

concrete and/or paving; (xix) discoloration to hardware and plumbing finishes; (xx) stains, runs, lumps, shags or imperfections in weave in fabric panels; (xxi) scratched, dirty or cracked lenses in light fixtures; or (xxii) terrace tiles not laid flat, or color variation in tiles or mortar, or stained tiles; (xxiii) subsequent to the Residential Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, or (xxiv) salting or color variation in exterior colored mortar and deep colored brick; (xxv) remove mold from the Building or any Unit therein, which was not a result of construction or Sponsor's actions or failure to act, 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 OR MATERIALLY ADVERSE CONSTRUCTION CONDITIONS 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 and under all applicable laws.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of (i) any immaterial variations from the Plans and specifications contained within the architects and/or engineers property description report(s) or the description of any portion of the Building or a Residential Unit set forth in the Plan or (ii) minor variations from the Plans and specifications contained within the architects and/or engineers property description report(s) 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 minor variations are of Equal or Better Quality than as set forth in the plans and specifications contained within the architects and/or engineers property description report(s) or

description in this Plan as solely determined by Sponsor's architect. There is a rebuttable presumption that a decrease in a unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Any such variation affecting the Property, which is material will be disclosed in a duly filed amendment to the Plan. Furthermore, Sponsor reserves the right to select the ultimate location of the kitchen and bathroom cabinets, counters and drawers, as same may differ from the locations set forth on the floor plans, however, Sponsor may not do so for any Unit under contract without written consent of the Purchaser. Notwithstanding anything to the contrary set forth herein, Sponsor has the obligation to construct the premises in accordance with all applicable codes and filed plans and specifications, and that any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

Sponsor shall specifically list items that are present in the Units or Common Elements which will not be included in the conveyance. As such, Sponsor specifically excludes all personal property located within the Units or within the Common Elements, which have been, or are being utilized in connection with the construction of the Building (such as building supplies, tools and equipment) and any furnishings, material and/or electronics utilized in connection with the sale of Units and marketing of the Condominium.

14. At the closing of title of the Unit, the Sponsor must assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit Owner and assign any warranties with respect to equipment and appliances installed in the Common Elements to the Board of Managers.

15. Sponsor agrees to pay for the authorized and proper work involved in the construction and establishment and sale of the Condominium that Sponsor is obligated to complete under the Plan and will cause all mechanics liens with respect to such construction to be promptly discharged or bonded.

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 Residential 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.

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

17. 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 of the 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 units and signs located on the Common Elements, in its efforts to market 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. Sponsor's use of the easements, licenses, rights and privileges of a right-of way to complete the Condominium will not preclude a Unit Owner from using its Unit as a single family residence. Sponsor's right to use of the Common Elements, as described herein, will terminate when the Sponsor ceases to own any Units in the Condominium.

18. 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 Exhibits submitted to the Department of Law in conjunction with this Plan. A copy of the form of Residential Unit Owner's Purchase Agreement is submitted with this Offering Plan as Schedule D in Part II of the Offering Plan.

19. 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 buildings as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings.

20. Sponsor reserves the right to delay the commencement of collection of Common Charges. During any such delay, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided for in governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice, or statement to Purchaser's. Thereafter, Sponsor shall also disclose such fact in the post-closing Amendment to the Offering Plan as a benefit to subsequent Purchasers. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Owners in writing the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following Amendment to the Offering Plan.

21. Sponsor will make application for real estate tax benefits under the new Section 421-a program. Department of Housing Preservation and Development of the City of New York ("HPD") has jurisdiction over the new 421-a tax benefits. Applications for tax exemption benefit must be made after construction is completed, but within one year from the time of completion; the construction period benefit is retroactive. 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 Final Certificate of Occupancy is issued for the entire building.

    Replacement ratio requirement of option D of the 421-a(16) is not applicable due to the fact that within three (3) years prior to the commencement date the eligible site had no residential units removed. Sponsor must sell all of the units in the Condominium and the units must be maintained as Purchaser's primary residence. Sponsor may not rent the units if applying for new 421-a.

    Sponsor will use its best efforts to obtain those benefits and duration of the benefits, however, the new 421-a program is designed to be extremely difficult to procure. Although Sponsor anticipates obtaining Section 421-a benefits, Sponsor makes no guarantee that Section 421-a tax benefits will be granted or if granted when the abatement will commence and Purchasers should not rely on receiving the new 421-a benefits. Sponsor expects the abatement will be approved approximately 5-7 months after the submission of the application, subject to application requirements. See Section XXI for more information.

XVIII. CONTROL BY THE SPONSOR

The Sponsor, as the owner of unsold Residential Units, will be entitled to designate a majority of the Members of the Board of Managers for a period ending (i) three (3) years from date of the closing of the first Residential Unit, or (ii) thirty (30) days after the closing of seventy-five (75%) percent of all Residential Units in the Condominium, whichever occurs sooner/earlier ("Sponsor control period"). Thereafter, the Sponsor shall retain the right to designate one (1) Member of the Board of Managers until such time as Sponsor no longer owns a Residential Unit.

At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of seven (7) Members shall be elected or designated. A total of two (2) members shall be elected/appointed collectively by the Non-Residential Unit Owners and five (5) members shall be elected by the Residential Unit Owners. The initial Board of Managers will consist of three (3) Sponsor appointees, who shall not be Unit Owners. A meeting will be held to elect new Board Members unrelated to Sponsor within thirty (30) days of the expiration of the Sponsor control period. As a result, the Sponsor will have voting control of the Board of Managers during this period. As a result of the fact Sponsor may retain a majority of the Board of Managers for a period ending (i) three (3) years from date of the closing of the first Residential Unit, or (ii) thirty (30) days after the closing of seventy-five (75%) percent of all Residential Units in the Condominium, whichever occurs sooner/earlier. Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Offering Plan. Purchasers should further note that, in the event 421-a benefits have not been obtained, the By-Laws do not contain a provision requiring that after the sponsor-control period expires the Board must be made up of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and 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 a Residential Unit to live in as opposed to purchasing as an investment. The Sponsor will also, during this indeterminate period, have control of maintenance, facilities and services to be provided and will determine the Common Expenses to be paid by all Unit Owners, including the Sponsor and the enforcement of the Sponsor's obligations through the Board of Managers. Sponsor must enforce its obligations under the Plan, as those obligations are described in the Plan, and owes a duty to the Condominium to do so. 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. In the event the Unit Owners are unsuccessful in an action against the Sponsor, Sponsor has the right to request that the court or administrative department hearing the action grant the Sponsor reimbursement of legal fees, which would be payable by the Unit Owners, excluding the Sponsor.

Sponsor may exercise veto power over expenses other than those required to comply with applicable laws or regulations; to remedy any notice of violation; or to remedy

any work order by an insurer for a period ending not more than three (3) years after the closing of the first Unit or whenever the Unsold Units constitute less than 25 percent of the Common Interest, whichever is sooner.

The first Board of Managers of the Condominium will consist of Steven Li, Wei Zheng and Jeff Zheng. Steven Li and Wei Zheng are principals of the Sponsor and Jeff Zheng is a business associate of the 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. The first Board of Managers will call for the first Annual Meeting of the Residential Unit Owners to elect and designate a new Board within one (1) year of the closing of the first Residential Unit. Sponsor will continue to hold annual meetings during the period it controls the Board of Managers. At such time as all of the Residential Units are closed, Sponsor must relinquish control of the Board of Managers. Upon the election and designation of the new Board, the Members of the first Board will resign. Members of the Board of Managers shall not be compensated for their services. Members of the Board of Managers may be removed for cause by an affirmative vote of a majority of the Residential Unit Owners. Officers of the Condominium may be removed with or without cause, at anytime, by the affirmative vote of a majority of the whole Board of Managers.

For a period ending (i) three (3) years from date of the closing of the first Residential Unit, or (ii) thirty (30) days after the closing of seventy-five (75%) percent of all Residential Units in the Condominium, whichever occurs sooner/earlier, the Board of Managers may not, without the Sponsor's prior written consent, (i) make any additions, alterations or improvements to the Common Elements or to any Residential Unit costing cumulatively more than $25,000, 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 Residential Unit; or (v) borrow money on behalf of the Condominium; or (vi) reduce the services or maintenance set forth in Schedule B; (vii) charge any special assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the condominium; or (viii) increase the Common Charges of the Condominium more than ten (10%) from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize condominium funds or assess the Sponsor for the purpose of commencing a lawsuit against the Sponsor or any of its principals.

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

(i) to comply with applicable laws or regulations; or
(ii) to remedy any notice of violation; or
(iii) to remedy any work order by an insurer.

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

The detailed provisions for the management of the Condominium are set forth in the By-Laws which are contained in Part II of the Offering Plan in Schedule J. The By-Laws contain provisions, among others, dealing with the election of the Board of Managers, and Condominium officers, powers of the Board of Managers, voting rights of Residential Unit Owners, assessment of Common Charges, foreclosure of liens for non-payment of Common Charges, management of the Condominium and the use of the Residential 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.

XIX. BOARD OF MANAGERS

The form of the By-Laws and the Declaration of Condominium 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 first Board of Managers shall consist of three (3) 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.

At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of seven (7) Members shall be elected or designated. Two (2) members shall be elected/appointed collectively by the Non-Residential Unit Owners and five (5) members shall be elected by the Residential Unit Owners. The term of office of one (1) of the Non-Residential Unit Members shall be fixed for three (3) years, the term of office of one (1) of the Residential Members shall be fixed at three (3) years, the term of office of one (1) of the Non-Residential Unit Members shall be fixed for two (2) 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. Separate ballots shall be conducted for each of the three terms of office. Each Residential Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for each Residential Board Member to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration. Each Community Facility 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 for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for the Community Facility Board Member to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration, if not appointed. The one nominee(s) on each of the ballots, as the case may be, receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Member, the Member's successor shall be elected to serve a term of three (3) years. The Members shall hold office until their successors have been elected and hold their first meeting. Elections are to be held annually. After Sponsors initial control period Sponsor shall retain the right to designate one (1) Residential Member of the Board of Managers until such time as Sponsor no longer owns a Residential Unit. Until the Community Facility Unit and Commercial Units are sold, Sponsor will retain the right to designate one member to the Board as the Community Facility Unit Owner, which is in addition to Sponsor's right to designate a members based on Sponsor's ownership of Residential Units. Notwithstanding the foregoing, Sponsor shall not be entitled to designate a majority of the Board after the expiration of the Sponsor Control Period.

Any provisions that give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's board representatives cannot lawfully vote on that issue. The By-Laws do not include a provision that a majority of the Board of Managers must be Owner-occupants or members of an Owner-occupant's household who are unrelated to the Sponsor and its principals, after the end of an initial Sponsor control period.

The first Board of Managers of the Condominium will consist of Steven Li, Wei Zheng and Jeff Zheng. Steven Li and Wei Zheng are principals of the Sponsor and Jeff Zheng is a business associate of the Sponsor.

The first annual meeting of the Board of Managers of the Condominium will take place within one (1) year of the closing of the first Residential Unit in the Condominium. Thereafter, annual meetings shall be held on the anniversary date of each succeeding year, unless such date is changed by the Board of Managers.

It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a

petition signed by a majority of the Residential Unit Owners. The secretary shall cause a notice of such special meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed to each Residential Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request unless a later date is agreed to in writing by the Residential Unit Owners of the Condominium or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Residential Unit Owners of the Condominium are present in person or by proxy. See Article II, Section 10 of the By-Laws of the Condominium.

Officers and Members of the Board of Managers shall not be entitled to compensation for serving on the Board.

Removal of Members of the Board of Managers

Residential Unit Members of the Board of Managers may be removed for cause by an affirmative vote of a majority of the respective Residential Unit Owners. No representative of the Board of Managers, other than a member of the first Board of Managers or Sponsor's designees or nominees, shall continue to serve on the Board if, during their term of office, the Member shall cease to be a Residential Unit Owner.

Powers and Duties of Board of Managers

The property and business of the Condominium shall be managed by its Board of Managers. The powers of the Board of Managers include, but are not limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of annual Common Charges, if required, to meet any additional necessary expenses, but said increases can only be assessed among all the Unit Owners pro-rata according to their respective percentage of Common Interest.

2. To collect, use, and expend the Common Charges collected to maintain, care for and preserve the Units, the Building, and other Common Elements;

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

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

5. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care and preservation of the property. No notice is required to gain access for repairs. Any repairs required as the result of negligence of the Unit Owner will be at the expense of the Unit Owner;

6. To insure and keep insured the General Common Elements, Limited Common Elements and the Units. A Unit Owner may secure supplemental coverage for the Unit and its contents and the liability coverage for the Unit;

7. To collect delinquent Common Charges and special Common Charge assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules or rules and regulations herein referred to;

8. To make reasonable rules and regulations applicable to the Common Elements of Units and Unit Owners and to amend the same from time to time, and such rules and regulations and amendments shall be binding upon the Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Residential Unit;

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of a manager in connection with the matters hereinabove set forth;

10. To bring and defend actions by or against more than one Residential Unit Owner and pertinent to the operation of the Condominium and to levy special Common Charge assessments to pay for the cost of such litigation;

11. To acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Residential Unit Owner, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers;

12. To make additions, alternations, or improvements to the General Common Elements of the Condominium and those portions of the Condominium which are included in the description of an individual Unit but which service two (2) or more Units in the Condominium;

13. To borrow money on behalf of the Condominium when required in connection with the operation, care upkeep and maintenance of the General 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.

14. Pursuant to Section 339-y(4) of the New York Real Property Law, the Board of Managers may (but is not obligated to) act as an agent for one or more Unit Owners who have given their written authorization 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 Units. In such event, the Board 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;

15. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one (1) or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted); and

16. To impose reasonable fines upon Unit Owners for violating the rules and regulations of the Community, as contained in these By-Laws or as promulgated by the By-Laws.

HPD has adopted new regulations with respect to the 421-a(16) homeownership program, which require each Purchaser of a Unit in a Homeownership Project to authorize an officer of the Board of Managers to submit the 421-a application and to execute and record the 421-a(16) restrictive declaration on their behalf. Executed consent forms for each Unit in a Homeownership Project must be submitted with the application along with executed and recorded deeds for each Unit, and such deeds are also required to include the Primary Residence Requirement. This consent form must also include the homeowner's acknowledgement of the Primary Residence Requirement, the Building Size Requirement and the Post-Completion Assessment Cap Requirement.

There are no restrictions on who may purchase a Residential Unit in the Condominium except that this offer is made only to persons over eighteen (18) years of age. Each Residential Unit Owner can sell their Residential Unit to whomever they desire. Residential Unit Owners may lease their Residential Units subject to the conditions contained in Section XVIII of the Offering Plan. The Board of Managers does not have the right to approve or disapprove Purchasers.

Any Residential Unit Owner who wishes to enter into a lease for their Residential Unit shall be required to provide the Board of Managers with a copy of the proposed lease prior to its execution. Any lease entered into must contain a provision that the Lessee is subject to the Declaration, By-Laws and Rules and Regulations of the Condominium, the provisions of Article XI, Section 2 of the Condominium By-Laws and the Deed to the Residential Unit. Failure to comply with the above shall be deemed an automatic violation of the By Laws of the Condominium. Rental of a Residential Unit in the Condominium is not currently subject to any local or state regulation and is not subject to a right of first refusal by the Board of Managers.

Liability of Board of Managers and Residential Unit Owners

In order to limit the liability of the Unit Owners, any contract, agreement or commitment made by the Board of Managers or Officers of the Condominium shall state that it is made by the Board of Managers as agent for the Unit Owners as a group only and that no Member of the Board of Managers or Officers of the Condominium nor individual Unit Owner shall be liable for such contract, agreement or commitment except that every Unit Owner shall be liable to the extent that their proportionate interest in the Common Elements bears to the total liability under such commitment. The Board of Managers and Officers of the Condominium shall have no liability to the Unit Owners in the management of the Community except for wilful misconduct or bad faith and the Unit Owners shall severally indemnify all Members of the Board of Managers against any liabilities or claims arising from acts taken by a Member of the Board of Managers in accordance with their duties except acts of willful misconduct or acts made in bad faith. Such several liability of the Unit Owners shall, however, be limited to the extent that their proportionate interest in the Common Elements bears to the total liability of the Member of the Board of Managers.

Indemnification of Board of Managers

The Unit Owners of the Condominium shall indemnify and hold harmless each of the Members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the 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). In the event a Member of the Board of Managers acts in bad faith or contrary to the provisions of the Declaration or By-Laws, the individual Member may be personally liable.

Officers

The officers of the Condominium shall be chosen by the Board of Managers and shall be a president, a vice president, a secretary and a treasurer. The Board of Managers may also choose one (1) or more assistant secretaries and assistant treasurers and such other officers as in their judgment may be necessary. Officers do not need to

be Residential Unit Owners. Two (2) or more offices may be held by the same person, except for the President whom can only hold the office of the 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 Residential Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Residential Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Repairs, Alterations and Improvements to Common Elements

All maintenance, repairs and replacements to the General Common Elements including but not limited to exterior walls of a Building, windows, roof and roof members, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located outside the Unit shall be made by the Board of Managers and the cost thereof shall be a Common Charge payable by all Unit Owners. The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements. All maintenance, repairs and replacements within and to the Residential Units, whether structural or nonstructural, Ordinary or Extraordinary, will be made by the respective Residential Unit Owners at their expense.

All general maintenance and repairs to the balconies and terraces that are Limited Common Elements, including cleaning, snow removal and all repairs not structural in nature, (including maintenance or replacement of the surface of the balcony or terrace), shall be the responsibility of the Residential Unit Owner whose balcony or terrace is appurtenant to their Residential Unit and is a Limited Common Element of their Residential Unit. All repairs, maintenance and any replacement of any heating, cooling

or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements 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 Residential Unit exclusively shall be the responsibility of the Residential Unit Owner. All repairs to the exterior of any door, building, open area or other generally visible portion of the Condominium must be in conformation with the style and colors initially installed by the Sponsor.

The Condominium shall be responsible for the maintenance, repairs and replacements to all elements of the building which service two (2) or more Residential Units and which are located in the space between the exterior face of the sheetrock wall enclosing the interior of a Residential Unit and the exterior face of the exterior masonry wall. As such, any Common Elements located within a Residential Unit shall not be considered a part of such Unit.

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 of the General Common Elements and Limited Common Elements contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or the General Common Elements or Limited Common Elements, 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 this Offering Plan, 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.

Restoration or Reconstruction After Fire or Other Casualty

In the event of damage to or destruction of a Building as a result of fire or other casualty, the Board of Managers shall arrange for the prompt repair and restoration of a Building and the Board of Managers or the Insurance Trustee 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 Residential Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Residential Unit Owners do not resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceeds of insurance policies

shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on the Unit, in the order of the priority of such liens.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements insuring a Building, including all of the Units and the bathroom, kitchen and laundry equipment initially installed therein by the Sponsor, together with all heating, air conditioning equipment and other service machinery 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 a Building. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each mortgagee of a Unit which 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 hereinafter set forth; and such other insurance as the Board of Managers may determine.

Reports to Residential Unit Owners

All Residential 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 Residential Unit Owners, and a notice of the holding of the annual Residential Unit Owners meeting. All Residential Unit Owners shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board but not more often than once a month. During such time as the Sponsor retains a majority of the Board of Managers, the Board shall provide a certified annual statement at the cost of the Condominium.

Amendments

The Declaration may be amended upon a vote of at least sixty-six and two-thirds (66⅔%) percent of the Residential Unit Owners in number held at a duly called meeting of the Residential Unit Owners, provided however, that:

(i) No amendment shall change any Condominium parcel, nor a Unit Owner's proportionate share of the Common Charges, nor the voting rights appurtenant to any Residential Unit, unless all of the record owner(s) in number and Common Interest thereof and the first mortgagees, if any, of each of these same Units agree to such revocation by recorded instrument.

(ii) No amendment shall be passed which shall affect, impair or prejudice the validity, interest, rights and priorities of mortgagees or the Sponsor.

(iii) No amendment to the Declaration shall affect the Limited Common Elements appurtenant to a specific Residential Unit without the written consent of the specific Residential Unit Owner affected thereby unless required for the health and safety of the Condominium.

(iv) No Amendment to the Declaration shall adversely affect the Community Facility Unit Owner without the written consent of the Community Facility Unit Owner, unless required for health and safety of the Condominium.

The By-Laws may be amended at any duly called Residential Unit Owners meeting provided:

(i) That the notice of the meeting shall contain a full statement of the proposed amendment;

(ii) That the amendment shall be approved by at least sixty-six and two-thirds (66⅔%) percent of the Residential Unit Owners in number and Common Interest; and

(iii) Said amendment shall be set forth in a duly recorded amendment to the Declaration.

No amendment to the Declaration or By-Laws shall be passed which would affect or impair the validity or priority of the Residential Unit Owners' interest and the interests of holders of a mortgage encumbering a Residential Unit or Residential Units. No amendment to the Declaration or By-Laws shall be passed which would impair or prejudice the rights and priorities of mortgages or the Sponsor.

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 on behalf of all Unit Owners. The percentage of Common Interest acquired by the Board shall remain as originally designated in Schedule A of the Offering Plan and the Declaration of Condominium and the Board shall be responsible for paying all Common Charges appurtenant to said Unit. The Board shall be entitled to cast all votes that are appurtenant to said Units at any Unit Owners meeting for all purposes except for the election of Members to the Board of Managers.

Termination of Condominium

This property shall not be withdrawn from the provisions of Article 9-B of the Real Property Law unless at least eighty (80%) percent of the Residential Unit Owners in number and in Common Interest and the first mortgagees, if any, of these same Residential Units agree to the withdrawal of this property from the provisions of such Article. The Sponsor or its nominee will not cast any of its votes for withdrawal, unless eighty (80%) percent of Residential Unit Owners other than Sponsor so vote.

Covenant Against Partition of Common Elements

The Common Elements are not subject to partition nor are they severable from the Residential 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

Units can be sold or leased by a Unit Owner, subject to the Primary Residency Requirment of 421-a benefits, and provided that the 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).

Any Residential Unit Owner who wishes to enter into a lease for their Residential Unit shall be required to provide the Board of Managers with a copy of the proposed lease prior to its execution. Any lease entered into must contain a provision that the Lessee is subject to the Declaration, By-Laws and Rules and Regulations of the Condominium, the provisions of Article XI, Section 2 of the Condominium By-Laws and the Deed to the Residential Unit. Failure to comply with the above shall be deemed an automatic violation of the By-Laws of the Condominium. Rental of a Residential Unit in the Condominium is not currently subject to any local or state regulation and is not subject to a right of first refusal by the Board of Managers.

A Residential Unit Owner is free to make a gift of the Residential Unit Owner's Unit to anyone during the Residential Unit Owner's lifetime or to devise the Residential Unit by will, or to have it pass by intestacy without any restriction. The restrictions regarding the sale or lease of a Residential Unit shall not pertain to the Sponsor.

The Board of Managers may not discriminate against any person on the basis of race, creed, color, national original, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law, in its sale or lease of any Residential Unit which it acquires.

The terms on leases of Residential Units are not currently subject to any state or local laws.

Each Unit Owner, on the closing of title to his or her Unit shall be required to execute a Power of Attorney in the form contained in Part II of this Plan as Exhibit E, as same may be amended from time to time as required by applicable law, constituting the fact, coupled with an interest, for the purpose of selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners, and otherwise acting in accordance with the Condominium's Declaration and By-Laws designating the Sponsor as Purchaser's 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 a 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 Tenth, Section (c) of the Declaration of Condominium.

No Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements.

Real Property Law Section 339-kk

Pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York any non-occupying owner who rents a Residential Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Residential Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants shall thereafter be directly payable to the condominium association. A complete copy of Section 339-kk of the Real Property Law is contained in Part II of the Plan as Schedule M.

Restrictions on Occupancy and Use

Occupancy of a Residential Unit may only be for residential purposes in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium.

Pursuant to the New York City zoning code, the lawful uses permitted in the Community Facility Units include health care uses, child care/day care uses and educational uses. Notwithstanding the foregoing, the Community Facility Units shall not be used for any illegal uses or for the following uses: pornography stores, drug treatment facilities or homeless shelters.

Pursuant to the New York City zoning code, Commercial uses including retail, restaurants, and services for the day to day needs of a residential neighborhood. Commericial uses shall comply with all applicable New York City zoning code rules and shall be stated on the FCO.

The Parking Space Units may only be utilized for the purpose of the parking of permitted automobiles. Parking Space Units may not be used for storage and may not be enclosed.

The By-Laws of the Condominium contain the following use restrictions: 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 Unit Owner shall put any advertisement, poster, or signs, including for-sale signs of any kind in or on the Condominium without the consent of the Board of Managers. It is prohibited to hang any item (including but not limited to, garments, rugs, etc.) from the windows or from a Building or to string clothes lines on or over the Common Elements or to use any of the Common Elements for storage unless designated for such use. No Residential Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Residential Unit. All Residential Unit Owners must maintain their thermostat at a minimum of sixty (60º) 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. See Schedule J, Article VIII for complete details.

Restrictions on Pets

No animals shall be kept or harbored in the Condominium or any Residential Unit except for the following: one (1) dog weighing sixty (60) pounds or less; one (1) household cat; one (1) domestic bird and domestic fish. Fish tanks and/or aquariums shall not exceed one-hundred (100) gallons. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium. The Board of Managers may require the permanent removal of any animal kept in a Residential Unit that is not in compliance with the above as well as any animal causing or creating a nuisance or unreasonable disturbance or noise upon three (3) days written notice from the Board of Managers.

In no event shall any pet be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash. All 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 and shall comply with the local and municipal rules and regulations regarding pets. In no event may any Unit Owner maintain a "pit-bull" or other potentially dangerous dog or other dangerous animal in any Unit or within the Condominium. No pigeons or other birds or animals shall be fed from the window sills, balconies, terraces or other public portions of the Building or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Board setting forth such other rules regarding pets as the Board shall deem suitable and indemnifying and holding harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

Mortgage of Residential Units by Residential 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 will prepare and furnish its budget to the Residential Unit Owners and their mortgagees annually. Based upon such budget and any modification thereof approved by the Board of Managers, all the Unit Owners will be charged for the cost of the Common Expenses for operation of the Condominium in accordance with their interest in the Common Elements.

The charges assessed by the Board of Managers ("Common Charges"), in addition to the cost of repairing and maintaining the Common Elements, assessments and other normal operational costs, may include, in the discretion of the Board of Managers, reserves, working capital and other sums necessary to carry on the affairs of the Condominium. In addition Common Charges may have to be increased as a result of Residential Unit Owners not paying their Common Charges.

The estimate of Condominium expenditures in Schedules A and B were made by the Sponsor and passed upon by Good Win Realty Inc., 2026 60th Street, Brooklyn, New York. 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 fire and other casualty insurance on the Building and the Common Elements, public liability and property damage insurance, legal and accounting expenses, supplies, a contingency reserve and other Common Expenses of the Building as set forth in Schedule B. The Common Charges do not include maintenance, repairs or decoration of interior of the Residential Units or portions thereof, payments required pursuant to the terms of Unit Owners' mortgages or real estate taxes covering the individual Residential 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. See Schedule B-1 for estimated electrical, heating and other utility costs for the Residential Units. However, additional services which the Residential Unit Owners may desire or other factors can increase these charges.

The initial Board of Managers may commence the collection of Common Charges upon the closing of title to the first Residential Unit or at any subsequent date as in its sole discretion it may determine. Prior to the collection of Common Charges, Sponsor shall be obligated to provide all the services disclosed in the first year budget at its sole expense. In the event Sponsor elects to delay the collection of Common Charges,

Sponsor shall disclose such fact in the closing notice, or statement to Purchaser's. Thereafter, Sponsor shall also disclose such fact in the post-closing Amendment to the Offering Plan as a benefit to subsequent Purchasers. The Board's collection of Common Charges will be in an amount necessary to carry out the duties of the Board of Managers as is set forth in this Offering Plan and such Common Charges shall be paid by the Unit Owners and the Sponsor as Owner of the unsold Units in accordance with the Common Interest set forth herein. The Common Charges will initially be placed in an account in the name of the Board of Managers in a bank authorized to do business in the State of New York.

Sponsor reserves the right to delay the commencement of collection of Common Charges. During any such delay, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided for in governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice, or statement to Purchaser's. Thereafter, Sponsor shall also disclose such fact in the post-closing Amendment to the Offering Plan as a benefit to subsequent Purchasers. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Owners in writing the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following Amendment to the Offering Plan.

In the event 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.

The Sponsor shall be liable for the Common Charges, special Common Charge assessments, real estate taxes and individual utility costs of all Residential Units to which title has not been transferred to a Purchaser commencing when Common Charges are first collected by the Board of Managers. Once title has passed to a Purchaser, the Purchaser shall be solely responsible for all costs associated with the Residential Unit including but not limited to Common Charges, any special Common Charge assessments, real estate taxes and all individual utility costs.

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 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 being a separate action to collect the unpaid Common Charges 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 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 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 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 assessed against such Unit prior to the acquisition of such Unit by the Purchaser, except that a first mortgagee who acquires title to a Unit or a Purchaser at a foreclosure sale shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the acquisition of title to such Unit by the first mortgagee or purchaser at a foreclosure sale. In such event and in the event of a foreclosure by the Board of Managers of its lien on any Unit for unpaid Common Charges where the proceeds of the foreclosure sale are not sufficient for the payment of such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense.

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.

Repairs, Alterations and Improvements to the Units

No Residential Unit Owner shall make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to the Residential Unit Owner's Residential Unit, any Limited Common Element or any portion of the Condominium which affects two (2) or more Residential Units, without the prior written approval of the Board of Managers. Furthermore, no Residential Unit Owner may alter or remove any interior wall without the prior written approval of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a 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 addition, alteration or improvement. No Residential Unit Owner will make any addition, alteration or improvement of a structural nature in or to any Residential Unit, any Limited Common Element or any portion of the Condominium which affects two (2) or more Residential Units, 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 Residential Unit Owners 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 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 their alterations, additions or improvements to their Residential Unit.

Any application to any department of The City of New York or any other governmental authority for a permit to make an addition, alteration or improvement in or to any Residential Unit 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 material man on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The above provisions regarding changes to a Residential Unit shall not apply to Residential Units owned by the Sponsor or its designee until such Residential Units shall have been initially conveyed to a bona fide purchaser by the Sponsor or such designee.

All maintenance (including electrical repairs and plumbing stoppages in the Units, interior painting and decorating of the Units), repairs and replacements to the interior of the Units including repairs to the heating/air conditioning system servicing said Unit whether inside or outside the Unit, all appliances located therein, pipes, wires and conduits servicing a single Unit other than as may be set forth in the Condominium By-Laws shall be made by the respective Unit Owner at the Unit Owner's sole cost and expense. All maintenance and repair to the interior portion of the window area and doors which open from a Unit are the responsibility of the Unit Owner at the Unit Owner's sole cost and expense. All maintenance, repair and 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 Unit Owners 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.

All general maintenance and repairs to the balconies or terraces that are Limited Common Elements, including cleaning, snow removal and all repairs not structural in nature, (including maintenance or replacement of the surface of the balconies or terraces), shall be the responsibility of the Residential Unit Owner whose balcony or terrace is appurtenant to their Residential Unit and is a Limited Common Element of their Residential Unit. Although the cost of repairs and replacements of the Limited Common Elements shall be borne by the Residential Units Owners, the Board of Managers shall be charged with performing all such repairs and replacements at the Residential Unit Owners sole cost and expense.

In the event that the Residential Unit Owner fails to make any repair or creates any condition which affects a Building, the General Common Elements, the Limited Common Elements, or any other Residential Unit, the Board of Managers, may, upon notice given in accordance with the provisions of the By-Laws, make such repair or correct such condition and charge the Residential Unit for the cost of such service.

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.

Prospective Purchasers should refer to Section XVII of the Offering Plan for repairs, alterations and improvements to the General and Limited Common Elements.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements insuring a Building, including all of the Units and the bathroom, kitchen and laundry equipment initially installed therein by the Sponsor, together with all heating, any air conditioning equipment and other service machinery 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 a Building. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine.

In addition to the insurance set forth herein, the Purchaser will be required to insure their personal effects and the interior of the Residential Unit itself for fire and liability. Such insurance will be payable by the Purchaser directly.

The proceeds of all policies of physical damage insurance carried by the Board shall be payable to the Insurance Trustee if the loss shall amount to more than $40,000 to be applied for the purpose of repairing, restoring or rebuilding a Building unless otherwise determined by the Residential Unit Owners, as hereinafter set forth.

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 the Residential Unit Owners or of the invalidity arising from any acts of the insured or any Residential 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 Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies.

The amount of fire insurance to be maintained on the entire Building upon the transfer of title to the first Residential Unit and until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will be in the amount reflected in the footnotes to Schedule B, the budget for the first year of operation of the Condominium. The Board of Managers shall review the amount of fire insurance annually.

A New York Bank or Trust Company shall be the Insurance Trustee unless or until replaced by a bank or trust company in the State of New York, designated by the Board of Managers. In the event that the Insurance Trustee shall resign or not qualify, the new Insurance Trustee shall also be a bank or trust company in the State of New York designated by the Board of Managers. The Insurance Trustee shall hold all proceeds of insurance policies in accordance with Section 254.4 of the Real Property Law.

The cost of all such insurance and the fees and expenses of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a General Common Expense. The Board of Managers shall also obtain and maintain, to the extent obtainable: (1) fidelity insurance covering all employees of the Condominium who handle Condominium funds; (2) Worker's Compensation insurance; and (3) in order to limit the liability of Unit Owners for personal injury and tort, public liability insurance covering each Member of the Board of Managers and each Unit Owner, in such limits as the Board of Managers may deem proper. The Board of Managers shall review such limits once each year.

The public liability insurance policy to be maintained until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will be a limit of $1,000,000 per occurrence covering all claims for bodily injury and for property damage arising out of any one (1) occurrence in the Common Elements.

Residential Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Residential Unit Owner's other insurance.

THE CONDOMINIUM INSURANCE COVERAGE DOES NOT COVER FIRE AND LIABILITY INSURANCE FOR THE PURCHASER'S PERSONAL EFFECTS AND INTERIOR OF THE RESIDENTIAL UNIT. PURCHASERS ARE ADVISED TO SECURE SUCH COVERAGE.

The insurance the Sponsor will initially procure for the Condominium will contain officers and directors liability or fidelity bond insurance.

The Board will arrange for repair of the Units in the event of casualty loss. In the event the insurance proceeds are not sufficient to cover the cost of repairs to the Units, the balance of the cost of such repairs will be assessed against all Unit Owners. For further provisions regarding repair or reconstruction of Units, after fire or casualty and condemnation provisions see Article VII and XII of the By-Laws. In the event of a casualty loss, the Unit Owners will continue to pay the Common Charges on his or her Unit.

Although there is no requirement for annual appraisals to ascertain whether the insurance coverage is adequate, such appraisals are required prior to renewal of any fire policy. See Schedule B for the estimated insurance costs of the Condominium.

Access by Board of Managers

The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under the Declaration and By-Laws. 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.

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 any 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 I, Article Seventeenth and Schedule J, Article VIII. 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 Residential Unit Owners will not apply to the first Board of Managers or any Sponsor designees to the Board of Managers.

Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits and public utility lines located in the Common Elements or located in other Units and servicing the Unit Owner's Unit. Further, each Unit Owner will have an easement for the continuance of any encroachment by their Unit on any adjoining Unit or Common Element now existing or which may come into existence hereafter as a result of the settling of the Units or repair or alteration of the Unit by the Board of Managers, after damage by fire or other casualty or as a result of condemnation or eminent domain proceedings, or by reason of an alteration made by the Board to the Common Elements so that any such encroachment may remain undisturbed so long as the Unit stands. Each Unit will be subject to such encroachments and easements in favor of all other Units.

Each Residential Unit Owner will have, in common with all other Residential Unit Owners and each Residential Unit will be subject to, an easement for the use of a Residential Unit's Limited Common Elements and any facilities located therein, including but not limited to, such easement as will be necessary to operate, maintain, repair, rebuild, restore and replace, as necessary, such Residential Unit Owner's Residential Unit and an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, water and ventilation.

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 replacements thereof and additions thereto and an easement of necessity, and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements. Each Unit will have an easement for lateral and vertical support among all adjoining Units and Common Elements.

The Board of Managers, its agents and employees shall have a right of access to the Units and to the Common Elements (irrespective of the restricted nature of such Common Element) to inspect, maintain or repair the Common Elements or any pipe, wire, or conduit therein or to make repairs to the Unit to prevent damage to the Common Elements or any other Unit.

Allocation of Common Interest

The 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 General Common Charges. Each Unit Owner has the percentage of Common Interest in the Condominium set forth on Schedule A.

The 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 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. This percentage determines the amount that the Residential, Commercial, Community Facility and Parking Space Unit Owners will pay for their Common Charges.

The percentage of the undivided interest in the Common Elements shall not be changed except with the consent of all Unit Owners affected expressed in a duly recorded amendment to the Declaration.

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. After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owners will not be responsible for the payment, nor will the Unit be subject to any lien arising from the non-payment of real estate taxes on Units other than their own. 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.

The Condominium may be eligible for 421-a tax benefits, under the new Affordable NY program as such, the Schedule below reflects the estimated taxes for the Residential Units with and without the 421-a tax abatement. Purchasers should note, the projected real estate taxes for the first year of operation contained on this Schedule are based on an assessment of the building before construction is complete. Purchasers are advised that real estate taxes may increase materially when the building is reassessed after construction is complete.

The New York City Department of Finance is the assessing authority with jurisdiction over this Condominium. The real estate tax estimates set forth herein are based upon the opinion of Highpoint Incentives, Inc., 769 Empire Avenue, Far Rockaway, New York 11691 (“Highpoint”), a real estate tax consultant engaged by the Sponsor for this project. Based upon the opinion of Highpoint, in a letter dated September 20, 2021, the Condominium will likely be eligible for both 421-a (pertaining to Residential Units) (under authority of HPD) and ICAP benefits (pertaining to Community Facility and Commercial Units)(under DOF). Note Parking Space Units and Storage Bin Units are not included in eligibility of the benefits.

The real estate tax benefits available to eligible homeownership projects under Section 421-a(16) are as follows:

- Subdivision 16 of Real Property Tax Law 421-a provides eligible condo projects with an exemption from increase in tax liabilities due 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:

    - The property must be located outside of Manhattan: and
    - It must contain a minimum of six units and no more than thirty-five units ("Building Size Requirement"); and
    - All the units should have an average assessed valuation value not to exceed $65,000 upon the first assessment following completion of construction "Post-Completion Assessment Cap Requirement").

- The twenty-year exemption will be applied as follows:

    - A 100% exemption, for up to $65,000 per unit (as detailed below) during the first 14 years; and
    - A 25% exemption during the next 6 years; and
    - The exemption is subject to an assessed valuation cap of $65,000 per dwelling unit.

Under the **replacement ratio requirement of option D of the 421-a(16)**, any dwelling units that were on the eligible site three (3) years prior to the commencement date and there after demolished removed or reconfigured must be replaced with at least one (1) affordable housing unit for each residential dwelling unit removed. **Within three (3) years prior to the commencement date the eligible site had no residential units removed and therefore there is no residential replacement required.**

- Projects that commenced construction prior to December 31, 2015 and that have not yet received 421-a tax benefits may opt to comply with this program.

- Applicants may not apply for this tax exemption benefit until construction is completed, although the construction period benefit is retroactive.

To be eligible for 421-a benefits construction must be completed by December 31, 2026. 421-a tax exemption benefits are not available if the project receives exemption benefits under any other law. These units will not receive any other exemption and thus remain eligible for 421-a tax benefits.

There have been numerous changes to the 421-a law since its most recent passage. The major procedural change is the elimination of the preliminary certificate of eligibility. Therefore, it is likely that even if this project is eligible for 421-a benefits, the

benefits will be implemented retroactively, and purchaser may not have the benefits of 421-a on their initial tax bills.

The application for 421-a benefits must be submitted within one year after completion of construction. A filing fee of $3,000 per dwelling unit, will need to be submitted to HPD along with the 421-a (16) Application for Certification of Eligibility for Tax Exemption and/or $3,000 for ICAP; which, if approved, would result in a final certificate of eligibility.

It is a condition of eligibility for 421-a tax benefits that all owners must agree in writing to maintain such unit as their primary residence for no less than five years from the acquisition date of such unit ("Primary Residence Requirement").

HPD has adopted new regulations with respect to the 421-a(16) homeownership program, which require each purchaser of a unit in a Homeownership 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. Executed consent forms for each unit in a Homeownership Project must be submitted with the Application along with executed and recorded deeds for each unit, and such deeds are also required to include the Primary Residence Requirement. This consent form must also include the homeowner's acknowledgement of the Primary Residence Requirement, the Building Size Requirement and the Post-Completion Assessment Cap Requirement.

On October 26, 2017, the Department of Housing Preservation and Development enacted the following, new regulations governing 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 purchase contracts be executed for all units in the building 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 (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 Final Certificate of Occupancy* is *issued for the entire building.'*
- In summary, Homeowners Projects can only file the application (1) *after the first assessment following the Completion Date, and (2) there are executed Purchase Contracts for each unit in such Homeownership Project.* This may cause some properties to have a very limited period to file the application with HPD.

In furtherance of the above, the 421-a application must be made only after all of the Units have been sold and within one year after the completion of construction, which means all units must be sold within one year after procurement of a TCO for all residential areas or FCO for the Condominium in order to qualify for 421-a benefits. As this project anticipates completion of construction, as evidenced by either a FCO by December 31,

2021, contracts for all Residential Units in the Building must be entered into prior to December 30, 2022 as the application for 421-a must be submitted within one (1) year of the Building obtaining either a TCO or FCO, whichever is earlier.

Additionally, all owners must agree in writing to maintain their unit as his/her primary residence for at least the first 5 years of ownership. Purchasers shall be required to execute an addendum to the Purchase Agreement, as set forth in Schedule D-6 in Part II of the Offering Plan, which outlines Purchaser's obligations with respect to 421-a compliance.

In making an application for 421-a benefits, Sponsor will complete and file a restrictive declaration prior to the City of New York issuing a final certificate of eligibility for 421-a benefits. A form of the restrictive declaration is included as Schedule N in Part II of the Offering Plan.

HPD has adopted new regulations with respect to the 421-a(16) homeownership program, which require each Purchaser of a Unit in a Homeownership Project to authorize an officer of the Board of Managers to submit the 421-a application and to execute and record the 421-a(16) restrictive declaration on their behalf. Executed consent forms for each Unit in a Homeownership Project must be submitted with the application along with executed and recorded deeds for each Unit, and such deeds are also required to include the Primary Residence Requirement. This consent form must also include the homeowner's acknowledgement of the Primary Residence Requirement, the Building Size Requirement and the Post-Completion Assessment Cap Requirement.

Furthermore, the 421-a law requires buildings with at least thirty units to pay a prevailing wage to all building service employees. There is no requirement to pay a prevailing wage to construction workers on this size building in this location.

There are various other minor technical requirements for obtaining 421-a tax exemption benefits. Without listing these requirements in minute detail, we believe that based upon information provided, there other requirements will be met provided your initial post construction assessed value averages $65,000 per dwelling unit or less.

Highpoint 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:

1. 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").
2. 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").
3. 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 form the acquisition of such unit ("Primary Residence Requirement").

4. No portion of the Property shall be operated as a Hotel during the Restriction Period ("Hotel Prohibition Requirement").
5. This Restrictive Declaration may be enforced by the City of New York and any of its agencies and instrumentalities, and any tenant.

Additionally, the new 421-a tax benefits application can only be submitted after completion of construction, which is determined by receipt of either a Temporary or Final Certificate of Occupancy covering all residential dwelling units. The application must be filed no later than one (1) year after the Completion Date.

Sponsor will make the application for 421-a benefits, however, Purchasers shall pay the $3,000 application fee to Sponsor upon the closing of title to each Unit.

Sponsor will cooperate with the Board of Managers to obtain the benefits and will keep and make available all records required in order to obtain the benefits. Sponsor shall keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Sponsor shall, upon closing, make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits; and Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

Based on review of all applicable information, it is the opinion of Highpoint that the Taxable Assessed Value of the residential units, upon completion of construction, will be approximately $2,011,657. Considering this estimate, we project that the average assessed value of each unit will not exceed $65,000. In the event that the average assessed value will exceed $65,000, the project will be deemed ineligible for the 421-a tax exemption benefits.

As the anticipated first year of condominium operation, which is expected to commence on January 1, 2022, will include a portion of the 2021/2022 tax year and the 2022/2023 tax year, the estimated first year taxes for the residential portion of the condominium will be based on pre-construction assessed value which is currently $369,810 multiplied by 50% equals $184,905 and the estimated post-completion assessed value of the building, which is projected to be $2,011,657 multiplied by 50% equals $1,005,828.50. As the projected commencement of condominium operation is January 1, 2022, it is anticipated that the building will be taxed on the pre-completin assessed valu for 6 months and the post-completion assessed value for 6 months, which together, encompass the first full year of the condominium operation.

Based upon information provided by the Sponsor, the building will contain approximately 36,890 square feet (66.89%) and the parking area consisting of approximately 4,743 square feet (12.85%) and the storage consisting of approximately 1,099 square feet. As such it is anticipated that the assessed values projected above will

be apportioned between the residential and parking areas and storage areas based upon the respective percentage of square footage each area contains, as set forth herein.

Accordingly, the projected taxes for units during the first half year of condominium operation can be illustrated as follows and are based on the current 2020/2021 tax rate of $10.694 per $100 of assessed value for the tax class 4 classification. The second half year of the condominium operation starting July 1, 2022 thru December 31, 2022. The first half of the 2022/2023 tax tear based on the current 2020/2021 tax rate of $12.267% per $100 of assessed value for tax class II.

Residential Units:

Tax Year	No. of Taxable Months	Assessed Value %	Tax Rate	Total
2021/2022	6	184,905	10.694% Tax class 4 rate	$19,773.74
2022/2023	6	1,000,828.50	10.694% Tax class 4 rate	$123,384.95
Total				$143,158.69

As previously discussed, the 421-a tax benefits provide for 100% exemption above the base mini tax (year prior to start of construction) for up to $65,000 of assessed value, per unit, during the first fourteen (14) years of exemption period. A 25% exemption will be provided for the remaining six (6) years of exemption period.

The total non-residential area assessed value of the property for the first year of the condominium operation beginning January 1, 2022 second half of the 2021/2022 tax year $369,810 multiplied by 20.5% equals $75,811.05 multiplied by existing 2021/2022 tax rate of 10.694% per $100 of assessed value equals $8,107.23 (i.e. the aggregate assessment of all following completion of construction is estimated to be approximately $519,116. Using the foregoing estimate of assessed value upon completion assuming completion to be on or before July 01, 2022 the first half of the 2021/2023 tax year which will begin the second half of the first year of the condominium operation. and assuming the tax rate remains the same as the current rate tax class (2) for the 2020/2021 tax year (i.e., 12.267% per $100 of assessed value) during the 15 year exemption period and upon completion of construction and using the pro-rated pre-construction assessed value of the property of $77,000 for 2017/2018 tax year. Tax class (2) tax rate. The base assessment representing 20.5% of non-residential portion, will then equal approximately $15,785 multiply by 115%=$18,152.75 will then be the estimated new base assessment. Therefore the estimate real estate taxes with the ICAP exemption will be $2264.192. If for any reason the ICAP are not granted then upon completion of the construction real estate assessment is estimated to be $519,116 and the estimated real estate taxes is estimated to be $63,680 (i.e., tax class (2) @ 12.267% per $100 tax year 2020/2021 per 100% of assesses value.) Upon completion of the 15 year tax exemption the estimated real estate tax will be $63,680 plus equalization increases.

Please note that the ICAP Abatement will only become effective after the Certificate of Occupancy is issued and will not be eligible for the 2021/2022 tax year.

2021/2022 tax year estimate Non-Residential Units:

UNIT	S/F	ASSESSED VALUATION W/O ICAP VALUATION	ANNUAL TAX W/OICAP	ICAP AV	ICAP ANNUAL
CI	1603	$130,657.79	$16,030	3971.143	$495.327
C2	1008	$87,171.68	$10,080	2497.169	$311.472
C3	1205	$98,231.02	$12,050	2985.208	$372.345
C4	1321	$107,687.29	$13,210	3272.580	$408.189
CF1	1234	$100,595.09	$12,340	3057.051	$381.36

The estimate is based on the gross amount of zoning square footage in the building being approximately 6371 sq. ft., however the actual taxes will be prorated to the percent of common interest and the percent each unit occupies. You are advised that this projection is an estimate as it is unlikely that the post-construction assessed value or tax for each residential and or non-residential unit's proportionate share of the total assessment and tax amount shown.

The total parking area plus the storage units are assessed value i. e. aggregate assessment of all following completion of construction is estimated to be approximately $272,743.24. Using the foregoing estimate of assessed value upon completion assuming completion to be on or before December 31, 2021 and assuming the tax rate remains the same as the current tax class 2 for the 2020/2021 tax year (i.e. 12.267% per $100 of assessed value) the real estate tax will be estimated at $34,046.31 for the will be no 421a or ICAP tax exemption or abatement attached to the parking stalls or storage units.

Tax Year	No. of Taxable Months	Assessed Value%	Tax Rate	Total
2021/2022 Parking	6	$111,600	10.694% Tax class 4	$11,934.50
2022/2023 Parking	6	$111,600	12.267% Tax Class 2	$13,689.97
Total				$25,624.47
2021/2022 Storage unit	6	$24,771.62	12.267%	$2,649.07

2021/2022 Storage unit	6	$24,771.62	12.267%	$3,038.73
Total				$5,687.80

In that there will be no 421-a or ICAP for the 1st year of Condominium operation, below is a chart which reflects the opinion of Highpoint as to the 2nd year of Condominium operation taxes:

2023/2024 Tax Year

Unit No.	Assessed Valuation w/o 421-a	Annual Tax w/o 421-a	Assessed Valuation w/ 421-a	Annual Tax w/ 421-a
1A	$28,709.26	$3,521.77	$847.68	$103.99
2A	$40,952.91	$5,023.69	$1,209.19	$148.33
2B	$64,173.63	$7,872.18	$1,894.81	$232.44
2C	$66,284.61	$8,131.13	$1,957.14	$240.08
2D	$62,907.05	$7,716.81	$1,857.42	$227.85
2F	$59,951.68	$7,354.27	$1,770.16	$217.15
2G	$63,118.15	$7,742.70	$1,863.65	$228.61
2H	$46,441.45	$5,696.97	$1,371.25	$168.21
3A	$40,952.91	$5,023.69	$1,209.19	$148.33
3B	$64,173.63	$7,872.18	$1,894.81	$232.44
3C	$66,284.61	$8,131.13	$1,957.14	$240.08
3D	$62,907.05	$7,716.81	$1,857.42	$227.85
3E	$73,884.12	$9,063.37	$2,181.53	$267.61
3F	$59,951.68	$7,354.27	$1,770.16	$217.15
3G	$63,118.15	$7,742.70	$1,863.65	$228.61
3H	$45,174.86	$5,541.60	$1,333.85	$163.62
4A	$40,952.91	$5,023.69	$1,209.19	$148.33
4B	$64,173.63	$7,872.18	$1,894.81	$232.44
4C	$66,284.61	$8,131.13	$1,957.14	$240.08
4D	$62,907.05	$7,716.81	$1,857.42	$227.85
4E	$73,884.12	$9,063.37	$2,181.53	$267.61
4F	$59,951.68	$7,354.27	$1,770.16	$217.15
4G	$63,118.15	$7,742.70	$1,863.65	$228.61
4H	$45,174.86	$5,541.60	$1,333.85	$163.62
5A	$40,952.91	$5,023.69	$1,209.19	$148.33
5B	$64,173.63	$7,872.18	$1,894.81	$232.44
5C	$66,284.61	$8,131.13	$1,957.14	$240.08
5D	$62,907.05	$7,716.81	$1,857.42	$227.85
5E	$73,884.12	$9,063.37	$2,181.53	$267.61
5F	$65,440.22	$8,027.55	$1,932.21	$237.02
6A	$80,005.94	$9,814.33	$2,362.29	$289.78
6B	$93,305.09	$11,445.74	$2,754.96	$337.95
6C	$65,651.32	$8,053.45	$1,938.44	$237.79
6D	$112,937.15	$13,854.00	$3,334.62	$409.06
Total	$2,110,974.80	$258,953.27	$62,329.41	$7,645.95

Unit No.	Assessed Valuation w/o ICAP	Annual Tax w/o ICAP	Assessed Valuation w/ ICAP	Annual Tax w/ ICAP
C1	$137,140.15	$16,822.98	$4,566.09	$560.12
C2	$86,230.41	$10,577.88	$2,871.05	$352.19
C3	$103,127.65	$12,650.67	$3,433.64	$421.20
C4	$112,993.45	$13,860.91	$3,762.12	$461.50
CF1	$105,580.47	$12,951.56	$3,515.31	$431.22
Total	$545,072.13	$66,864.00	$18,148.21	$2,226.23

NYC Department of Finance ("DOF") is the supervisory authority administering the ICAP benefits. To be eligible for ICAP benefits, industrial and commercial buildings (or condominium units) must be built, modernized, expanded, or otherwise physically improved. Construction must be completed no later than five (5) years from the date of issuance of the first building permit, or if no permit is required, from the start of construction. Preliminary ICAP applications must be submitted prior to obtaining building permits. The Sponsor has submitted the preliminary application for ICAP benefits and anticipates that the Building will be complete within five (5) years from the date the first building permit was issued.

Sponsor will use its best efforts to get the ICAP benefits. Purchasers are required to reimburse Sponsor $3,000 for costs associated with the tax benefit application. Purchasers will **not** be entitled to rescission if the benefits are not obtained.

Schedule of progressive decrease in tax benefits during the benefits period:

Tax year during benefit period	Amount of abatement
Years 1 to 11	100% of abatement base
12	80% of abatement base
13	60% of abatement base
14	40% of abatement base
15	20% of abatement base

Sponsor will keep all records required by HPD and DOF for 421-a and ICAP benefits and will make them available whenever requested to do so. Purchasers should note that HPD and DOF routinely conduct audits, the result of which can be either the reduction or revocation of benefits if proper documentation is not provided. Upon closing, Sponsor will make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits and it will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

Schedule A reflects the estimated Real Estate Taxes assuming that one hundred (100%) percent of the value of the improvements to the residential portion of the Condominium will be exempt from taxation under Section 421-a of the Real Property Law,

as well as reflecting the estimated taxes without any 421-a exemption. Each Unit will be given a separate block and lot designation.

The estimate of real estate taxes for each Unit for the first year of Condominium operation further assumes that the amount of real estate taxes payable with respect to each Unit will be calculated by dividing the total tax liability among the Units in proportion to the percentage of Common Interest of the individual Units indicated in Schedule A. There is no assurance that the City of New York will allocate taxes among the Units in proportion to the individual Units' percentage of Common Interest. If they do not, Owners of Units with the same percentage of Common Interest 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 Unit is reasonable, there can be no assurance that final exemption will be granted or that this method of calculation of real estate taxes applicable to each Unit will be the final method used by the New York City taxing authorities in establishing the real estate tax assessment for each Unit. If for any reason a different method of calculation is used or a different assessment is placed upon any of the Units by such authorities, real estate taxes may increase or decrease, depending upon the final decision of such taxing authorities.

Since the New York State Condominium Act provides that real estate taxes will be separately assessed against each individual Unit Owner, the result of the tax exemption program will be to give each individual Residential Unit Owner the full benefit of the tax exemption program.

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. In the event the actual assessment is greater than the amount adjusted, Purchaser agrees to reimburse Sponsor after the closing to the extent of the actual assessment. In the event the actual assessment is less than the amount adjusted, Sponsor agrees to reimburse the Purchaser after the closing to the extent of the actual assessment.

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 and the funder of the escrow account will be entitled to reimbursement from Unit Owners to the extent of the actual assessment.

If prior to consummation of the Offering Plan, as evidenced by the acceptance of a post-closing amendment to the Plan, Sponsor rents any Residential Unit (or portion thereof) to any person other than an interim lessee, the Sponsor will be obligated to abandon the Plan in accordance with the provisions of 13 NYCRR 20.1(1)(2) and 20.5(g).

Unit Owners will not be responsible for or subject to any lien arising from the non-payment of real estate taxes on any other Unit.

There are no tax certiorari proceedings currently pending for the property. The By-Laws empower the Board of Managers to bring such proceedings on behalf of the Unit Owners.

The Sponsor anticipates that the real estate tax rate will vary in future years rather than remain constant. The estimates of projected real estate taxes in this Offering Plan have been prepared by the Sponsor and cannot be construed as an assurance of the final tax costs, but are merely estimates based upon information available to the Sponsor at this time. Purchasers should note that it is an inherent risk of any Offering Plan that (i) the amount of the taxes may differ from those projected herein; (ii) the Condominium may not be eligible for a 421-a tax abatement; and/or (iii) the 421-a tax abatement may not be in place at the time of the initial closing of a Residential Unit or if any rebate or credit will be granted for any period the 421-a tax abatement was not in place. These inherent risks alone, will likely not bring rise to a Purchaser being offered rescission of their Purchase Agreement. Purchasers are encouraged to review the projected real estate taxes with a real estate tax professional.

Sponsor cannot guarantee the successful procurement of 421-a benefits, and Purchasers will not be afforded a right of rescission in the event the benefits are not obtained. Furthermore, Purchasers will not be refunded the $3,000 421-a and/or ICAP application fee in the event benefits are not obtained.

XXII. INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The Sponsor has been advised by its counsel, Moritt Hock & Hamroff LLP, that each Residential Unit Owner will be entitled under present law to a deduction for Federal and New York State income tax purposes for the real estate taxes paid by him covering his Residential Unit, up to a maximum of $10,000 per year, inclusive of state and local taxes, 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 and the Tax Cuts and Jobs Act of 2017, for the interest paid by the Residential Unit Owner on any mortgage covering the Residential Unit Owner's Unit, up to a maximum loan amount of $750,000. Purchasers should note that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold. 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.

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, as it relates to income derived from Common Charges. 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 members of the Condominium, or property within the Condominium held by the members 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 XXI of the Offering Plan.

Purchasers should note that Moritt Hock & Hamroff LLP is counsel for the Sponsor and Purchasers should consult with their own attorneys or tax professionals to verify any statements made within this section of the Offering Plan.

Moritt Hock & Hamroff LLP
ATTORNEYS AT LAW

XXIII. OPINION OF COUNSEL

September 27, 2021

Sanford 147 Development LLC
133-47 Sanford Avenue, Suite C1E
Flushing, New York 11355

Re: POLARIS CONDOMINIUM

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 loan amount of $750,000 in the aggregate, which becomes a lien on a Condominium Residential Unit and real estate taxes payable by a Residential Unit Owner, up to a maximum of $10,000 per year (inclusive of state and local taxes), which are assessed against their Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal and New York State Income Taxes payable by the owner of such Condominium Residential Unit. Purchasers should note that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold.

We have given this matter careful study, and it is our opinion that, pursuant to the provisions of the Internal Revenue Code of 1986 (the "Code") (See Revenue Ruling 64-31, C.B. 1964-300) and the corresponding provision of the New York State Law (See Section 615 of the Tax Law) and the Tax Cuts and Jobs Act of 2017, such interest payments and the aforesaid real estate payments are proper deductions by the Home Owner of a Condominium Residential Unit, in connection with their Federal and New York State income taxes. Similarly, we are of the opinion that each Condominium Residential Unit Owner whose Residential Unit is either their principal residence or the one other residence they select pursuant to Section 163 (h) (5) (A) (i) (II) of the Code will be entitled, under Section 216 (a) (2) of the Code and Section 615 (a) of the State Law, and the Tax Cuts and Jobs Act of 2017, to deduct interest paid or accrued by them on any mortgage which becomes a lien on their Condominium Residential Unit, up to a maximum amount of $750,000.

The Residential Unit may be so selected if the Residential Unit Owner either uses it as a residence within the meaning of Code Section 280A (d) (1) (i.e., they use it for personal purposes for a number of days which exceed the greater of fourteen (14) days, or ten (10%) percent of the number of days during the year for which the Residential Unit is rented at a fair rental), or neither rents nor uses the Residential Unit at any time during the year.

In addition, certain Residential Unit Owners who are veterans of the United State Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their Residential Unit.

In adding a new Section 528 to the Code, the Tax Reform Act of 1976 affords certain Condominiums and Associations, substantially all of whose Residential Units are used for residences, 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 or Association properties, which properties, as defined in Section 528 of the Code, include property held by the Condominium or Association, or property within the Condominium or Association. Based upon our examination of the Offering Plan and subject to the Condominium or Association, if one is formed, actually satisfying the minimum percentage income and expenditure criteria set forth above, which is likely, it is our opinion that the Condominium or Association will be eligible to be treated as a tax exempt organization under Section 528 of the Code.

Such an election will exempt from Federal and New York State 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 of 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 either the Condominium or the Association fails to qualify for and elect Section 528 taxation status in any year, it may, to the extent it has any income from accumulated revenues received by virtue of dues, fees and assessments received from Residential Unit Owners and unrelated sources of income, not expended in any taxable year, be subject to Federal and New York State 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 than with respect toincidental investment income, such as interest earned on reserve funds deposited in bank accounts.

We have examined the exceptions to title set forth in Section XIII of the Offering Plan, and we are of the opinion that none of such exceptions of title are contrary to the terms of the Purchase Agreement nor do they interfere with the quiet use or enjoyment of the Purchaser's 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 unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular 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 will be eligible for tax exempt status, if it so elects, and Residential Unit Owners will 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 Owners not to be or to cease to be entitled to the benefits or the level or duration of benefits described above).

Moritt Hock & Hamroff LLP
ATTORNEYS AT LAW

No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium, the selling agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the Condominium to cease to meet the requirements of section 528 of the Internal Revenue Code of 1986, as amended, or the New York State Tax Law, as amended, and cause the Unit Owners not to be entitled to income tax deductions (or which cause Unit

Real Estate Taxes

Based upon the opinion of Highpoint Incentives, Inc., 769 Empire Avenue, Far Rockaway, New York 11691 ("Highpoint"), an independent third party tax consultant engaged by the Sponsor, it appears that the Condominium may be eligible for 421-a tax benefits under the new 421-a program. Purchasers are urged to review the opinion letter Highpoint, which follows directly hereafter, for a full discussion of the potential real estate taxes and 421-a benefits, as same pertain to the Condominium. Moritt Hock & Hamroff LLP has made no independent investigation into the real estate tax estimates or potential real estate tax benefits set forth within the Offering Plan and makes no representations with respect to same.

It is our understanding that this letter will be made a part of the Offering Plan of Polaris Condominium and we consent to its inclusion therein.

Very truly yours,

MORITT HOCK & HAMROFF LLP

By: _____
Anthony J. Ficara, Partner

Highpoint Incentive Inc
715 Virginia Street Far
Rockaway, NY 11691

Phone: (718) 327-5779
Yehuda_moseson@hotmail.com

Date: September 20, 2021

Sanford 147 Development LLC
42-37 147 Street - Unit 7A
Flushing, NY 11355

Address: 104-19 Northern Blvd AKA 32-58 105th Street
Flushing, Queen, NY
Blk: 1699 Lot: 32

Opinion Letter regarding 421a Real Estate Tax Exemption Benefits and Industrial Commercial Abatement Program (ICAP) Tax Abatement Liabilities

Project Details: Thirty Four (34) Class A Apartments and 5 Non-Residential Units plus 2 storage units and 31 Parking Spaces

Dear Sir:

You have requested us to advise you with an opinion regarding the 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 Lax 421-a (to be titled the Affordable New York Housing Program Rules and Eligibility Requirements Pursuant to Real Property Tax Law 421-a(16)").

The real estate tax benefits available to eligible homeownership projects under Section 421-a(16) are as follows:

- Subdivision 16 of Real Property Tax Law 421-a provides eligible condo projects with an exemption from increase in tax liabilities due 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:

    - The property must be located outside of Manhattan; and
    - It must contain a minimum of six units and no more than thirty-five units
    - ("Building Size Requirement"); and
    - All the units should have an average assessed valuation value not to exceed $65,000 upon the first assessment following completion of construction("Post-Completion Assessment Cap Requirement").

- The twenty-year exemption will be applied as follows:

    - A 100% exemption, for up to $65,000 per unit (as detailed below) during thefirst 14 years; and
      A 25% exemption during the next 6 years; and
      - The exemption is subject to an assessed valuation cap of $65,000 perdwelling unit.
      - Under the replacement ratio requirement of option D of the 421-a(16), any dwelling units that were on the eligible site three (3) years prior to the
        commencement date and there after demolished removed or reconfigured must be replaced with at least one (1) affordable housing unit for each residential dwelling unit removed.
      -
      - Please note that within three (3) years prior to the commencement date the eligible site had no residential units removed and therefore there is noresidential replacement required.

- Projects that commenced construction prior to December 31,2015 and that havenot yet received 421-a tax benefits may opt to comply with this program.

- Applicants may not apply for this tax exemption benefit until construction iscompleted, although the construction period benefit is retroactive.

421-a Eligibility Requirements

To be eligible for 421-a benefits construction must be completed by December 31, 2026. 421-a tax exemption benefits are not available if the project receives exemption benefits under any other law. These units will not receive any other exemption and thus remain eligible for 421-a tax benefits.

There have been numerous changes to the 421-a law since its most recent passage. The major procedural change is the elimination of the preliminary certificate of eligibility. Therefore, it is likely that even if this project is eligible for 421-a benefits, the benefits will be implemented retroactively, and purchaser may not have the benefits of 421-a on theirinitial tax bills.

The application for 421-a benefits must be submitted within one year after completion of construction. A filing fee of $3,000 per dwelling unit, will need to be submitted to HPD along with the 421-a (16) Application for Certification of Eligibility for Tax Exemption.

It is a condition of eligibility for 421-a tax benefits that all owners must agree in writing to maintain such unit as their primary residence for no less than five years from the acquisition date of such unit. HPD has not stated what the penalty for failure to maintain such units as the primary residence or what happens in the event of death of the unit owner or other unanticipated developments will be ("Primary Residence Requirement").

On October 26, 2017, the Department of Housing Preservation and Development enacted the following new regulations governing 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 purchase contracts be executed for all units in the building 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 (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, Homeowners Projects can only file the application (1) *after the first assessment following the Completion Date, and (2) there are executed Purchase Contracts for each unit in such Homeownership Project.* This may cause some properties to have a very limited period to file the application with HPD.

- When referring to the average of $65,000 per unit it should be understood that it is the total number of units multiplied by $65,000 per unit is the maximum amount of assessment allowable for the total number of units after the completion of construction to be eligible. Please note that after the first assessment upon completion of construction some units may be greater then$65,000 and some may be less then $65,000. Those greater units will only be covered up to $65,000 and those units that are less will be protected for the value of the initial assessment up to $65,000. There will be no escalation in exemption in the subsequent years following or any AV increase that will be greater than the initial assessment value after completion of construction. Therefore, our AV value remains at$65,000.

Offering Plan governing the offering and sale of condominium or cooperative units in a Homeownership Project should state that: (i) complies with Article 23-A of the General Business Law ("Martin Act"), the Act and this chapter, and (ii) discloses the Building Size Requirement, Primary Residence Requirement and Post-Completion Assessment Cap Requirement.

Furthermore, the 421-a law requires buildings with at least thirty units to pay a prevailing wage to all building service employees. There is no requirement to pay a prevailing wage to construction workers on this size building in this location.

There are various other minor technical requirements for obtaining 421-a tax exemption benefits. Without listing these requirements in minute detail, we believe that based upon information provided, the other requirements will be met provided the initial post construction assessed value averages $65,000 per dwelling unit or less.

421-a Clarifications

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 expert has been informed by HPD of the following relevant requirementswhich need to be signed by the owner and recorded against the property on ACRIS/DOF:

1. 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 AssessmentCap Requirement").
2. The Property shall contain no fewer than six dwelling units and no more thanthirty-five dwelling units during the Restriction Period ("Building Size Requirement").
3. During the Restriction Period, each owner of any dwelling unit in the Propertyshall agree, in writing, to maintain such unit as their primary residence for noless than five years form the acquisition of such unit ("Primary Residence Requirement").
4. No portion of the Property shall be operated as a Hotel during the RestrictionPeriod ("Hotel Prohibition Requirement").
5. This Restrictive Declaration may be enforced by the City of New York andany of its agencies and instrumentalities, and any tenant.

Project Details
In rendering this opinion, we have relied upon the following facts and assumptions thatwere confirmed to us by you:

1. Based upon the information received from you and your architect, onemultiple dwelling, with (34) residential condo units will be constructed;
2. There will be signed contracts for all residential units at the time when the421-a(16) application will be filed with HPD;
3. All owners will agree in writing that to maintain their unit as his/her primaryresidence for at least the first 5 years of ownership;
4. 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;
5. The temporary and final Certificates of Occupancy and the 421-a Certificateof Eligibility will be filed with the appropriate New York City agencies at the proper time periods;
6. Neither the Building nor any part thereof shall be used as a hotel or for singleroom occupancy as defined in the Rules Section 6-01 (c):
7. All records requested by the New York City Department of Housing Preservation and Development ("HPD"), pursuant to the regulations, will beprovided in a timely manner.

Utilizing the information supplied to us, considering that upon completion of the construction the initial average assessed value is $65,000 per dwelling unit or less, and contracts are executed for all units prior to submission of the 421-a application. Assuming that these and all other above-mentioned regulations will be met, it is our opinion that:

- The premise may be eligible for partial real estate tax exemption under Section 421-a, during the period of construction for up-to 3 years and after completion ofconstruction, as outlined above.
- All Section 421-a partial real estate tax benefits may be revoked or reduced if the application misstates or omits to state a material fact and/or for non-payment or underpayment of taxes and for certain other reasons.

Estimated Assessed Value & 421-a Eligibility
Based on our review of all applicable information outlined in the paragraphs above, it is our estimation that the Taxable Assessed Value of the residential units, upon completion of construction, will be approximately $2,289,6200.49 Considering this estimate, we project that the average assessed value of each unit will not exceed $65,000. ***In the event that the average assessed value will exceed $65,000, the project willbe deemed ineligible for the 421-a tax exemption benefits.***

Tax Liabilities
The real property tax liabilities will be divided based on get percentages 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 2020/2021 tax rate [although it is unlikely that the tax rate will remain as it is currently]). The total assessed value and real estate tax liabilities will be approximately as follows:

CONCLUSION:

Based solely on these representations, and if (i) the building is constructed substantially in accordance with the plans and specifications approved by the New York City Department of Buildings and comply with the requirements of NYC Dept. of Finance, the Regulations for ICAP Benefits and HPD regulations for the 421-a(I 6) exemption.

As the anticipated first year of condominium operation, which is expected to commence on January 1, 2022, will include a portion of the 2021/2022 tax year and the 2022/2023 tax year, the estimated first year taxes for the residential portion of the condominium will be based on pre-construction assessed value which is currently $369,810 multiplied by 50% equals $184,905 and the estimated post-completion assessed value of the building, which is projected to be $2,011,657 multiplied by 50% equals $1,005,828.50. As the projected commencement of condominium operation is January 1, 2022, it is anticipated that the building will be taxed on the pre-completing assessed value for 6 months and the post-completion assessed value for 6 months, which together, encompass the first full year of the condominium operation.

Based upon information provided by the sponsor, the building will contain approximately 36,890 square feet (66.89%) and the parking area consisting of approximately 4743 square feet (12.85%) and the storage consisting of approximately 1099 square feet. As such it is anticipated that the assessed values projected above will be apportioned between the residential and parking areas and storage areas based upon the respective percentage of square footage each area contains, as set forth herein.

Accordingly, the projected taxes for units during the first half year of condominium operation can be illustrated as follows and are based on the current 2020/2021 tax rate of $10.694 per $100 of assessed value for the tax class 4 classification. The second half year of the condominium operation starting July 1, 2022 thru December 31, 2022. The first half of the 2022/2023 tax tear based on the current 2020/2021 tax rate of $12.267%per $100 of assessed value for tax class II.

Residential Units

Tax Year	No. of Taxable Months	Assessed Value%	Tax Rate	Total
2021/2022	6	$184,905	10.694% Tax class 4rate	$19,773.74
2022/2023	6	$1,005,828.5	12.267% Tax Class 2 rate	$123,384.95
Total				**$143,158.69**

Parking & Storage Space Units

Tax Year	No. of Taxable Months	Assessed Value %	Tax Rate	Total
2021/2022 Parking	6	$111,600	10.694% Tax class 4 rate	$11,934.50
2022/2023 Parking	6	$111,600	12.267% Tax Class 2 rate	$13,689.97
Total	**12**			**$25,624.47**
2021/2022 Storage Unit	6	$24,771.62	10.694%	$2,649.07
2021/2022 Storage Unit	6	$24,771.62	12.267%	$3,038.73
Total				**$5,687.80**

The total non-residential area assessed value of the property for the first year of the condominium operation beginning January 1, 2022 second half of the 2021/2022 tax year $369,810 multiplied by 20.5% equals $75,811.05 multiplied by existing 2021/2022 tax rate of 10.694% per $100 of assessed value equals $8,107.23 (i.e. the aggregate assessment of all following completion of construction is estimated to be approximately $519,116. Using the foregoing estimate of assessed value upon completion assuming completion to be on or before July 01, 2022 the first half of the 2021/2023 tax year which will begin the second half of the first year of the condominium operation. and assuming the tax rate remains the same as the current rate tax class (2) for the 2020/2021 tax year (i.e., 12.267% per $100 of assessed value) during the 15 year exemption period and upon completion of construction and using the pro-rated pre- construction assessed value of the property of $77,000 for 2017/2018 tax year. Tax class (2) tax rate. The base assessment representing 20.5% of non-residential portion, will then equal approximately $15,785 multiply by 115%=$18, 152.75 will then be the estimated new base assessment. Therefore the estimate real estate taxes with the ICAP exemption will be $2264.192. If for any reason the ICAP are not granted then upon completion of the construction real estate assessment is estimated to be $519,116 and the estimated real estate taxes is estimated to be $63,680 (i.e., tax class (2)@ 12.267% per $100 tax year 2020/2021 per 100% of assesses value.) Upon completion of the 15 year tax exemption the estimated real estate tax will be $63,680 plus equalization increases.

Please note that the ICAP Abatement will only become effective after the Certificate of

Occupancy is issued and will not be eligible for the 2021/2022 tax year.

2021/2022 tax year estimate

UNIT	S/F	ASSESSED VALUATION W/O ICAP VALUATION	ANNUAL TAX W/O ICAP	ICAP AV	ICAP ANNUAL
CI	1603	$130,657.79	$16,030	3971.143	$495.327
C2	1008	$87,171.68	$10,080	2497.169	$311.472
C3	1205	$98,231.02	$12,050	2985.208	$372.345
C4	1321	$107,687.29	$13,210	3272.580	$408.189
CFI	1234	$100,595.09	$12,340	3057.051	$381.36

The estimate is based on the gross amount of zoning square footage in the building being approximately 6371 sq. ft., however the actual taxes will be prorated to the percent of common interest and the percent each unit occupies. You are advised thatthis projection is an estimate as it is unlikely that the post-construction assessed valueor tax for each residential and or non-residential unit's proportionate share of the total assessment and tax amount shown.

The total parking area plus the storage units are assessed value i. e. aggregate assessment of all following completion of construction is estimated to be approximately $272,743.24. Using the foregoing estimate of assessed value upon completion assuming completion to be on or before December 31, 2021 and assuming the tax rate remains the same as the current tax class 2 for the 2020/2021 tax year (i.e. 12.267% per $100 of assessed value) the real estate tax will be estimated at $34,046.31 for the 2021/2022 tax year. Please note that there will be no 421a or ICAP tax exemption or abatement attached to the parking stalls or storage units.

2023/2024 Tax Year

Unit No.	Assessed Valuation w/o 421-a	Annual Tax w/o 421-a	Assessed Valuation w/ 421-a	Annual Tax w/ 421-a
1A	$28,709.26	$3,521.77	$847.68	$103.99
2A	$40,952.91	$5,023.69	$1,209.19	$148.33
2B	$64,173.63	$7,872.18	$1,894.81	$232.44
2C	$66,284.61	$8,131.13	$1,957.14	$240.08
2D	$62,907.05	$7,716.81	$1,857.42	$227.85
2F	$59,951.68	$7,354.27	$1,770.16	$217.15
2G	$63,118.15	$7,742.70	$1,863.65	$228.61
2H	$46,441.45	$5,696.97	$1,371.25	$168.21
3A	$40,952.91	$5,023.69	$1,209.19	$148.33
3B	$64,173.63	$7,872.18	$1,894.81	$232.44
3C	$66,284.61	$8,131.13	$1,957.14	$240.08
3D	$62,907.05	$7,716.81	$1,857.42	$227.85
3E	$73,884.12	$9,063.37	$2,181.53	$267.61
3F	$59,951.68	$7,354.27	$1,770.16	$217.15
3G	$63,118.15	$7,742.70	$1,863.65	$228.61
3H	$45,174.86	$5,541.60	$1,333.85	$163.62
4A	$40,952.91	$5,023.69	$1,209.19	$148.33
4B	$64,173.63	$7,872.18	$1,894.81	$232.44
4C	$66,284.61	$8,131.13	$1,957.14	$240.08
4D	$62,907.05	$7,716.81	$1,857.42	$227.85
4E	$73,884.12	$9,063.37	$2,181.53	$267.61
4F	$59,951.68	$7,354.27	$1,770.16	$217.15
4G	$63,118.15	$7,742.70	$1,863.65	$228.61
4H	$45,174.86	$5,541.60	$1,333.85	$163.62
5A	$40,952.91	$5,023.69	$1,209.19	$148.33
5B	$64,173.63	$7,872.18	$1,894.81	$232.44
5C	$66,284.61	$8,131.13	$1,957.14	$240.08
5D	$62,907.05	$7,716.81	$1,857.42	$227.85
5E	$73,884.12	$9,063.37	$2,181.53	$267.61
5F	$65,440.22	$8,027.55	$1,932.21	$237.02
6A	$80,005.94	$9,814.33	$2,362.29	$289.78
6B	$93,305.09	$11,445.74	$2,754.96	$337.95
6C	$65,651.32	$8,053.45	$1,938.44	$237.79
6D	$112,937.15	$13,854.00	$3,334.62	$409.06
Total	$2,110,974.80	$258,953.27	$62,329.41	$7,645.95

Unit No.	Assessed Valuation w/o ICAP	Annual Tax w/o ICAP	Assessed Valuation w/ ICAP	Annual Tax w/ ICAP
C1	$137,140.15	$16,822.98	$4,566.09	$560.12
C2	$86,230.41	$10,577.88	$2,871.05	$352.19
C3	$103,127.65	$12,650.67	$3,433.64	$421.20
C4	$112,993.45	$13,860.91	$3,762.12	$461.50
CF1	$105,580.47	$12,951.56	$3,515.31	$431.22
Total	$545,072.13	$66,864.00	$18,148.21	$2,226.23

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 actually made, may be lesser or greater based on the interpretation of the administrative code and the applicable rules and regulations of the City of New York.*

Though we believe our opinions are well-founded they ate 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 and 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,

Highpoint Incentive Inc
Yehuda Moseson

XXIV. RESERVE FUND

The Condominium budget includes as a reserve fund line item of $17,000, to be collected out of the maintenance charges paid by the Unit Owners, not from the Sponsor. The reserve fund is to be used for replacement of the Common Elements. The reserve fund may be used only for capital expenditures. This amount is adequate to finance needed capital expenditures such as renewal or replacement of building components or systems or to remedy major building defects within the five (5) years following the first closing to a Unit. See By-Laws Article VI, section 9. See also Footnote 12 to Schedule B.

No representation is made that the reserve fund will be adequate for future replacements of Common Elements. It is not anticipated that there will be the need for replacement of capital items in the first five years. In the unlikely event additional funds are required over and above the reserve fund, it may be necessary to increase the maintenance charges or Common Charges payable by the Unit Owners or to collect a Special Assessment from each Unit Owner.

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.

XXV. WORKING CAPITAL FUND

At closing the Sponsor will collect an amount equal to 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. Adjustments for prepaid expenses between the Sponsor and the Board of Managers may be deducted only from the working capital fund. The only budgetary item that might require a substantial credit to the Sponsor would be the insurance disclosed in Schedule B. If any portion of the working capital funds are used during this period to pay for prepaid expenses, such amounts will be repaid to such fund out of future Common Charges collected.

In the event the Building requires replacement of Building components and systems in an amount exceeding funds available in the Reserve Fund and/or Working Capital Fund, the Board may implement a Special Assessment and/or engage a commercial lender to obtain funds to cover such expenses. Therefore, there will be no minimum working capital fund. If, by reason of any substantial adjustment item in favor of the Sponsor, the Sponsor will be paid over a period of time, such as by an installment note, the Plan will be amended to reflect such change in the budget (Schedule B) disclosing the nature and purpose of the payments.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of such funds.

XXVI. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

At or prior to the First Closing, the condominium will enter into a management agreement with Success Property Management, Inc., having an office address at 42-32 147 Street #7A Flushing NY 11355, a real estate management firm. The agreement will be for an initial term of (one) 1 year. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice.

The Managing Agent will receive an annual fee of $24,000 payable in equal monthly installments of $2,000. The Managing Agent's fee for the first year of condominium operation is comparable to the "going rate" for similar services in comparable buildings.

Managing Agent will have normal management responsibility, subject to the directives of the Board of Managers, including engaging personnel; performing bookkeeping services; involvement in collection of assessments; review of contracts to be entered into on behalf of the Condominium (subject to approval of the Board of Managers); causing maintenance and repair of the Property, but, unless provided for in the budget for the Condominium, Managing Agent shall not obligate the Condominium for any single item of repair, replacement, refurnishing or refurbishing in excess of $2,000 without the prior approval of the Board of Managers; maintaining the books and records of the Condominium; assistance in the preparation of annual budgets; attendance at monthly meetings of the Board of Managers; maintenance of bank accounts for the deposit of funds collected from Residential Owners; routine visual inspections of the property and presentation of recommendations to the Board of Managers. Managing Agent may charge additional fees for matters beyond the scope of the Agreement, such as with respect to Extraordinary or repeated requests for inspection of the Condominium records and the like. The Board shall be required to reimburse Managing Agent for expenses incurred in connection with its regular duties. The Management agreement may not be assigned.

Managing Agent shall not be liable to the Condominium for any loss or damage not caused by the Managing Agent negligence or willful misconduct; the Condominium will indemnify and save harmless Managing Agent from any liability for damages, cost and expenses for injury to any persons or property in, about and in connection with the Condominium, from any cause whatsoever arising from the acts of Quick link within the scope of its duties under this Agreement, unless such injury shall be caused by Managing Agent's negligence or willful misconduct; the Condominium will also indemnify and save Managing Agent from any liability for damages, penalties, costs and expenses, statutory or otherwise, for all acts performed by Managing Agent pursuant to any other written instructions of the Condominium except for those arising from Managing Agent negligence or willful misconduct.

Principals of the Sponsor are not affiliated with Managing Agent.

XXVII. IDENTITY OF PARTIES

Sponsor/Selling Agent

The Sponsor is Sanford 147 Development LLC, a New York limited liability company with an address at 133-47 Sanford Avenue, Suite C1E, Flushing, New York 11355. The corporation was formed on April 13, 2018. The Sponsor entity has not had any prior public offerings.

The principals of the Sponsor are Steven Li and Wei Zheng; both of whom have a busuness address of 133-47 Sanford Avenue, Suite C1E, Flushing, New York 11355.

Mr. Li has been involved in the development and sale of of mixed-use and residential multifamily projects in the New York Metropolitan area for the past seven (7) years.

Steven Li is also a principal of 1) Garden Lane Condominium, 116-117 Grosvenor, Kew Gardens, New York 11418, pending review with the New York State Department of Law under Attorney General File No.: CD20-0245, and 2) U-Build Garden Condominium, 41-39 149th Street, Flushing, New York, 11355, accepted for filing with the New York State Department of Law 1/24/2018, Attorney General File No.: CD17-0056. Mr. Li is current in all his obligations with respect to said project.

Mr. Zheng has been involved in the development and sale of real estate projects for the last several years.

Neither the Sponsor nor any of its Principals own ten (10%) percent or more of any unsold units in any other condominium, home owners association or cooperative in the State of New York.

Neither the Sponsor, nor the Principals of the Sponsor or any other individual who owns or controls a ten (10%) percent or more equity interest in the Sponsor, have ever had any prior convictions, felony convictions, bankruptcies, judgments and/or injunctions placed against them.

Managing Agent

The Managing Agent is Success Property Management, Inc., having an office address at 42-32 147 Street #7A Flushing NY 11355 (hereinafter “Success”). Success has been managing condominiums, cooperatives and rental apartment in the New York Metro area for over five (5) years. Principals of the Sponsor are not affiliated with Success.

Neither Success nor any principals thereof have ever had any prior convictions, felony convictions, bankruptcies, judgments and/or injunctions placed against them.

A list of properties which managed by the Managing Agent include: 42-32 147 Street Flushing NY 11355 – a 19-unit residential condo building with underground parking; and 41-39 149 Street Flushing NY 11355 – a 7-unit residential/community facility mixed-used building with outside parking. With experience in Administrative, Health Regulations, Annual Equipment Maintenance and General Building Maintenance.

Attorneys

Moritt Hock & Hamroff LLP, 1407 Broadway, 39th Floor, New York, New York 10018, counsel to the Sponsor, have been selected by the Sponsor to 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 Moritt Hock & Hamroff LLP. The individual attorney in said firm responsible for said work is Anthony J. Ficara, Esq.

Moritt Hock & Hamroff LLP 1407 Broadway, 39th Floor, New York, New York 10018 will represent the Sponsor in connection with the individual Unit closings and will also act as the Escrow Agent as described in Section XI of the Offering Plan.

Moritt Hock & Hamroff LLP does not have any financial interest in the Property, the Sponsor, the Condominium or any other party involved in this transaction, except for fees for services rendered in connection with the Condominium.

Insurance

The estimated insurance rates have been passed upon by Oakmont Insurance Services LLC, located at 30-50 Whitestone Expressway, Suite 302, Flushing NY 11354.

Architect

The architect who prepared the report in Part II and who executed the Certification in Part II is TAN ARCHITECT P.C., 194-02 Northern Blvd, # 205, Flushing, NY 11358. 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, multifamily buildings and hotels in the Metropolitan area.

XXVIII. REPORTS TO RESIDENTIAL UNIT OWNERS

It is the obligation of the Board of Managers of the Condominium to give all Residential Unit Owners annually:

(i) a financial statement of the Condominium prepared by a certified public accountant or public accountant by a specific date; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided no later than four (4) months after the close of the fiscal year;

(ii) prior notice of the annual Residential Unit Owners' meeting; and

(iii) a copy of the proposed annual budget of the Condominium within thirty (30) days of the date set for adoption by the Board of Managers. While Sponsor is in control of the Board of Managers such budget will be certified in accordance with the regulations of the Department of Law.

XXIX. DOCUMENTS ON FILE

Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at 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 are no lawsuits, litigation, administrative proceedings or other proceedings pending against the Condominium or the Sponsor or any other party which would which would materially affect the Offering, the property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium.

Prior Offerings

This property has not been the subject of any prior cooperative or condominium public offerings. No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Residential Units 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 Residential Units, prior to acceptance of the Plan by the Department of Law. The property forming the Condominium

is vacant land and therefore, there are no residential or commercial tenants occupying the premises.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that Sponsor, nor its agents, will 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 Residential Units 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 down payment 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.

Other Circumstances

Purchaser 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. Purchasers further acknowledges that other units and infrastructure are presently being continue until the Condominium project is completed in accordance with the Plan. Any such construction will not render the Unit uninhabitable nor materially affect Purchaser's use of the Unit. Accordingly, Purchasers agree that such continuing construction shall not be deemed a nuisance nor an interference with Purchaser's quiet enjoyment of the Unit after Closing. Sponsor anticipates completion of construction by June 2021.

There have been no binding agreements entered into nor has any money been collected from prospective Purchasers. Sponsor, nor its agents, have submitted any market test pursuant to cooperative policy statement No. 1.

The Sponsor has no knowledge of any other circumstances that may affect the use or enjoyment of the Building and its appurtenances, not disclosed elsewhere in the Plan.

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.

Date of Offering Plan: _____ ___, 2021
New York, New York

SANFORD 147 DEVELOPMENT LLC
Sponsor

O F F E R I N G S T A T E M E N T

POLARIS CONDOMINIUM

32-58 105th Street, East Elmhurst, New York 11369

PART II

RESIDENTIAL PURCHASE AGREEMENT

Residential Unit No. _____ **Date** _____

Anticipated Closing Date: _____

Seller: SANFORD 147 DEVELOPMENT LLC

Address: 133-47 Sanford Avenue. Suite C1E, Flushing, New York 11355

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 $_____

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.

Title to all items of personal property shall be delivered free and clear of all liens and encumbrances, except the lien of the mortgage applied for by Purchasers herein, if any.

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"), together with a combined _____ percent undivided interest in the common elements of the condominium (the "Common Elements") known as Polaris Condominium (the "Condominium"), located on 32-58 105th Street, East Elmhurst, New York 11369 and as described in the Declaration of Condominium to be recorded in the New York City Register's Office, Queens County, to be built by Seller on property comprising the Condominium Map (the "Property") filed or to be filed in the New York City Register's Office, Queens County. The Residential Unit shall hereinafter be collectively 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.

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, special landscaping installed at any model units, washer/dryer, central vacuum systems, patios, decks, highhat lighting, additional fixtures and switches added for decorative purposes, pull down staircases and skylights 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.

All improvements containing natural materials are subject to fade. Seller shall not be responsible to change, replace or remove any improvements in the event they fade.

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 such changes reflected in an amendment are subject to the requirements set forth in the Changes in Prices Adjustments section of the Offering Plan. Any conflict between the Plan and this Purchase Agreement shall be resolved according to the terms of the Plan. 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 will be given a right to rescind if an amendment submitted to the Department of Law contains material and adverse changes.

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) **GOVERNMENTAL REQUIREMENTS** – If after the date of this Purchase Agreement any law or governmental authority requires any substitutions, changes or additions in any part of the construction of the Unit, the materials used in construction, the manner of construction or any other aspect of development, then the actual cost of such substitution, change or addition shall be added to the price of the Unit and shall be payable by Purchaser to Seller at Closing (defined below), provided, however, that if the amount of such additional cost exceeds $1,000, then Purchaser may cancel this Purchase Agreement and receive a full refund of all payments made to Seller on

account of the purchase price, whereupon neither party shall have any further liability of obligation to the other in connection with this Purchase Agreement or transaction.

However, such right to cancel this Purchase Agreement shall automatically terminate if Purchaser fails to give written notice of cancellation to Seller within ten (10) days after Seller informs Purchaser of the amount of the additional expense.

5) **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 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 22 herein. Purchaser further understands and agrees that if he or she chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in his financial status or condition shall release or relieve him of his obligations pursuant to this Purchase Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the closing beyond the expiration of the loan commitment. Sponsor has the discretion to offer financing to Purchasers on an individual basis.

Notwithstanding the foregoing, the Sponsor has engaged the following lenders to be the on-site mortgage consultants throughout the sales process (the "Preferred Lenders"):

Popular Community Bank
85 Broad Street
New York, NY 10004
Attn: Philip Robles
Sr. Home Lending Officer
Tel: (917) 405-4536

Wells Fargo Home Mortgage
150 E 42nd Street, 32nd Floor
New York, NY 10017
Attn: Adam Soffer
Private Mortgage Banker
Tel: (212) 214-7014

Only Purchasers that complete a loan application and are pre-approved for financing with either of the Preferred Lenders will be given a mortgage contingency in their Purchase Agreement. **Purchaser will only be entitled to a mortgage contingency if Purchaser applies to a Preferred Lender, and said Preferred Lender approves financing for the Purchaser.** The Condominium complies with the Sponsor's Preferred Lender's requirements applicable to condominiums, including, without limitation, the amount of the reserve fund and the By-Laws. Sponsor's Preferred Lender does not have a minimum sales and/or Owner-occupancy requirement. Sponsor shall also have discretion to offer financing on an individual basis.

The condominium complies with the Sponsor's Preferred Lender's requirements applicable to Condominiums, including, without limitation, the amount of the reserve

fund and the By-Laws. Preferred Lenders do not have a minimum sales and/or owner-occupancy requirement.

In the event Purchaser elect to utilize the Preferred Lenders, the obligation of Purchaser to purchase under this Agreement shall be conditioned upon issuance, on or before forty five (45) days after a fully executed copy of the Purchase Agreement is given to Purchaser, or Purchaser's attorney, in the manner set forth therein, (hereinafter called the "Commitment Date"), of a written commitment from one of the Preferred Lenders, pursuant to which the Preferred Lender agrees to make a first mortgage loan, other than a VA, FHA or other governmentally insured loan, to Purchaser, at Purchaser's sole cost and expense, in the amount equal to eighty (80%) percent of the total purchase price of the Unit, for a term of at least thirty (30) years (or such lesser sum or shorter term as Purchaser shall be willing to accept) at the prevailing fixed or adjustable rate of interest and on other customary commitment terms, (hereinafter called the "Commitment"). To the extent a Commitment is conditioned on Preferred Lender's approval of an appraisal, the sale of Purchaser's current home, payment of any outstanding debt, no material adverse change in Purchaser's financial condition or any other customary conditions, Purchaser accepts the risk that such conditions may not be met. Purchaser's obligations are conditioned only on issuance of a Commitment. Once a Commitment is issued, Purchaser is bound under this Agreement even if the Commitment lapses or expires prior to the Closing, except as mentioned herein, the Preferred Lender fails or refuses to fund the loan or revokes the Commitment for any reason, including, but not limited to, a change in Purchaser's financial condition or employment, or Purchaser's inability or refusal to pay all required costs, fees and expenses to extend the Commitment up to the Closing.

PURCHASER UNDERSTANDS THAT PURCHASER IS FREE TO SEEK FINANCING DIRECTLY FROM OTHER LENDERS, EITHER SOLELY OR PARALLEL WITH THE APPLICATION TO THE PREFERRED LENDER, BUT THE CONTINGENCY CONTAINED IN THIS AGREEMENT SHALL ONLY APPLY IF AN APPLICATION ON THE ABOVE-SPECIFIED TERMS IS MADE IN GOOD FAITH TO THE PREFERRED LENDER AND IS DILIGENTLY PURSUED. THEREFORE, REFUSAL BY ANY LENDER TO MAKE A COMMITMENT TO PURCHASER WILL NOT ENTITLE PURCHASER TO CANCEL THIS AGREEMENT OR RECEIVE A REFUND OF THE DEPOSIT.

Any purchaser who executes a purchase agreement and does not obtain financing through the Preferred Lenders may lose the deposit if unable to pay the balance of the purchase price. Prospective purchasers who need financing to purchase are advised to consult with a bank before executing a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by Sponsor as to the availability or cost of such financing.

The Sponsor makes no representation as to the Lenders compliance with Fannie Mae, Freddie Mac or FHA loan requirements. Purchasers are directed to contact the individual Lenders to confirm compliance with same.

Note that under New York law, when a mortgage commitment is not fulfilled through no fault of Purchaser, performance is excused. Sponsor may not condition Purchaser's obligations upon obtaining a commitment. If Purchaser acts in good faith and lender revokes a commitment after contingency period expires, performance is excused. If performance is excused under NY law, then the Sponsor/seller must grant to such Purchaser a right of rescission and a reasonable period of time to exercise such right.

6) **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 30 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 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 $250. The Closing may not take place in any other location without Seller's prior written consent.

In the event the Closing is adjourned with Seller's 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 Seller's attorney an adjournment fee in the sum of $500.

In the event that the closing of title to the first Residential Unit in the Condominium has not occurred within twelve (12) months of the anticipated date of first closing set forth in the Offering Plan, as same may be amended, Purchasers will be afforded a right of recission.

If Purchaser is not in default under this Purchase Agreement and the Closing has not taken place within twelve (12) months after the Anticipated Closing Date set forth on the first page of this Purchase Agreement, either Seller or Purchaser may cancel this Purchase Agreement by forwarding written notice of cancellation to the other no later

than ten (10) days after expiration of such twelve (12) month period whereupon Seller shall refund to Purchaser, subject to the escrow provisions as disclosed in Section XII of the Plan, all payments, other than Funds used towards upgrades, options or extras, made by Purchaser to Seller on account of the Purchase Price and neither party shall thereafter have any further liability or obligation to the other in connection with this Purchase Agreement or transaction. Purchaser shall be obligated to notify Seller in writing of its intent to exercise said option no later than ten (10) days after the twelve (12) month period. Failure to so notify Seller shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. In the event Seller shall be unable to convey title to the Residential Unit within twenty-four (24) months of the proposed date of delivery through no fault of the Purchaser, the Purchase Agreement shall be deemed null and void and Seller shall return all monies being held in escrow within thirty (30) days thereafter.

7) **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 blanket mortgage release documents;
(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 in an amount equal to two (2) months Common Charges, payable to the Condominium;
(k) $3,000 to Seller for reimbursement of the 421-a application fee;
(l) a pro-rata portion of the Condominium's estimated first year insurance, based on the Unit's percentage of Common Interest; and

(m) $2,500 to Seller's attorney for the preparation of the closing documents.

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. Such interest rate shall not surpass the legal limit under applicable law.

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.

8) **CONSTRUCTION LOAN MORTGAGE** - This Purchase Agreement is subject and subordinate without the necessity of Purchaser signing or delivering any documents or papers, to the lien of any existing or future construction loan mortgage and all payments or expenses already made or incurred or which may hereafter be made or incurred in connection with such construction loan mortgage. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the construction loan schedule of payments or accelerated thereunder by virtue of the construction lender's right to make advances before they become due in accordance with the schedule of payments. The Unit and its/their appurtenant percentage of Common Interest in the Common Elements (as such term is defined in the Plan), shall be released from the lien of such construction loan mortgage upon Closing, except where such mortgage is converted to Purchaser's individual mortgage on the Unit. In such case, the Unit shall remain subject to the lien of such construction loan mortgage and Purchaser shall reimburse to Seller at Closing, in addition to all other sums to be reimbursed by Purchaser to Seller under this Purchase Agreement, an

amount equal to the mortgage tax paid by Seller on such construction loan mortgage. In all other cases, any mortgage tax credit available under Real Property Law Section 339-ee shall inure exclusively to the benefit of Seller.

9) **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. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against the title insurance company which insured Purchaser's title to the Unit before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss of damage not covered by such title insurance company. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would have been covered by the title insurance that was available to Purchaser at the time of closing of title.

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.

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 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 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 Unit for their intended purposes.

(d) Unpaid taxes and liens, provided the title insurance company shall insure against collection of same out of the Unit.

(e) The filed Condominium Map and all matters reflected thereon.

(f) 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. However, if such defect in title existed at least ten (10) days prior to the closing of title and Purchaser failed to send Sponsor's attorney written notice of such defect in title at least ten (10) days prior to the closing of title, then Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered at the request of Purchaser.

10) **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.

11) **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, as same may be amended from time to time to comply with applicable law, 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. In the event the form Power of Attorney set forth in the Plan is deemed to be insufficient, in Seller's sole discretion, due to statutory changes to the New York State short form power of attorney, Purchaser shall execute an amended power of attorney to effectuate the powers granted in the Power of Attorney set forth in the Plan. This paragraph shall survive delivery of the deed.

12) **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 Certified, 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.

13) **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 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 22 herein. 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 extra work and extra items ordered, which have been paid to seller and actually expended on such extra work and/or extra work items. 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.

14) **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.

15) **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 unauthorized 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-3 to the Plan.

16) **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.

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 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 Equal or Better quality; (b) determine the exterior color and design of the Building; (c) any material change to the location and type of Unit will require consent of Purchaser; (d) fix the location and setbacks of the Building; (e) determine whether existing trees, shrubs and other plant life on the Property are to be moved or removed, (f) add or remove retaining walls on the Property where required by grade conditions; (g) determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, mailboxes; (h) change appliances as long as they are equal to or better than originally offered; (i) change the location of kitchen and bathroom cabinets, counters and drawers; (j) make changes to the Unit, which

result in variations of up to five (5%) percent of the Unit square footage listed in Schedule A to the Offering Plan; and (k) make any other changes required by the City of New York. The changes described in items (a)-(j) may not be effectuated unless Seller obtains the consent of any affected Purchaser. Furthermore, Sponsor's rights, as described herein, are subject to the representations made in the Offering Plan.

Seller shall notify Purchaser of any major changes, specifications, deviations, additions or deletions, which are beyond the scope of those set forth above ("Extraordinary Changes"). If Seller notifies Purchaser in writing of any Extraordinary Changes, Purchaser shall be deemed to have approved of same, unless Seller receives Purchaser's written disapproval thereof within ten (10) days from date of the notice by Seller. Upon receipt of Purchaser's disapproval, Seller may, within thirty (30) days thereafter, give Purchaser written notice withdrawing its proposed Extraordinary Changes, in which case Seller shall thereafter continue with its development activities without the Extraordinary Changes. If Seller fails to give Purchaser notice of withdrawal within such thirty (30) day period, Purchaser may declare this Purchase Agreement null and void by so notifying Seller in writing delivered to Seller no later than forty-five (45) days after having delivered Seller the original notice of disapproval, whereupon Seller shall promptly return to Purchaser all monies paid by Purchaser to Seller, except Funds used towards upgrades, options or extras, on account of the purchase price and thereafter neither party shall have any further liability or obligation to the other in connection with this Purchase Agreement or transaction.

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 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) the landscaped areas of the Property, or (d) parking spaces or driveway or garage, or (e) other portions of the Common Areas 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 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. . Any such construction will not render the Unit uninhabitable nor materially affect Purchaser's use of the Unit. 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. Sponsor anticipates completion of construction by June 1, 2020. 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.

The notice of default shall be deemed notice to the Purchaser by the Escrow Agent of the Escrow Agent's intent to release the funds being held in escrow on behalf of the Purchaser pursuant to the dispute resolution provisions of the Attorney General's escrow regulations as described in Section X of the Offering Plan.

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 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 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 down payment. 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 Queens County 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, as and for liquidated damages on account of such default by Purchaser pursuant to the provisions of Paragraph 22 hereunder.

26) **PROHIBITION AGAINST SIGNS ON UNIT** - Purchaser shall not place any sign anywhere on the Unit or Property at any time.

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. **Purchasers should note that, pursuant to the new 421-a requirements, Purchasers are required to, and agree to, retain their Unit as a primary residence for a minimum of five (5) years in order for the Building to qualify for 421-a real estate tax benefits.**

28) **NO BROKER CONSULTED BY PURCHASER** – Purchaser represents that no broker other than Seller's broker (the "Broker"), in the event Seller has engaged a 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** - The law firm of Moritt Hock & Hamroff LLP with an address at 1407 Broadway, 39th Floor. New York, New York 10018, telephone number (212) 239-2000, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Anthony J. Ficara, Ted A. Berkowitz, Gary C. Hsiger and Robert M. Finkel. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the down payment from escrow.

The Escrow Agent has established the escrow account at Popular Bank, 85 Broad Street, New York, New York 10006, a bank authorized to do business in the State of New York. The escrow account is entitled "Moritt Hock & Hamroff LLP IOLA FBO Polaris Condominium" ("Escrow Account"). The Escrow Account is an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured.

All down payments received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to the order of Moritt Hock & Hamroff LLP, as Escrow Agent.

The Escrow Account is an IOLA account and no interest will be paid to Purchaser. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

The Purchase Agreement shall only be deemed accepted when countersigned by the Seller or Seller's authorized agent. **In addition, although all funds received by Seller for Extras will initially be placed in the Escrow Account; such funds may be released from the Escrow Account as long as Seller uses the funds for such Extras. In the event Purchaser is entitled to a right of rescission, the return of their Downpayment shall not include any funds paid, and expended by Seller, towards Extras.** At Closing the Downpayment shall be paid to Seller upon consummation of the Closing and execution of this Purchase Agreement shall be deemed a writing executed by both Seller and Purchaser authorizing the Escrow Agent to release said funds to Seller at Closing. Purchaser shall execute the Tender of Escrow form, as set forth in Schedule D-4 of the Plan upon execution of this Purchase Agreement; and shall execute the Release form, as set forth in Schedule D-1 of the Plan, at Closing.

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 Sponsor, conforming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

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

Real Estate Finance Bureau, 28 Liberty Street, New York, NY 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

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

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Purchase Agreement in Section 5 upon closing of title to the Unit; or

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

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

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

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

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

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

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

Any provision of 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.

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

A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

Escrow Agent may rely upon any paper or document which may be submitted to it in connection with its duties under this Purchase Agreement and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase

Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

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, statements or estimates, written or oral, of any nature whatsoever, made by Sponsor, or otherwise, 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, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the Purchase of the Unit, the potential for future profit with respect to the Unit, any future appreciation in value of the Property, the Condominium building or the Unit, any rental income potential, depreciation or investment potential with respect to the Property, the Condominium building or the Unit, any monetary or financial advantage with respect to the Property, the Condominium building or the Unit, or any other data, the environmental and/or flood plan conditions affecting the Condominium building, the availability of liability, casualty and flood insurance or the cost thereof, the costs of ongoing maintenance and repair of the Condominium building 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. No person has been authorized to make any representation on behalf of Sponsor except as herein or in the plans specifically set forth. 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 has relied solely on his own judgment and investigation in deciding to enter into this Purchase Agreement and purchase of the Unit. No oral representations or statements shall be considered a part of this Purchase Agreement, and any current or prior oral statements are void and have no effect. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. 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 immaterial or insubstantial accuracy or error. Purchaser agrees that a decrease in a Unit's area of five (5%) percent or less may not affect a Purchaser's right to consent, unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by five (5%) percent or less is not material. The provisions of this paragraph shall survive the closing of title or the termination of this Purchase Agreement. 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, except as set forth in the Offering Plan and provided under applicable law.

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.

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 Queens County and all motions in any such action shall be made in Queens 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) **CONSTRUCTION** - While the Housing Merchant Warranty Law is inapplicable, the Sponsor nonetheless has an obligation to construct the premises in accordance with all applicable codes and filed plans and specifications, and any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

Notwithstanding said fact, the Sponsor will correct any materially adverse condition in the construction of the Residential Unit or in the installation or operation of any mechanical equipment therein due to materials or improper workmanship materially at variance with the plans and specifications set forth in the architects and/or engineers property description report(s), as may have been changed by Sponsor from time to time provided that it is notified of such materially adverse construction condition in writing by certified mail: a) for patent defects within the Unit, or patent defects in the Common Elements affecting the Unit, 6 months from the date of closing; b) for latent defects within the Unit, or latent defects in the Common Elements affecting the Unit, one year from date of closing; c) for general Common Element defects, one year from the later of issuance of the Certificate of Occupancy or completion of that portion of the Common Elements which is claimed to be defective ("Limited Warranty").

38) **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 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.

(e) 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.

(f) 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.

(g) 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.

(h) 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.

(i) This Purchase Agreement shall not be binding or effective until fully executed and delivered by Seller and Purchaser.

(j) Seller represents that its Federal Employer Identification Number is _____; and Purchaser represents that his/her/their social security number(s) is _____ and _____.

(k) 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.

(l) Under the **replacement ratio requirement of option D of the 421-a(16)**, any dwelling units that were on the eligible site three (3) years prior to the commencement date and there after demolished removed or reconfigured must be replaced with at least one (1) affordable housing unit for each residential dwelling unit removed. **Within three (3) years prior to the commencement date the eligible site had no residential units removed and therefore there is no residential replacement required.**

(m) The parties agree that this Purchase Agreement shall be governed by, and construed in accordance with the laws of the State of New York.

39) In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the Board of Managers (the "Board") of Polaris Condominium (the "Condominium"), have adopted the following smoking policy (the "Smoking Policy") for the Building:

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, basement, corridors, hallways, stairwells, elevators, playroom, garage, garage ramp, walkways; and (ii) within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

For the purposes of this Smoking Policy, the term "smoking" includes, but is not limited to, inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe or any other form of lighted object or device which contains tobacco, including the use of electronic cigarettes or any similar device that delivers vapor for inhalation (including any refill, cartridge or other component of an electronic cigarette or similar device), or any other items or materials that may be smoked, whether such substance is a legal substance or an illegal substance. This Smoking Policy applies to all unit owners, tenants, subtenants, occupants and residents of the Building, and to any guests, agents, licensees and invitees of a Unit Owner. It is the Unit Owner's responsibility to ensure that its tenants, subtenants, occupants, residents, guests, agents, licensees and invitees comply with this Smoking Policy.

Smoking is PERMITTED within individual apartments and on the terraces, balconies, patios and yards attached to individual apartments (except within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units). However, if there are reported and substantiated incidents of infiltration of smoke/smoke odors into common areas of the Building (including, but not limited to, hallways) and/or other apartments in the Building, it will be the offending Unit Owner's responsibility, at its sole cost and expense, to abate the nuisance.

Any Unit Owner who sells, leases, or subleases its apartment must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation.

40) **NOTICES TO PURCHASER - 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.

IN WITNESS WHEREOF, the parties hereto have executed this Purchase Agreement as of the date first above written.

PURCHASERS:

_____
Signature

_____
Signature

SANFORD 147 DEVELOPMENT LLC

By:_____

ESCROW AGENT
MORITT HOCK & HAMROFF LLP

By:_____

RIDER TO PURCHASE AGREEMENT DATED _____, 20__ BY AND BETWEEN SANFORD 147 DEVELOPMENT LLC, AS SELLER, AND _____, AS PURCHASER.

Qualification for Tax Benefits of Subdivision 16 of NY Real Property Law §421-a.

Purchaser Name(s)	Subject Unit	Subject Property

Purchaser hereby acknowledges that in order to obtain an exemption from real property taxation pursuant to §421-a(16):

1. One hundred percent of the units in the Homeownership Project 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");
2. The building in which the Homeownership Project is located shall contain no fewer than six dwelling units and no more than thirty-five dwelling units during the Restriction Period ("Building Size Requirement"); and
3. During the Restriction Period, which commences on the Completion Date and expires on the 35th anniversary of the Completion Date, each owner of any dwelling unit in the Homeownership Project 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").

Under the **replacement ratio requirement of option D of the 421-a(16)**, any dwelling units that were on the eligible site three (3) years prior to the commencement date and there after demolished removed or reconfigured must be replaced with at least one (1) affordable housing unit for each residential dwelling unit removed. Within three (3) years prior to the commencement date the eligible site had no residential units removed and **therefore there is no residential replacement required.**

Purchaser hereby agrees to comply with the Primary Residence Requirement and maintain unit ___ as his/her/their primary residence for no less than five years from the acquisition of such unit.

Purchaser hereby authorizes Seller to apply on Purchaser's behalf for a tax exemption from real property taxation pursuant to §421-a(16).

Purchaser hereby authorizes Seller to execute and record a restrictive declaration on Purchaser's behalf, pursuant to §421-a(16).

_____ _____

Signed Date

Unless otherwise defined in this Rider, capitalized terms used herein shall have the meaning set forth in § 421-a(16) of the New York State Real Property Tax Law and/or Chapter 51 of Title 28 of the Rules of the City of New York.

FORM FOR THE RELEASE OF ESCROW FUNDS

Date

Moritt Hock & Hamroff LLP
1407 Broadway, 39th Floor
New York, New York 10018

Re: **Polaris 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, Moritt Hock & Hamroff LLP is authorized to release the funds being held in said amount to whomever the Sponsor so designates. In addition, Moritt Hock & Hamroff LLP 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

WAIVER OF NOTICE OF CLOSING

, being duly sworn, does hereby depose and state:

1. I am the Purchaser of Unit # at Polaris 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

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/we 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 SANFORD 147 DEVELOPMENT LLC, its members, officers, directors, principals, shareholders, successors and assigns for any and all damage to any personal property.

_____

_____

TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of $_____, for Unit _____ and Parking Space Unit _____ at Polaris Condominium, located at 32-58 105th Street, East Elmhurst, New York 11368.

Purchaser named below has tendered on _____, 20__, the above escrow deposit to Sponsor as a deposit for the above Unit and Parking Space Unit.

Purchaser: _____

Address of Purchaser: _____

_____

Phone number of Purchaser:

Cellular: _____

Social Security Number of Purchaser _____

Purchaser's Signature _____

RECEIPT

The SPONSOR of the above named property hereby acknowledges receipt of the above escrow deposit.

SANFORD 147 DEVELOPMENT LLC

By: _____

Date of Receipt: _____

POWER OF ATTORNEY

CAUTION TO THE PRINCIPAL: Your Power of Attorney is an important document. As the "principal," you give the person whom you choose (your "agent") authority to spend your money and sell or dispose of your property during your lifetime without telling you. You do not lose your authority to act even though you have given your agent similar authority.

When your agent exercises this authority, he or she must act according to any instructions you have provided or, where there are no specific instructions, in your best interest. "Important Information for the Agent" at the end of this document describes your agent's responsibilities.

Your agent can act on your behalf only after signing the Power of Attorney before a notary public.

You can request information from your agent at any time. If you are revoking a prior Power of Attorney by executing this Power of Attorney, you should provide written notice of the revocation to your prior agent(s) and to the financial institutions where your accounts are located.

You can revoke or terminate your Power of Attorney at any time for any reason as long as you are of sound mind. If you are no longer of sound mind, a court can remove an agent for acting improperly.

Your agent cannot make health care decisions for you. You may execute a "Health Care Proxy" to do this.

The law governing Powers of Attorney is contained in the New York General Obligations Law, Article 5, Title 15. This law is available at a law library, or online through the New York State Senate or Assembly websites, www.senate.state.ny.us or www.assembly.state.ny.us.

If there is anything about this document that you do not understand, you should ask a lawyer of your own choosing to explain it to you.

I (We) residing at _____ ("Principal") the owner of Condominium Unit No. ___ in the Condominium known as Polaris Condominium, covering the property located in the Borough and County of Queens, City and State of New York, do hereby nominate, constitute and appoint the Members of the Board of Managers of Polaris Condominium c/o Sanford 147 Development LLC and their 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 Polaris Condominium and their 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 in my behalf to take any and all action necessary against any tenant(s) that may be residing in my 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 Polaris Condominium.

I (We) do hereby further irrevocably nominate, constitute and appoint SANFORD 147 DEVELOPMENT LLC, 32-58 105th Street, East Elmhurst, New York 11368. SANFORD 147 DEVELOPMENT LLC, and its successors, my true and lawful attorneys-in-fact coupled with an interest in my name and on my behalf to vote at any Unit Owners meeting for, and to file an amendment to the Declaration of Condominium of Polaris 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 Eleventh, Section (c) of the Declaration of Condominium of Polaris Condominium.

Terms used in this Power of Attorney, which are used in the Declaration submitted by SANFORD 147 DEVELOPMENT LLC establishing a Plan for Condominium Ownership of the premises known as Polaris Condominium under the Condominium Act (the "Declaration"), dated _____, 20__ and recorded in the Queens County Register's Office on _____, 20__ as CRFN _____ together with the Exhibits attached thereto, shall have the same meanings herein as in the Declaration.

This document does not revoke any power of attorney I/we have previously executed. In order to revoke a prior power of attorney, I/we will execute a revocation specifically referring to the power to be revoked.

Notwithstanding anything set forth herein to the contrary, this power of attorney is irrevocable and shall not be revoked by any subsequent power of attorney I/we may execute.

Whenever two or more powers of attorney are valid at the same time, the agents appointed on each shall act separately, unless specified differently in the documents.

IN WITNESS WHEREOF, I (we) have set my (our) hand(s) and seal this day of , 20__.

_____

_____

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20__, before me, the undersigned, 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 the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20__, before me, the undersigned, 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 the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

IMPORTANT INFORMATION FOR THE AGENTS:

When you accept the authority granted under this Power of Attorney, a special legal relationship is created between you and the principal. This relationship imposes on you legal responsibilities that continue until you resign or the Power of Attorney is terminated or revoked. You must:

1. act according to any instructions from the principal, or, where there are no instructions, in the principal's best interest;

2. avoid conflicts that would impair your ability to act in the principal's best interest;

3. keep the principal's property separate and distinct from any assets you own or control, unless otherwise permitted by law;

4. keep a record or all receipts, payments, and transactions conducted for the principal; and

5. disclose your identity as an agent whenever you act for the principal by writing or printing the principal's name and signing your own name as "agent" in either of the following manner: (Principal's Name) by (Your Signature) as Agent, or (Your Signature) as Agent for (Principal's Name).

You may not use the principal's assets to benefit yourself or give major gifts to yourself or anyone else unless the principal has specifically granted you that authority in this Power of Attorney or in a Statutory Major Gifts Rider attached to this Power of Attorney. If you have that authority, you must act according to any instructions of the principal or, where there are no such instructions, in the principal's best interest. You may resign by giving written notice to the principal and to any co-agent, successor agent, monitor if one has been named in this document, or the principal's guardian if one has been appointed. If there is anything about this document or your responsibilities that you do not understand, you should seek legal advice.

Liability of agent:

The meaning of the authority given to you is defined in New York's General Obligations Law, Article 5, Title 15. If it is found that you have violated the law or acted outside the authority granted to you in the Power of Attorney, you may be liable under the law for your violation.

AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT: It is not required that the principal and the agents sign at the same time, nor that multiple agents sign at the same time.

I, _____, Member of SANFORD 147 DEVELOPMENT LLC, have read the foregoing Power of Attorney. SANFORD 147 DEVELOPMENT LLC is one of the entities identified therein as agent for the principal named therein. On behalf of SANFORD 147 DEVELOPMENT LLC, I acknowledge my/our legal responsibilities.

Agent(s) sign here:

SANFORD 147 DEVELOPMENT LLC

By: _____

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20__, before me, the undersigned, 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 the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT: It is not required that the principal and the agents sign at the same time, nor that multiple agents sign at the same time.

I, _____ of the Board of Managers of Polaris Condominium have read the foregoing Power of Attorney. The Board of Managers Polaris Condominium is one of the entities identified therein as agent for the principal named therein. On behalf of the Board of Managers, I acknowledge our legal responsibilities.

Agent(s) sign here:

BOARD OF MANAGERS OF POLARIS CONDOMINIUM

By: _____

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20__, before me, the undersigned, 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 the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

POWER OF ATTORNEY

_____

to

Board of Managers of Polaris Condominium

and

SANFORD 147 DEVELOPMENT LLC
Unit ___

32-58 105th street
East Elmhurst, New York 11368
Block ___
Lot __
County of Queens

Record and Return to:

Moritt Hock & Hamroff LLP
1407 Broadway, 39th Floor
New York, New York 10018

DEED

THIS INDENTURE made the day of , 20__ between SANFORD 147 DEVELOPMENT LLC, a New York Limited Liability Company, having a place of business at 133-47 Sanford Avenue, Suite C1E, Flushing, New York 11355 Party of the First Part and

Party of the Second Part;

WITNESSETH

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 "Residential Unit") in Queens County, City and State of New York, known as Residential Unit No. _____ together with Parking Space Unit ___ (if applicable) in the Condominium known as Polaris Condominium, said Residential Unit designated and described as Residential Unit No. ___ and said Parking Space Unit designated and described as Parking Space Unit No. ___ (if applicable), 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, Queens County (the "Register's Office") on _____in Reel _____page _____ and also designated as Tax Lot _____ in Block _____ of Section ____ of Queens 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. _____.

TOGETHER with an undivided _____% (combined Residential and Parking Space Units, if applicable) interest in the Common Elements.

The premises within which the Residential Unit is located are more particularly described as follows:

(PROPERTY DESCRIPTION)

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, Queens County, which provisions, together with any amendments thereto shall bind any person having at any time any interest or estate in the Residential Unit, as though such provisions were recited at length herein.

SUBJECT TO the Primary Residence Requirement of § 421-a(16) of the New York State Real Property Tax Law and/or Chapter 51 of Title 28 of the Rules of the City of New York, which states that, during the Restriction Period, which commences on the Completion Date and expires on the 35th anniversary of the Completion Date, each owner of any dwelling unit in the Condominium shall agree, in writing, to maintain such unit as their primary residence for no less than five years from the acquisition of such unit. All capitalized terms used in this paragraph shall have the meaning set forth in § 421-a(16) of the New York State Real Property Tax Law and/or Chapter 51 of Title 28 of the Rules of the City of New York.

SUBJECT TO the Party of the Second Part 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").

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 Residential Unit is intended is that of a one family residence or non-residential use, subject to the applicable governmental regulations and the restrictions contained in the Declaration.

The use for which the Parking Space Unit is intended is that of a parking space for automobiles, subject to the applicable governmental regulations and the restrictions contained in the Declaration.

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 and the Party of the Second Part has duly assumed the mortgage therein referred to, the day and year first above written.

SANFORD 147 DEVELOPMENT 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

September 8, 2021

DESCRIPTION OF THE PROPERTY (THE REPORT)
POLARIS CONDOMINIUM
32-58 105TH STREET
CORONA, NY 11368

Report prepared by: **CHANG HWA TAN, RA**
TAN ARCHITECT P.C.
194-02 NORTHERN BLVD.
SUITE# 205
AUBURNDALE, NY 11358

IN ACCORDANCE WITH PLANS AND SPECIFICATIONS AND OTHER INFORMATION SUPPLIED BY THE SPONSOR AND HIS CONSULTANTS.

SCHEDULE G

Architectural report for the structure to be known as POLARIS CONDOMINIUM located at 32-58 105th Street in Borough of Queens County and State Of New York. The plans have been filed and approved by the Department of Buildings under the application number 421573997.

This property and its proposed use will comply with all zoning and use requirements and the Certificate of Occupancy will be presented at closing.

20.7(a) Location and Use of Property:

(1) The address of the property is 32-58 105th Street, Corona, NY 11368 in Borough of Queens County;
(2) The condominium is located in block #1699 lot #32;
(3) Zoning District is C2-4 in R6A, part in R4 Districts, Map 10b of the New York City Zoning Resolution dated 1961 as amended on May 2001. The property and proposed use will comply with all zoning and use requirements at closing;
(4) The New York City Zoning Resolution, as per section 22-12 permits Use Group 3, 4, 6 and 2 Residential Uses as-of-right. The "Quality Housing Program" provision of the resolution has been utilized. 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, mandates special refuse storage and disposal systems, the recreation and planting component, and encourages laundry facilities and daylight in corridors. The safety and security component encourages fewer dwelling units per corridor. The parking component screens accessory parking spaces from the public realm. This building is designed in compliance with quality housing program where daylight and density of corridor deduction is utilized, refuse room and recreation facilities is provided.

20.7(b) Status of Construction:

(1) The building construction is completed;

(2) The building complies with section BC 601 of the 2014 Building Code of the City of New York for Type 1B construction class. The exterior walls, exit ways, shafts, structural members, floors and roofs are constructed of noncombustible materials having assemblies as specified on Building Code. The structural framing, load bearing exterior walls, interior load bearing walls, the floor construction, the unit demising walls and stair enclosures are of 2-hour fire ratings. The non-load bearing exterior walls, the roof construction and interior non-load bearing walls are of 1-hour fire ratings.

(3) It is anticipated that the Final Certificate of Occupancy will be issued by December 31, 2021. This property and its proposed use will comply with all zoning and use requirements and the Final Certificate of Occupancy will be presented at closing. Condominium commencement is anticipated January 1, 2022.

(4) The building was built under NB application permit number 421573997-01-NB. The proposed building consists of (34) thirty-four residential units located on first to seventh floor. There are (4) four commercial units and (1) one community facility unit designed and located on first floor. The first floor rear yard is where the car ramp located for parking in cellar. There are (9) parking spaces located in this ground floor rear yard area. The cellar used for parking of (22) twenty-two cars; including two spaces are used for people with disabilities. The total parking spaces provided for the building is (31) thirty-one spaces. The zoning resolutions required (17) seventeen parking spaces for residential uses only. The cellar also consists of accessory bike storage for bicycles, tenant storage room, refuse compactor room and utility rooms.

20.7(c) The Site:

(1) The land is located on the North side of Northern Blvd. and West side of 105th Street, a corner lot. The land and premises:

Beginning at the point on the West side of 105th Street distance 0 feet of the corner formed by the intersection of Northern Blvd. and 105th Street running thence West 100.435'
Thence in North 128.35'
Thence in East 100.00'
Thence South 137.32' to the point of beginning
The lot area is 13,283.62 square feet as per survey by NY Land Surveyor PC.

(2) This building proposed is a seven-story high low-rise. The building is a mixed-use consists of residential, commercial and community facility.

(3) The Street, Northern Blvd., fronting the lot owned and maintained by the City of New York. The Northern Blvd. street width is 100 feet wide and it is a two-way traffic wide street. The 105th Street on the other hand, is 50 feet wide of one-way traffic. The roadway pavements are composed of asphalt and is in fair condition. The existing sidewalk and curb fronting the property will be new poured concrete pavement as directed by Department of Transportation of City of New York. Under current approved builders paving plan.

(4) Drives, sidewalks and ramps;

i. The driveway on north side rear yard of building is serving the cellar floor garage parking. The driveway is constructed of reinforced cast-in-place structure concrete and the surface of concrete is done with bloom sweep finish.

ii. The sidewalk and curb cut is of new concrete pavement slopes away from the building providing positive storm drainage to the roadway.

iii. There is cast iron grating concrete catch basin located at the intersection of Northern Blvd. and 105th Street. The cast iron grating concrete catch basin is in fair condition and maintained by The City of New York.

iv. There are utility poles with street lighting on Northern Blvd. and 105th Street (located at the sidewalks intersection of property and sidewalks) provides sufficient illumination to public safety. The street light is of low pressure sodium type. In addition to the lighting provided by the City, there are outdoor lighting fixtures installed on the building to illuminate the entrances and walks.

v. There is one existing fire hydrant located at sidewalk approximately 28'-6" west of the property on Northern Blvd. All the above complies with local fire district, NYC building codes.

20.7(d) Utilities:

Water: Water is furnished by the City of New York Water Distribution System and is obligated to the condominium owners in common. One common water meter is provided for the building. The Sponsor reserves the right to install sub-metered and the condominium board will bill each unit accordingly.

Sewer: The entire sanitary waste will be discharged from the building to an existing 12" combined sewer system in 105th Street, currently maintained by New York City Department of Environmental Protection. The entire storm water drainage will be controlled flow by means of roof and tank detention facilities and control flow devices, discharged from the building to the existing 12" combined sewer system in 105th Street.

Gas: Natural gas service will be provided by National Grid Delivery Company. Natural gas service is metered for cooking purposes and domestic hot water use. There is one (1) common gas meters total in the building. The gas meter is located in the cellar meter room. The gas piping is to be threaded black iron. The 5" high pressure gas service piping is to be threaded black iron.

Electricity: Electric service is provided by the Consolidated Edison Company of New York and is individually metered to each condominium unit. A separate electric meter is provided for common spaces.

Telephone: Verizon Company will provide telephone service on an individual basis to each condominium unit.

20.7(e) Sub-soil Conditions:

Sub-soil bearing capacity has been tested and reported by Regional Testing Corp. In general, all soils below the fill (class 7), medium fine brown sand to trace of little gravel, trace of silt, blown below the

surface elevation at the boring location, or proximity, will satisfactorily support foundation loads of 3 tons per square foot, blown at depth of approximately 10 to 37 feet below curb level. The proposed development qualifies as Structural Occupancy Category I class "D". The building foundation system is accurately sized to support the calculated load. Ground water was encountered at sixty-seven feet below ground surface. There is no evidence of ground water infiltration through the foundation walls and little, if any, indicates no visible streams or natural watercourses in the property. There is no apparent danger of flooding due to the water table or from any other bodies of water. The ground surface of the site is stable. Preventing water intrusion and condensation in areas of a building that must remain dry with waterproofing membrane on foundation walls and heavy-duty vapor barrier installed under the concrete slab. This property is located in FEMA zone "X"; areas outside the 1-percent annual chance of floodplain. The building has moisture protection system installed to prevent ground infiltration. There is no environmental restriction present on the property.

20.7(f) Landscaping and Enclosures:

The proposed building is occupying the entire site at cellar level. There is no open area at front or sides of the property. The rear yard is open used for parking and car ramp to parking in cellar. There is 6'-0" high chain-link screening fencing provided at the side yard abutting the neighboring properties on the west. There is no provision for fencing and gate at front of first floor driveway entrance. Sidewalks will be 5" thick newly paved concrete located in the front of the building both streets. There are total of (10) ten street trees required to be planted as per zoning resolutions. The sponsor will pay for the required (10) ten street trees to the tree funds where, the Park Department will plant (6) six street trees on site and (4) four street trees off site. The is no garden walls and retaining walls for this project.

20.7(g) Building size and height:

The proposed building built on front property lines along Northern Blvd. and 105th Street. The building is designed in a L-shaped form approximately 99'-10" wide by 45'-0" deep on the widest part on the west wing.

(1) Total height:
The total building height measured from the base plane to the main roof is 69'-0".
(2) Crawl spaces: Not applicable.
(3) Number of sub-cellars and cellars:
There is a cellar.
(4) Number of floors:
The building is (7) seven stories high with a cellar.
(5) Equipment rooms:
The roof has bulkheads and elevator control room. The equipment rooms in cellar are refuse compactor room, gas meter room, water/sprinkler meter room, fire pump room, electric meter room and bike storage room.
(6) Parapet:
The parapet wall is constructed of concrete masonry unit (CMU) with a height of 3'-6" minimum above the finished roof.

The following are floor to ceiling heights:

Cellar	8'-6"
First Floor	10'-0"
Second Floor	8'-6"
Third Floor	8'-6"
Fourth Floor	8'-6"
Fifth Floor	8'-6"
Sixth Floor	8'-6"
Seventh Floor	8'-6"

20.7(h) Structural System:

The structural system for the building is classified as non-combustible construction. This type of structure has super structure columns and shear walls built with cast-in-place concrete of non-

combustible materials. The floors and roofs are constructed of cast-in-place concrete non-combustible materials and 2-hour rated assemblies as specified by the New York City Department of buildings requirements.

The foundation consists of 18", 24" and 36" thick cast-in-place concrete spread footings, 12 and 18 inches thick reinforced cast-in-place concrete foundation walls.
The interior bearing walls consist of minimum of 8 or 10-inches cast-in-place concrete shear walls. There are no special sound insulation provisions made for the building in the exterior wall. The 8" thick cast-in-place concrete floor structure has good noise impact protection and no impact noise insulation provision is required. The 8" concrete floor at residential units has noise impact rating of at least 50 with floor finishes. There is no sub-grade drainage system provided of the building. The ground water is encountered at sixty-seven feet below ground surface. There is no evidence of ground water infiltration through the foundation walls. The foundation walls and spread footing is waterproofed with waterproofing membrane all around and water stop seal at all concrete connections.

(1) Exterior of Buildings:

(i) Walls: The exterior front south and east walls, west side and rear north walls, and walls on roof will be constructed of cavity light weight cold-form steel with aluminum panels system. The wall assemblies consist of aluminum panels on waterproofing membrane over R-13 rigid insulation, 5/8" thick sheathing, 6" heavy gauge steel studs framing with R-21 batt insulation in between stud cavity and 2-layers of gypsum board interior finish. There is air space provided behind the panels that will allow any water penetration into the wall to be drained out with weep holes at joints. All exterior walls have fire rating of 2-hour. The administrative code of the City of New York, in accordance with Local Law 11 of 1998 in relation to Façade Inspection Safety Program (FISP) of the exterior walls of buildings greater than six stories in height, in order to maintain a building's exterior walls and appurtenances thereof in a safe condition shall be conducted at least once every five years. This project cycle falls on Cycle 9, commenced on February 21, 2020, and will run through February 20, 2025.

(ii) Windows: All windows will be casement double insulated glass in aluminum frame with vinyl insects' screen. The windows are caulked from the exterior weather with GE silicon caulking with backer rods. The air infiltration level will be kept to the minimum. The ability to stand cold weather will be adequate in terms of ambient in the Borough of Queens, per minimum requirements of the New York City Energy Conservation Code. The windows are manufactured by Hopo Inc. A one-year material warranty is provided by the manufacturer of windows. The window sills are of aluminum. There is no lot line window in this project. There is no lintel required since the window heads framed with cold formed steel. The commercial storefront windows are made of anodized aluminum frame with 1" thermal barrier glass with integral weather stripping. The storefront windows are manufactured by Hopo Inc. The thermal break system is provided for all windows including store front windows.

* As a Special Risk, the purchasers of condominium are obligated to install child safety window guards which is made of aluminum.

a. Test results of window and door air infiltration:

Paragraph No.	Title of Test	Measured	Allowed
	Air infiltration		
	0.56 PSF (15 mph)	0.10 CFM/FT	----------
	1.57 PSF (25 mph)	0.22 CFM/FT	0.37 CFM/FT

Note on Air infiltration: With the window and door sash and ventilators closed and locked, test unit in accordance with ASTM E-283 at static air pressure difference of 1.57 psf

b. Test results of water resistance:

Paragraph No.	Title of Test	Measured	Allowed
	Water Resistance 5.0 GPH/SF WTP=3.0 PSF	No Entry	No Entry

Note on Water Resistance:

1. With the window and door sash and ventilators closed and locked, test unit in accordance with ASTM E-331 at static air pressure difference of 10 psf.
2. There shall be no water leakage as defined in ASTM E-331 at this specified static air pressure difference to meet the performance requirement
3. Test shall be completed with and without exterior applied screens.

Condensation Resistance Factor (CRF) (moisture seepage)

1. With window and door sash and ventilators closed and locked, test unit in accordance with AAMA 1502.7 using test size of 4'0" by 6'0" and framing configurations specified in the AAMA specification standards.
2. Condensation Resistance Factor (CRF) shall not be less than 50.

(iii) Landmark status: Not applicable.

(2) Parapets and Copings:

The parapet wall is constructed of reinforced concrete masonry unit (CMU) with a height of 3'-6" minimum above the finished roof. The coping is made of aluminum.

(3) Chimney and Caps:

The hot water heaters exhaust flue will be 10" diameter type 'B' metal-bestos doubled lined wall flue installed above boiler room on second through fifth floors. There will be a steel anti-down draft cap installed at the top of the flue pipes.

(4) Balconies and Terraces:

There are balconies for each residential unit on third to seventh floors besides second floor of the building. The balconies are constructed of reinforced cast-in-place concrete. The balconies floor is finished with anti-slip exterior grade tiles. The balconies floor slopes away from the building providing positive storm drainage and a perimeter edge drip groove is to be provided.

There are private terraces designed on second and sixth floor adjacent to condominium units of the building. The roof terraces are the limited common element of the condominium unit adjacent to it. The second floor terraces in between Unit-A, Unit-B and Unit-H terraces is divided with 4'-0" high vinyl fencing. All private terraces floor slope to an anti-trip floor drain and pipe to a storm drainage system on site. The private terraces will be allocated as an accessory to residential space in the Certificate of Occupancy. The purchaser cannot obstacles fire department access path.

(i) Deck finish: The decks of private terraces are finished with composite decking on raised floor pedestal systems. The decks direct laid over the roof on protection board. The roof manufacturer will retain the roof warranty if the surface finishes is installed above the roofing surface without contact per agreement. The private roof terrace is appropriate for daily foot traffic.
(ii) Balustrade: The balconies guard railing is made of tempered glass panels.
(iii) Railings: The railings are 42" high stainless steel both vertical and horizontal members;
(iv) Copings: The parapet copings of terraces are made of aluminum.
(v) Soffits: The soffit under the balconies is finished with cement stucco and painted.

(vi) Doors to balconies and terraces: The balconies doors are swing type double insulated glass in aluminum frame. The private terraces doors are either swing type or sliding type double insulated glass in aluminum frame. The doors are caulked from the exterior weather with GE silicon caulking with backer rods. The air infiltration level will be kept to the minimum. The ability to stand the cold weather will be adequate in terms of ambient in the Borough of Queens, per minimum requirements of the New York City Energy Conservation Code. The doors are manufactured by Hopo Inc. A one-year material warranty is provided by the manufacturer of doors.

(5) Exterior Entrances:

(i) Exterior doors and frames: The main residential entrance doors are of anodized aluminum frame and 1" thermal barrier glass with integral weather stripping. There is a pair of entrance door for each commercial and Community facility unit. Two commercial units also have a rear entrance door from the rear yard parking areas. There is one exit door from second means egress stair to side rear yard areas. All exterior entrance doors are made of anodized aluminum frame with 1" thermal barrier glass with integral weather stripping. All entrance doors are to comply with zoning resolutions and New York City Energy Code. All entrance doors, vestibule doors and frames are manufactured by Hopo Inc. The doors are fitted with keyed cylinder lock set.

(ii) Vestibule doors and frames: The inner vestibule doors are the same type as the front entrance doors and is fitted with an entry cylinder lock with electric door release.

(iii) Exterior stairs: There is an exterior stair provided egress for cellar floor garage in rear yard to street. The stair is constructed of cast-in-place concrete with steel handrail on both sides.

(iv) Railings: The railing of the exterior stair is made of steel frame and tempered glass panels. The handrails are made of 1-1/2" diameter steel tube installed at 33" above the finished steps.

(v) Mail boxes: U.S. postal service approved type mailboxes will be provided for each unit, in entry lobby at first floor level. The Mailboxes is manufactured by Salsbury model# WL3506. The mail boxes are made of heavy gauge aluminum with natural aluminum satin finish.

(vi) Lighting: The front entrance of building facade is illuminated by seven wall mounted weatherproof compact LED light fixtures, which give illumination of at least two foot candles and are operated by a timer.

(6) Service entrances: There is no service entrance in the building.

(7) Roof and Roof structures:

(i) The main roof and fifth floor roof of the building is flat. The flat roof is constructed of 8" reinforced cast-in-place concrete with an average of 6" thick R-23.6 rigid insulation, a base sheet and roofing material is single-ply EPDM roofing. The roof over second, sixth and seventh floor is flat and used as private terraces for units adjacent to it and outdoor recreation area. There will be composite decking built over those roofing raised with the pedestal systems.

a. Material: The product of roofing is manufactured by Firestone Inc. RubberGard EPDM. All roof penetrations (e.g. vent stacks, vents, structural framing for ducts and fans) will be flashed with aluminum cap and base flashing where necessary. All the roofs are pitched to permit storm water to flow towards the roof drains. Storm water will drain without ponding.

b. Insulation: The roof will be insulated with rigid insulation having an average "R" factor of 23.6 is compliant with New York City Energy Conservation Code.

c. Surface finish: The roof surface will be finished with silver color roofing paint.

d. Bond or guarantee: Firestone will provide 15-year manufacturer warranty of material and labor to the roof. As such, premature deterioration & re-placement of the roof membrane may be anticipated and therefore should be budgeted for. The sponsor warrants the roofing surface for one year with respect to defects and failure of the roof

surfacing performed in a skillful manner. The warrantee period shall begin on the date of conveyance of title to the first unit.

e. Flashing materials including counter flashing: The flashing and counter flashing is made of aluminum.

f. There will be no rooftop antennae, cell phone towers, satellite dishes and lighting protection equipment presence on the building.

(ii) Drains: There are four (4) 4" cast iron roof drains with controlled flow strainers on main roof for drainage. There are two (2) 4" cast iron roof drains with controlled flow strainers on second, fifth, sixth and seventh floors roof for drainage. The secondary roof drains are provided for protection of each roof. The roof maintenance is required for unit owner that own the roof terraces above the residential or commercial units, says to prevent any roof drains leakage. Unit owners are obligated to maintain, repair, and replace physical assets designated as within the boundaries of the Unit or Limited Common Elements such as private roof terraces.

(iii) Skylights: There is a 20 square-feet skylight with vent provided in each stair on roof. The skylight is made of galvanized steel with plain glass, manufactured by B&B Metal Inc. There is wire screen installed over and under the skylights per code.

(iv) Bulkheads: There are stair bulkheads required for the building where the roof pitched less than 20 degrees as per New York City building code. The stair, elevator, elevator control room bulkheads are enclosed partially with cast-in-place concrete shear walls, 2-hour rated stud wall assemblies surface is finished with aluminum panel system. The sub-structure of bulkhead roofs consists of 8" reinforced cast-in-place concrete flat slab and R-23.6 rigid insulation with single-ply EPDM roofing.

(v) Metalwork at roof levels: There are structural steel metalwork framing done for supporting the condensing units and ERV unit on roof. All the roof fans, boiler flues and gooseneck exhaust vent ducts are made of galvanized steel with rain caps. All steel framing and railing are painted finish with 2-coats of corrosive resistance enamel paint. There is no roof hatch for this project.

(vi) Rooftop facilities: The rooftop access is designed in compliance with 2014 NYC Fire code, Section FC 504.4 (Rooftop Access). (Note: applies to buildings 100' or less in height with flat roofs; for each 12 linear feet of street frontage along roof provide 6'x6' roof perimeter landing, requires 6' wide and 9' high clear path front to back and side to side; fence shall have 3' gate secured by lock/chain cut by bolt cutters; if 2 roof levels that are 6' to 16' in height difference provide ladder; 6' clearance at doors and 3' clearance at ladders, bulkhead would generally need not comply.) The rooftop facilities are in compliance per code as shown on roof plan. Refer to section 20.7(t) Recreation Facilities for information regarding outdoor recreation space on seventh floor. The occupants cannot obstacles fire department access path. There is no furniture or equipment is being provided by the Sponsor. The private roof terraces on second and sixth floor comply with NYC Department of Buildings (DOB) Buildings Bulletin 2018-002. The rooftop and/or terrace is indicated on the PW-1A form the same way other floors are indicated so that the information will be reflected on the Certificate of Occupancy. Refer to section 20.7(h)(4) for private terraces finish materials and roof warranty. The common roof is unoccupied rooftop space.

(8) Fire escapes: There is no fire escape in the building.

(9) Yards and Courts:

The building has rear yards use for parking and driveway. The perimeter of rear yard is installed with screening fencing.
The rear yard is open for building parking access and egress. There is no court proposed.

(10) Interior Stairs:

(i) Number of stair of each type: There is a pair of interior scissor stairs for the building per codes. The cellar floor has installed a second means egress open stair exit out to street from side rear yards.
(ii) Enclosure: The partition walls of scissor stairs are constructed of reinforced cast-in-place concrete shear wall on two sides and CMU walls on the other sides from cellar to first floor. There is portion of stair enclosure on first to roof, also, the demising partition between the two stairs are constructed of metal studs covered with two layers of 5/8" type 'X' fire coded gypsum board on both sides. The partition walls are 2-hour fire rating and having a STC rating of 50.
(iii) Stair construction: The scissor stairs are constructed of reinforced cast-in-place concrete. The stairs are in compliance with New York City Buildings Code.
(iv) Stringers: The stringers are constructed of reinforced cast-in-place concrete.
(v) Treads: Painted cast-in-place concrete with slip resistant abrasive.
(vi) Risers: Painted cast-in-place concrete.
(vii) Guardrails: The handrails are constructed of 1 ½ diameter round metal tubing installed at 2'-10" high above finished steps and to be finished with paint.
(viii) There are open riser steel spiral stairs in the (3) three sixth floor duplex units. The handrails is made of steel and installed at 33 inches above the treads.

(11) Interior Doors and Frames:

(i) Unit entrance and interior doors and frames: The apartment entrances are made of fireproofed steel doors having a minimum fire rating of one and one-half hour, and with self-closing devices. All unit interior room doors are to be swing type with two-panel solid core wood. All the closet doors are either swinging type or sliding type; two-panel solid core wood. The laundry closets are swing type Masonite doors. All frames are to be made of wood.
(ii) Corridor doors and frames: The refuse chute, bike storage and boiler rooms have fireproofed steel doors having a minimum fire rating of one and one-half hour, and with self-closing devices. All door frames are made of 16 gage steel.
(iii) Stair hall doors and frames: The stair hall on every floor has fireproofed steel doors having a minimum fire rating of one and one-half hour, and with self-closing devices. All door frames are made of 16 gage steel.
(iv) Roof doors, basement doors and frames: The roof bulkhead stair, hot water heater room, elevator vestibule and elevator control room doors are made of fireproofed steel having a minimum fire rating of one and one-half hour, with self-closing devices and fitted with weather stripping. The garage entrance, meters rooms, storage room, refuse compactor room and bike room doors in cellar are made of fireproofed steel having a minimum fire rating of one and one-half hour, with self-closing devices. All door frames are made of 16 gage steel. The accessory fitness room in cellar has a storefront type window and door in which is made of aluminum frame and tempered glass per building code rating.

(12) Elevator:

(i) Number of passenger and service elevator: There is a passenger elevator provided. No service elevator in the building.
(ii) Manufacturer - Kone Inc.
Capacity - 3500 lbs. at speed of approximately 200 feet per minute.
Number of passenger - (18) eighteen persons
(iii) Passenger class
(iv) Control-Micro-Processor - KCM831 W/KDL16S-28A
(v) Number of Stops: (8) eight, from cellar, 1, 2, 3, 4, 5, 6 & 7
(vi) Gearless Type
(vii) Type of doors - Single Slide steel door
(viii) Location of machine rooms: The elevator control room is located next to the elevator shaft on the roof.
(ix) DC Motor: Not applicable
(x) AC Motor: Generator set by Kone

The Smoke detector alarm installed in the elevator shaft area shall detect fire hazard condition. In the case of fire, the said detector, through the control circuitry and relays, shall cause the elevator cabin to return to the ground floor

(13) Elevator Cabs:

Finishes of cabs by Kone
-wall – Laminate, color Kensington Maple
-floor - Ceramic tile
-ceiling - Brushed stainless
-lighting - LED lighting installed above ceiling panels
The Smoke detector alarm installed in the elevator shaft area shall detect fire hazard condition. In the case of fire, the said detector, through the control circuitry and relays, shall cause the elevator cabin to return to the ground floor.

20.7(i) Auxiliary Facilities:

(1) Laundry Facilities: No laundry room provided. Each unit has a laundry closet with stacked-up washer and dryer equipment. The cloth dryers are electric condenser units, which is vent less.

(2) Refuse Disposal Room: The building has a compactor room in the cellar with refuse compactor machine. Floors first through seventh consists of an intake door and chute for unit owners to discard their refuse directly into the compactor machine. The compacted refuse will be deposited at the proper location and on scheduled days for pick up by the New York City Department of Sanitation. The trash compactor machine provided manufactured by Eastern Metal & Supply, Model ME4000-M with a 150 cubic yard capacity. The compactor is subjected to change. The compactor manufacturer will provide warranty for a year.

(3) Bike storage: There are total of (17) seventeen bicycle racks provided in the bike rooms. There is a bike room contain (7) seven bicycle racks in cellar floor. There are (2) two bike rooms contain (5) five bicycle racks each located in third and fourth floors. The walls of bike storage room in cellar is of CMU walls with fireproof self-closing steel doors for security. The bike rooms walls in third and fourth floors constructed with 2-hour rated gypsum drywalls with security sheet metal built-in. The bike racks provided are Grid type single sided power coated steel rack. The individual bike owner will received access keys to the bike room. The individual bike owner will lock his or her own bike on the rack with special bike lock for security.

(4) Package Room: There is no package room provided. The oversize mail boxes will be provided.

(5) Tenant storage Room: There are two tenant storage rooms for commercial units located on cellar floor; one storage room is located on southeast corner, which is approximately 684.0 square-feet of floor area. The second storage room is located on northeast corner, which is approximately 415.0 square-feet of floor area. The storage spaces walls constructed of cast-in-place concrete and CMU. Each space has a lockable steel door for security.

20.7(j) Plumbing and Drainage:

1) Water Supply: Domestic water supplied by 3" domestic ductile iron services pipe from the 8" city water main in 105th Street. The material of water piping within the residential condo units is copper. Hot water piping is to be insulated with ½" owens-corning fiberglass low pressure pipe insulation 7-1/4 pounds per cubic foot density with a maximum K factor of 0.24 at 75 feet. The main shut-off valve is located in the water/sprinkler room in the cellar.

2) Fire protection system: The fire-sprinkler water service supplied by 4" ductile iron pipe from the 8" city water main in 105th Street. The building is fully sprinklered from the cellar to roof as required by New York City Building Code. The sprinkler head is an approved type, the style is sidewall, upright, pendent and concealed heads. All pipes, fittings, elbows meet the requirements of A.S.T.M code. The sprinkler system shall consist of cast iron piping, wet pipe, dry pipe, dry pipe compressors, Fire pump and domestic water booster pump located in the water/sprinkler room. The manufacturer of fire pump is

AC Fire Pump model# 1580 Series. There is flush type Siamese connection installed on exterior wall fronting the 105th Street approximately 14'-0" from the corner of the building due north. Water usage is billed according to a water meter. There is no standpipes required in the building.

3) Water storage tank: Not applicable.

4) Water pressure and how maintained: The water pressure at street hydrant is average 45 pounds per square inch. The water pressure is maintained with a duplex booster pump provided. The manufacturer of booster pump is Federal Pump Corp, Model #SP-4030-2. The pump manufacturer will provide a three year limited warranty for material and workmanship.

5) Sanitary Sewage System: The sanitary house line, house trap, and house sewer of first floor through seventh floors connected by gravity with 6" cast iron pipe to 12" city combined sewer on 105th Street. The cellar floor sanitary line pipes to duplex sewage ejector pumps installed in water/sprinkler room, connected to 6" cast iron pipe after the house trap to 12" city combined sewer on 105th Street. The manufacturer of sewage ejector pump is Federal Pump Corp, Model #VSA-4F-1.5-4. The pump manufacturer will provide a one year limited warranty for materials and labor.

6) Plumber's Affidavit and Permit: Plumbing Permit# 421573997-03-PL and obtained in 01/09/2019. Sprinkler permit no. 4PL005427-03-EW SP and obtained in 01/09/2019.

7) Storm Drainage System: The storm drainage systems of the building controlled by means of roof detention and detention facilities approved by NYC Department of Environment. All the roof drains shall be cast iron with controlled weir of gravity flow through cast iron pipes to storm detention tank located in cellar under driveway, and gravitational flow to 12" combined sewer on 105th Street. There are (4) four double 4" roof drains on main roof. The private terraces are provided with (2) two 4" roof drains each areas. The roof over cellar structure at rear yards is provided with (2) two 4" area drains. There are (2) two catch basins located at the intersection of 105th Street and Northern Blvd. The cast iron grating concrete catch basins are in fair condition and maintained by The City of New York. There is sump pump provided for the elevator pits to ensure a proper drainage if there ever a flood occurred in the cellar where it is the lowest point among the floor. The manufacturer of sump pump is Little Giant, Model #511348 SWN-50-AS automatic with oil minder. The pump manufacturer will provide a three year limited warranty for materials and labor.

20.7(k) Heating System:

1) All the residential units Heating System are provided with multi-split systems heat pump with air handler install on walls and condenser install on roof and balconies. The systems are 10,900, 22,000, 25,000 and 45,000BTU condenser manufactured by "Mitsubishi", model# MUZ-GL09NA-U1, MXZ-2C20NAHZ2, MXZ-3C24NAHZ2 & MXZ-4C36NAHZ provided for unit apartment. The condensing unit is mounted on the steel framing with sound isolators installed on the balconies slab of the building. The heating system ability to maintain legally required conditions under anticipated weather conditions. The indoor design temperature will be a minimum of 78 degrees F for cooling. The outdoor design temperature will be winter design dry bulb temperature of (47) degrees F. There are total of 35 condenser units for all residential condominium units. The energy efficiency rating of equipment is 24.6, 17.0, 19.0 7&19.1 SEER. The manufacturer provides 5 year parts warranty and doesn't cover labor. The heating control is with digital remote control in each individual room. The heating system is electric heat pump air handler and no insulation in needed.

2) The commercial and community facility units Heating System provided with three or four electric space heaters installed in ceiling. The systems are 4,000 and 5,000 watts manufactured by "Indeeco", model# UCI 926U04000CA, UCI 926U05000CA. The heating systems are normally designed to maintain an ambient temperature of 70 Fahrenheit degrees when the outdoor temperature is (47) Fahrenheit degrees and a fifteen-MPH wind are blowing. There are 16 electric space heaters in commercial units.

3) There are miscellaneous electric baseboard heaters used in the common area; lobby, hallways, stair and bulkhead. The electric unit heaters manufactured by Qmark with nominal heating capacity of 750, 1000, 1250 & 1500 watts. There are total of 30 unit heaters for common areas. The cellar

water/sprinkler meter room and fire pump room receives two electric space heaters installed in ceiling. The systems are 1,500 watts manufactured by "Indeeco", model# UCI 926U02000CA.

4) Domestic hot water heater: The hot water will be supplied to each residential unit with (5) five 60 Gallons common gas fired hot water heaters installed in the hot water heater rooms on second and fifth floor level. The Hot Water Heaters manufactured by A.O. Smith, model number BTH-120 Mxi with a 120 MBTU input. The energy efficiency rating of equipment is 95%. Each commercial unit is provided a hot water heater located within the unit on first floor. The Hot Water Heaters manufactured by A.O. Smith, model number GCR-40 with 40 MBTU input. The energy efficiency rating of equipment is 66%. The community facility units receive an electric tankless water heater located under the lavatory of the toilet rooms. The electric Hot Water Heater made by Eemax Inc., model number SP48SL. The energy efficiency rating of equipment is 99%. The maintenance of the Hot Water Heater equipment will be the responsibility of the unit owner. A.O. Smith Corporation provides warranties limited to ten (10) years duration for hot water heater or any of its parts.

20.7(l) Gas supply:

The fuel will be natural gas. The gas will be master metered from National Grid with a 4" service pipe used for cooking and hot water of the residential units, hot water of the commercial units. There are (7) seven gas meters located in the cellar of the building. Gas piping will be scheduled 40 steel screwed to malleable iron fittings.

20.7(m) Air Conditioning:

1) All the residential units Cooling System are provided with split systems with air handler install on walls and condenser install on roof and balconies. The split air cooling system installed for each apartment unit are wall hung unit and ceiling concealed two types. The systems are 6,000, 9,000, 12,000 & 11,100BTU air handler and condenser manufactured by "Mitsubishi", model# MUZ-GL09NA-U1, MXZ-2C20NAHZ2, MXZ-3C24NAHZ2 & MXZ-4C36NAHZ provided for unit apartment The condensers are installed on the steel framing mounted on concrete structure slab with sound isolators to prevent noise from reverberating. All other outdoor mounting external metal used are galvanized steel including fasteners are of corrosive resistant. The cooling system ability to maintain legally required conditions under anticipated weather conditions. The indoor design temperature will be a minimum of 78 degrees F for cooling. The outdoor design temperature will be summer design dry bulb temperature of 95 degrees F. There are total of 100 air handlers for all residential units. The energy efficiency rating of equipment is 13.5 & 14.0 EER. The manufacturer provides 5 year parts warranty.

2) The sponsor is not providing cooling system for commercial and community facility units on first floor. The owner of the units is responsible for the cooling System files under the interior renovation application.

20.7(n) Ventilation:

The bathrooms and refuse chute rooms ventilation shall be equipped with vertical ducts in which terminate to the outside air at roof. The residential corridors shall be equipped with make-up air unit and vertical ducts, which terminate to the outside air at roof with an equipment fans. There are (7) seven Kitchenette exhaust fans consist of 780, 1040, 1300 and 1560cfm per stack. There are (11) eleven toilet exhaust vent ducts terminate at outside air in roof with gooseneck. The refuse chute rooms receive an exhaust duct through roof with gooseneck. There are isolation pads installed on roof curbs for each individual exhaust fans installed on the roof. The noise emission rating of ventilation fans is approximately 60dB at high. The garage shall be equipped with make-up air louvered provides ventilation which terminate to the outside air at the sidewalk.

20.7(o) 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. All electrical wiring made of copper. The

building will be provided 5,400 amps, 120/208-volt, three-phase service connected to the main switch panel to be installed in the cellar meter room. There will be total of (40) forty electrical meters for the building in which (1) one for the common areas use. The commercial and community facility units provided with 200-amp capacity service. The residential unit is provided 100-amp capacity service at nominal 120/208V single-phase circuit breaker panel. There will be an average of twelve circuits per apartment. There is one electric panel provided for the public spaces use. Each panel installed has separate fixtures and convenience outlets in accordance with the N.Y.C. Electrical Code including dedicated outlets for air conditioning equipment. The GFCI Receptacles is to be provided in bathrooms, kitchens, balconies and roof areas. The AFCI receptacles are to be provided in bedrooms per codes. There will be no Tamper Resistant Receptacles to be provided in this project.
The lighting fixtures provided in residential units consist of (1) one types of lighting fixture. The living, dining and bedroom LED recess mounted lights by Hampton Bay. The bathroom ceiling lights by Glacier Bay Lighting: recess mounted. The kitchenette recess mounted light by Westinghouse. The balcony lights shall be Hampton Bay Lighting, wall mounted LED. The commercial and community facility units provided with temporary lighting and the individual unit owner will install the lighting with the interior renovation application. There is no provision of power generator for electricity supply during outages in this project.

20.7(p) Intercommunication and/or door signal systems, security closed circuit TV:

There is a video communication intercom system provided, including interlock system, which controls the main entrance from each unit. The intercom system is by "A-phone" model #GF-1C7 or equal with a manufacturer warranty of one year. There will be security closed circuit TV install in the building. There will be cameras installed surrounding the exterior of the building including common areas of the building. The manufacturer of the CCTV is CCTV Camera Pros with a manufacturer warranty of one year. There is FIOS cable TV wiring installed for each condominium unit located in the living and bed rooms. The tenants are responsible for the service of the cable company. There will be no master antennae installed in the building.

20.7(q) Public Area Lighting:

The vestibule, lobbies, corridors, hot water heater room, storage room, bike room, indoor recreation room and refuse chute rooms provided with energy-efficient fluorescent lighting and illumination levels of conforming to the standard requirements. The ceiling lights shall be recess mounted LED by Lithonia Lighting. The stairways consist of energy-efficient fluorescent lighting and illumination levels of conforming to the standard requirements. The lights are made by Lithonia Lighting with emergency ballast. The utility room lights are made by Lithonia Lighting; surface mounted fluorescent lights with wrap around lens. The front entrance and building facade is illuminated by weatherproof compact fluorescent light fixtures, which give an illumination of at least two foot candles and shall be operated by timer. The wall-mounted compact fluorescent light fixtures are made by LPP Lighting. The parking garage and driveway lights are made by Lithonia Lighting; surface mounted fluorescent lights with wrap around lens. All electrical wiring will be installed in accordance with the requirements of the City of New York Electrical Code, Electrical Control Bureau and the New York Board of Fire Underwriters.

20.7(r) Garages and parking areas:

The off-street parking is located in ground floor rear yard and cellar floor. The zoning required off-street parking of (17) seventeen cars for residential uses and none for commercial including community facility of low-density waiver per regulations. There are thirty-one (31) self-parked spaces provided in which nine (9) spaces are located in ground floor rear yard and twenty-two (22) spaces located on cellar garage. There are two (2) spaces for ADA compliance parking. All thirty-one (31) parking spaces are provided for residential units. The driveway ramp is constructed of cast-in-place concrete and the garage floor surface is of exposed brush concrete. The parking stalls are to be striped with traffic yellow paint. The size of parking stalls is 8'-6" wide by 18'-0" each in compliance with section ZR 25-62 of zoning resolutions. A motorized rolled up overhead gate is provided at the parking entrance, in which, the mechanism is controlled by a remote control where there is a reverse safety mechanism built into the systems. There is no restriction per zoning requirements imposed on parking. There are five 4" floor drains and one trench drain located at the foot of the car ramp for garage parking drainage in cellar floor via duplex sump pump systems connect to city combined sewer in street. There are three 4" area drains provided for open parking

on ground floor rear yard. The storm drainage via gravity flow to detention systems located under the car ramps. The garage fire protection is with sprinkler systems installed with dry valve together with compressor. The garage is equipped with an exhaust fan and make up air louvered ventilation which terminate to the outside air at the yard on first floor. The cellar garage exhaust is equipped with an up-blast fan by Greenheck. The parking garages and driveway lighting is manufactured by Lithonia Lighting; surface mounted fluorescent lights with wrap around lens.

20.7(s) Swimming pool: Not applicable.

20.7(t) Recreation Facilities:

There is an accessory indoor recreation room provided in the second floor and an outdoor recreation space provided on seventh floor of the building per quality housing program. The flooring of the accessory indoor recreation room is made of rubber mat. The size of the fitness room is approximately 719.0 sq.-ft. with an occupancy load of 28 persons. The lighting provided in the room is the low energy surface mounted lights. There will be no equipment provided in the room by sponsor. There is 225cfm indoor make-up air unit provided for room ventilation. The manufacturer of equipment is Renewaire SL series. There is sprinkler system provided in recreation room for fire safety. The size of outdoor recreation area is approximately 690.0 sq.-ft. with an occupancy load of 27 persons. The lighting provided for the outdoor space is the low energy wall mounted lights. There will be no equipment provided in the outdoor space by sponsor. The flooring of outdoor space is finished with composite 'Trex' decking on raised floor pedestal systems. The decks laid over the roof directly on protection board. The roof manufacturer retains the roof warranty if the surface finishes is installed above the roofing surface without contact per agreement.

20.7(u) Permits, Inspection:

The following permits listed are required with their respective agencies:
Department of Buildings:
(1) New Building Construction Permit; 10/15/2018 obtained, Permit# 421573997-01-NB
(2) Plumber's Affidavit and Permit; 01/09/2019 obtained, Permit# 421573997-03-PL
(3) Fence Permit; 10/15/2018 obtained, Permit# 421573997-01-EQ-FN
(4) Sprinkler Permit; 01/09/2019 obtained, Permit# 421573997-03-SP
(5) Foundation Permit; 10/15/2018 obtained, Permit# 421573997-01-FO

Department of Highways:
(1) Crosswalk Use Permit;
(2) Roadway Paving Permit;
(3) Sidewalk Paving Permit;
(4) Curb Work Permit;

Department of Environmental Protection:
(1) Sewer Connection Permit;
(2) Department of Water Supply, G.T.E.:
(3) Water Tap Permit;

After the building is in operation; the recurring inspections will be done annually:
(1) The annual elevator inspection; the NYC Administrative Code requires that Category 1 tests of active elevators be performed annually and Category 5 tests every five years. A Category 1 test involves running an elevator to ascertain its condition.
(2) Sprinkler systems; Inspection Testing and Maintenance of Sprinkler Systems Activities in the building required by the NYC Fire Code annually, prior to freezing weather, buildings with wet pipe systems shall be;
(3) The fire alarms will require regular scheduled tests and inspections according to NFPA standards and codes;
(4) Fire doors inspection; 1 Fire door assemblies shall be inspected and tested not less than annually, and a written record of the inspection shall be signed and kept for inspection by the Authority Having Jurisdiction;

(5) The RPZ valve Backflow Preventer inspection.

20.7(v) Violations:

There are Violation exists on this property. The sponsor will cure any outstanding violation prior to closing.

20.7(w) Unit Information for building:

Residential Unit/Room Schedule

	Studio		1-Bedroom		2-Bedroom		3-Bedroom				
	No. of Apts.	No. of Rms.	No. of Apts.	No. of Rms.	No. of Apts.	No. of Rms.	No. of Apts.	No. of Rms.	Total No. of Apt.	Total No. of Rms.	Ceiling height
1st Floor	1	2.5	0	0	0	0	0	0	1	2.5	10'-0" Com'l & Resident'l
2nd Floor	0	0	2	7.0	5	22.5	0	0	7	29.5	8'-4" Residential
3rd Floor	0	0	2	7.0	5	22.5	1	5.5	8	35.0	8'-4" Residential
4th Floor	0	0	2	7.0	5	22.5	1	5.5	8	35.0	8'-4" Residential
5th Floor	0	0	1	3.5	4	18.0	1	5.5	6	27.0	8'-4" Residential
6th Floor	0	0	0	0	4	18.0	0	0	4	18.0	8'-4" Residential
7th Floor	0	0	0	0	Duplex		0	0	Duplex		8'-4" Residential
TOTAL:	**1**	**2.5**	**7**	**24.5**	**23**	**103.5**	**3**	**16.5**	**34**	**147.0**	

(1) For walls and ceilings painting, use Fresh Start Premium Primers and two coats of Premium grade paint.

Local Law 58 (Handicapped Access Law):

This building is designed to comply with NYC Handicapped Access Law. The primary Entrance of the building is accessible by people having physical disabilities with a wheelchair. All usable or adaptable spaces are safe environment for all people having physical disabilities.

20.7(x) (i) Finish Schedule of interior spaces:

Abbreviations:

CONC – Concrete
GWB – Gypsum Wall Board
MRB – Moisture Resistant Board
PNT – Painted
CT – Ceramic Tile
HW – Hard Wood
WCB – Waterproof Cement Board
PT - Porcelain Tile
RM – Rubber Mat

(1) Finish Material Used:
Note: No materials containing asbestos are to be used in this construction:

Use / Location	Sub-Floor	Floor	Walls	Ceiling
Residential Units (1st,2nd,3rd,4th,5th, 6th,7th Floors):				
Living/Dining Room:	CONC.	HW	GWB/PNT	GWB/PNT
Kitchenette:	CONC.	CT	GWB/PNT	GWB/PNT
Bedroom:	CONC.	HW	GWB/PNT	GWB/PNT
Bathroom:	CONC.	CT	CT	GWB/PNT
Closets:	CONC.	HW	GWB/PNT	GWB/PNT
Hallway:	CONC.	HW	GWB/PNT	GWB/PNT

Hard wood floor is of #2 pre-finished Oak 3-1/4" wide by Bruce model# CB1530, installed with ¾" thick plywood underlayment. The manufacturer provides limited products warranty for a year.

(6) Bathroom Fixtures:

Water Closet (for all units)			
Make: Toto	Model: MS854114E	Material: Vitreous china	Color: White
Bath tub (for all units)			
Make: Kohler	Model: K715/K716	Material: Cast Iron	Color: White
Wash Basin (for all units)			
Make: Kohler	Model: K-2209-0	Material: Vitreous China	Color: White

All bathrooms will have the following:

a. Ceramic tile floors;
b. Walls will have ceramic tile full height at all area,
c. Wood veneer cabinets with faucet by GROHE;
d. Medicine cabinet with mirror, towel bar, soap dish at tub and toilet paper holder.

(7) Kitchen Equipment:

Gas Range		
Make: GE	Model: JGR6453EKSS/equivalent	Material: Stainless Steel
Refrigerator		
Make: GE	Model: GDE21ESKSS/equivalent	Material: Stainless Steel
Dishwasher		
Make: GE	Model: GDT655SSJSS/equivalent	Material: Stainless Steel
Washer/Dryer:		
Make: GE	Model: WAT28401UC/equivalent	Material: Stainless Steel
Range Hood:		
Make: GE	Model: KU30PRO1XV / equivalent	Material: Stainless Steel

All kitchen faucets to be Grohe single lever or equal with the pressure balance as per code;
All kitchen sinks to be stainless steel
The sponsor will provide Kitchen cabinets (base and wall cabinets) and culture marble counter tops. Cabinets and tops subject to change; possibly by owner prior to closing.

(8) Community facility toilet:

ADA complying Water Closet			
Make: Crane	Model: 3-154E Hymont	Material: Vitreous china	Color: White

ADA complying Wash Basin			
Make: Crane	Model: Westmont Lavatory I-318	Material: Vitreous china	Color: White

Finish Schedule of spaces other than residential units:

LEVEL	ROOM	SUB-FLOOR	FLOOR	WALLS	CEILING
Residential	Corridors	CONC.	CT	GWB/PNT	GWB/PNT
Floor	Vestibule/Lobby	CONC.	PT	GWB/PNT	GWB/PNT
	Refuse Chute	CONC.	CT	CONC.	GWB/PNT
	Utility/Mech. Rooms	CONC.	CONC.	CONC.	GWB/PNT
	Storage Rooms	CONC.	CONC.	GWB/PNT	GWB/PNT
	Stairs	CONC.	PNT	GWB/PNT	GWB/PNT
	Indoor Recreation Room	CONC	RM	GWB/PNT	GWB/PNT
	Bike Rooms	CONC.	CT	GWB/PNT	GWB/PNT
Commercial/ Community facility	Open Area	CONC.	CONC.	GWB/PNT	GWB/PNT
	Toilet	CONC.	CT	CT	GWB/PNT

20.7(y) Fire or Smoke Alarm and Carbon Monoxide Devices:

There will be minimum one ionization type smoke and carbon monoxide detector hard-wired installed in each bedroom and outside of bedroom areas. There is Fire Alarm system and the fire alarm panels installed in the residential lobby of the building. The manufacturer of the Fire Alarm system is Honeywell FCI, model#GWF7075. The contractor provides one-year warranty on part and labor from the date of beneficial use.

Controlled Inspections: Controlled Inspections performed by Paul Raymond, PE, Regional Testing Corp., located at 1150 Close Ave, Bronx, New York 11472. The company for controlled Inspections is subjected to change.

20.7(z) General information required: See attached condo plans.

20.7(bb) Further Development:

There will be no further development anticipated for this project.
As stated on the cover page of this report, the information contained herein is based upon the architectural construction drawings, shop drawings, physical inspections of site and items noted upon such drawings. All information regarding the structural designed of this project; was furnished to us by Structure Engineer, Grand Millennium Consulting Engineer PLLC.; located at 42 West Street, Ste. 215, Brooklyn, NY 11222.

Upon conversion of condominium, the following documents will transfer to the condominium board:

i. The final As-built drawings;
ii. The operation and maintenance manuals for all mechanical systems;
iii. All specified warranty.

20.7(cc) Asbestos: This is a new building, has no asbestos content.

20.7(dd) Lead-based paint: This is a new building, has no lead-based paint content.

General Comments:
Although the Sponsor intends to use fixtures, appliances, equipment and materials described herewith, it reserves the right to substitute fixtures, appliances, equipment and materials of equal or better quality.

The buildings and site will be constructed in accordance with the New York City Building Code, the Multiple Dwelling Law, the New York City Zoning Resolution and all applicable authorities and in accordance with the plans and applications on file with the Department of Buildings of the City of New York.

As a Special Risk(s):
Balconies/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 against the building being issued by the Buildings Department.

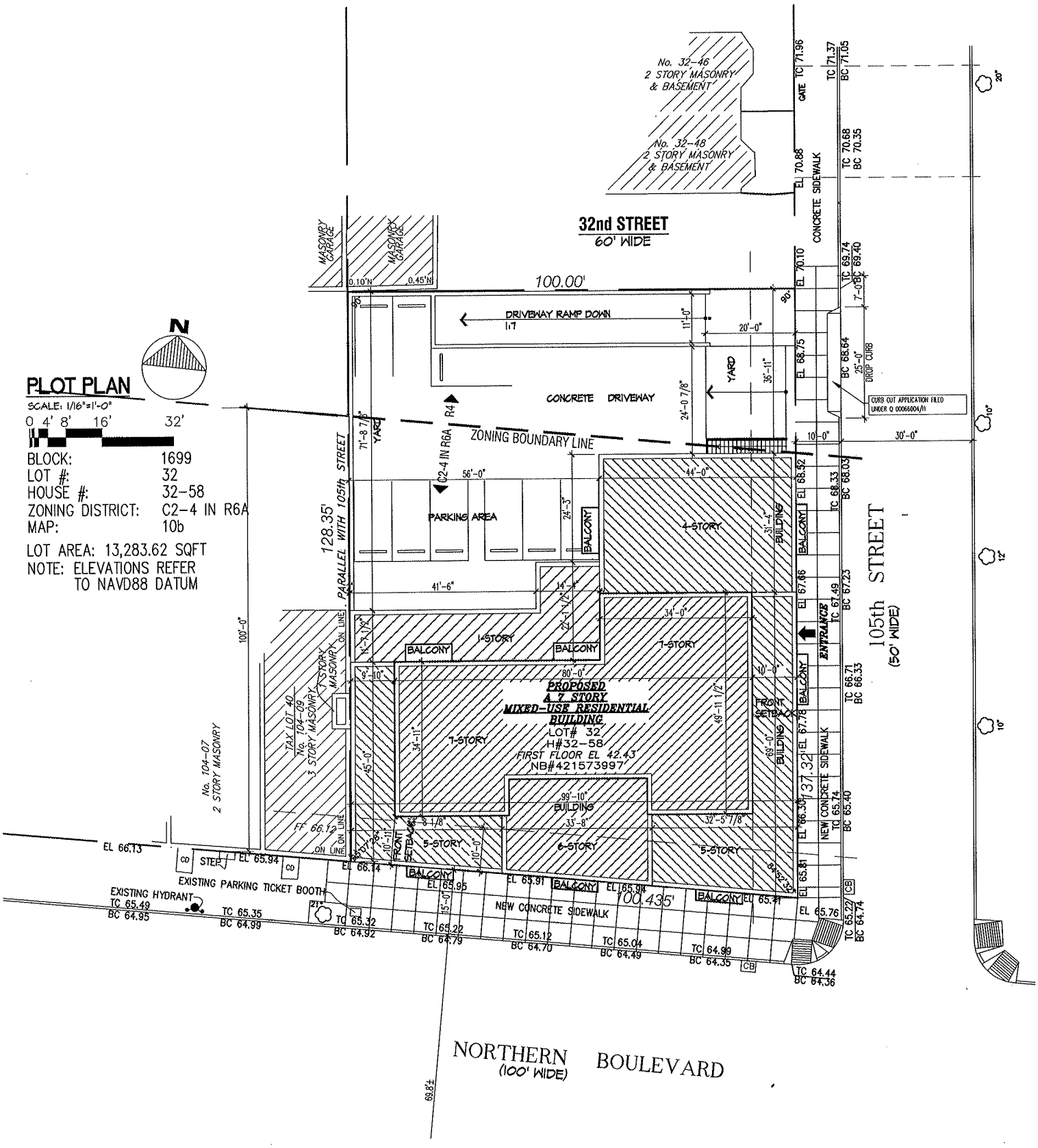
Unit Owners must notify the Managing Agent in writing when a Child or Children under the age of Eleven (11) years lives or resides (even temporarily) in the Unit. Each Residential Owner shall install at Residential Owner's expense, the required Window Guards in all windows of the Unit and shall not remove them until permitted by law in any event, without the full knowledge of the Managing Agent.

In the event that certain conditions in the building(s) cannot be adequately evaluated by a visual examination, the Department of Law may, in its discretion, direct that an independent engineer or testing laboratory be retained to perform such tests or monitoring as may be necessary in order to make adequate disclosure. Conditions which may require additional testing or monitoring include, but not limited to: settlement, masonry cracks, rusting of structural steel, adequacy of concrete cover, fire stopping, etc. Test results must be reported in the offering plan or in an amendment thereto.

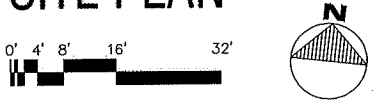
Prepared by:



Chang Hwa Tan, R.A., AIA for
Tan Architect P.C.

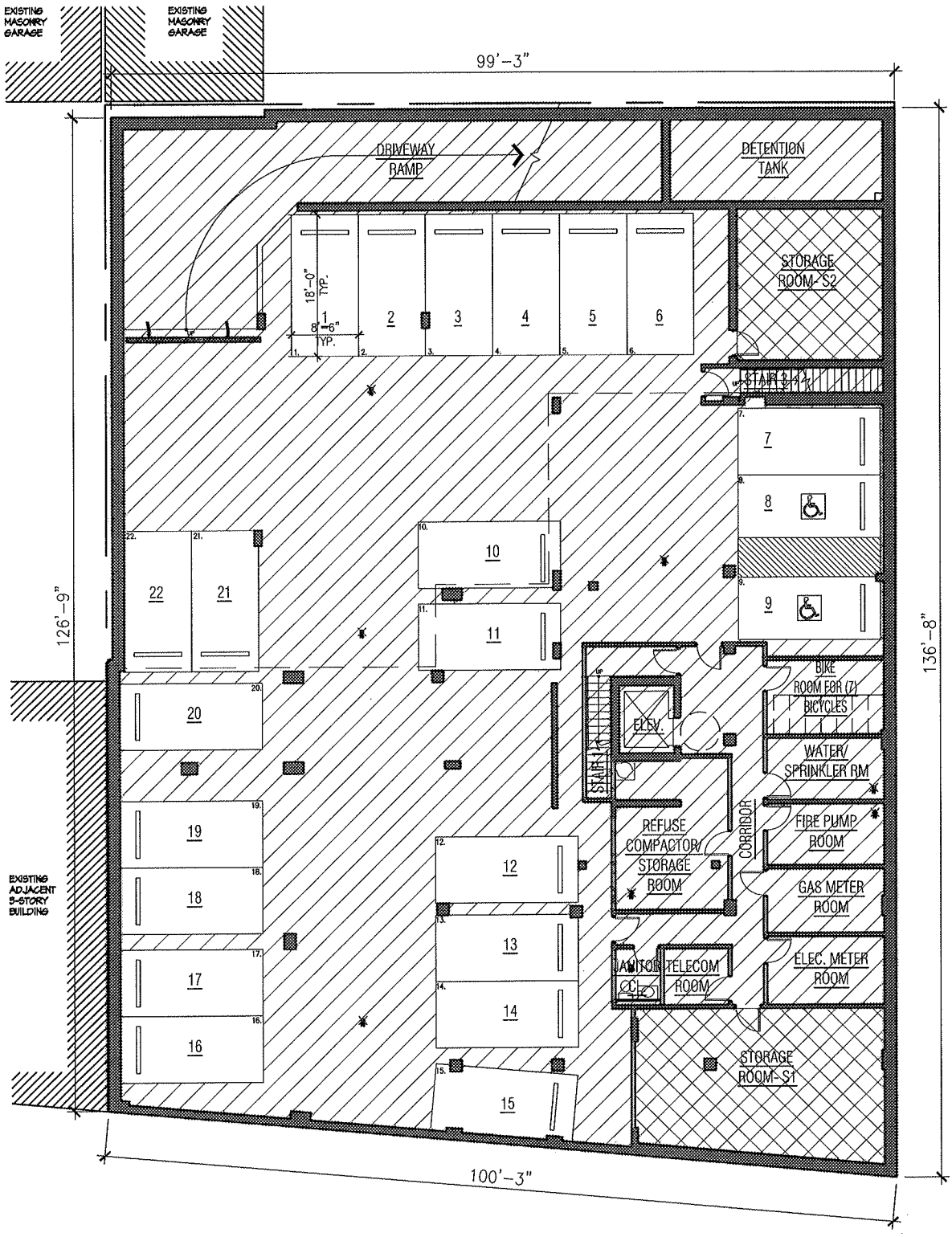


SITE PLAN



All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021



LEGEND:

COMMON ELEMENT

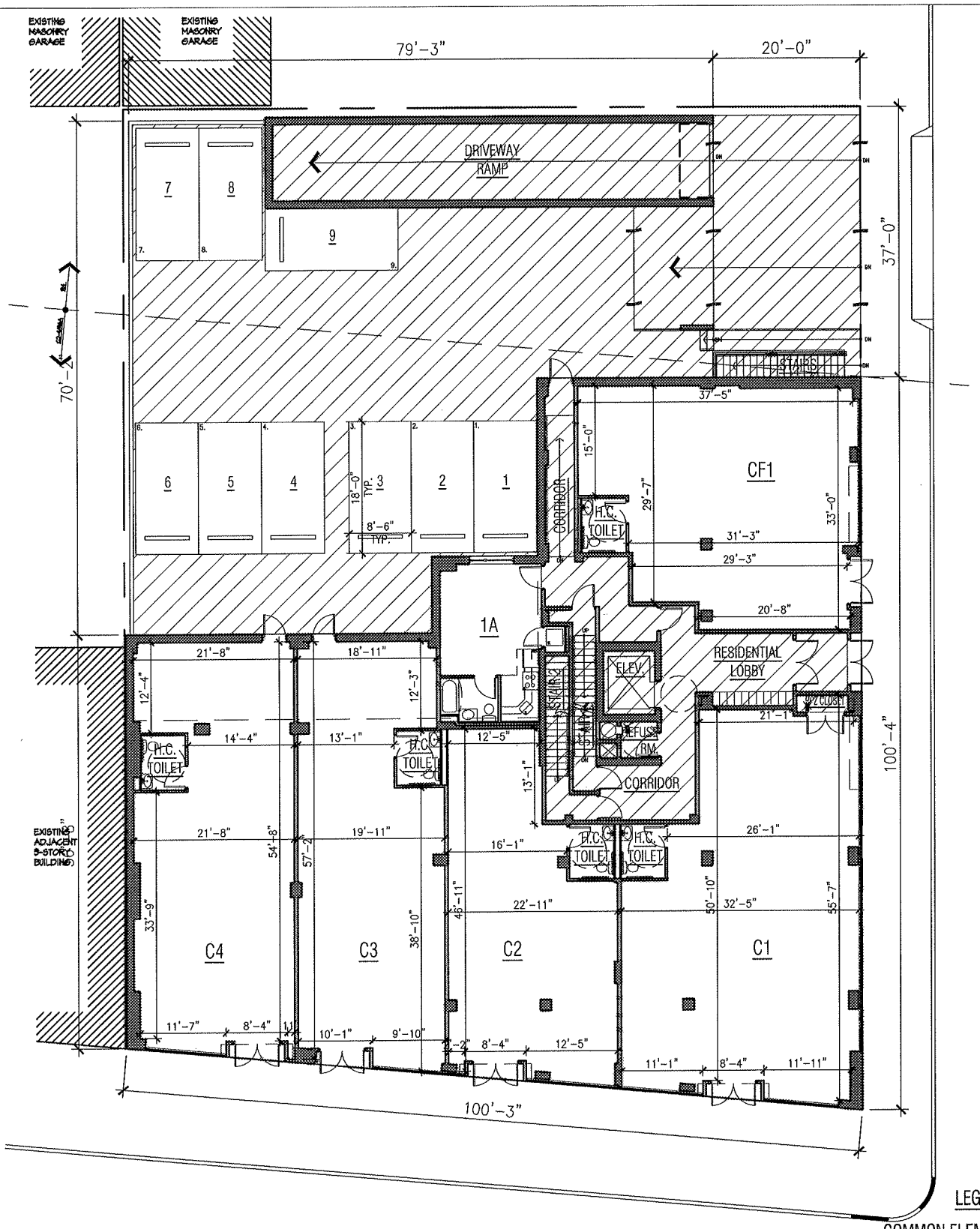
LIMITED COMMON ELEMENT

CELLAR PLAN

0' 4' 8' 16' 32'

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DATE: 07/26/2021



FIRST FLOOR PLAN

0' 4' 8' 16' 32'

N

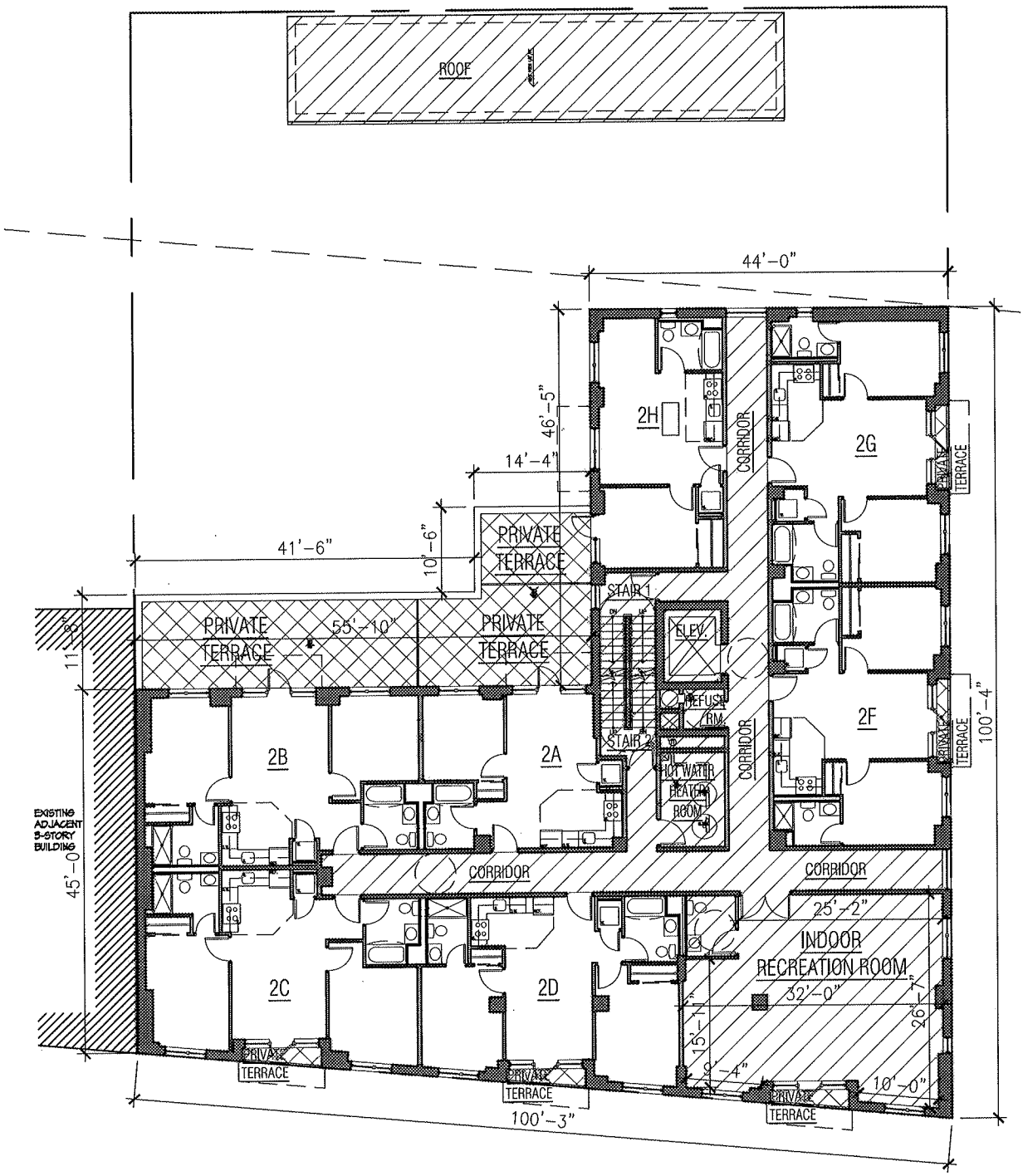
LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

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DATE: 07/26/2021



LEGEND:

COMMON ELEMENT

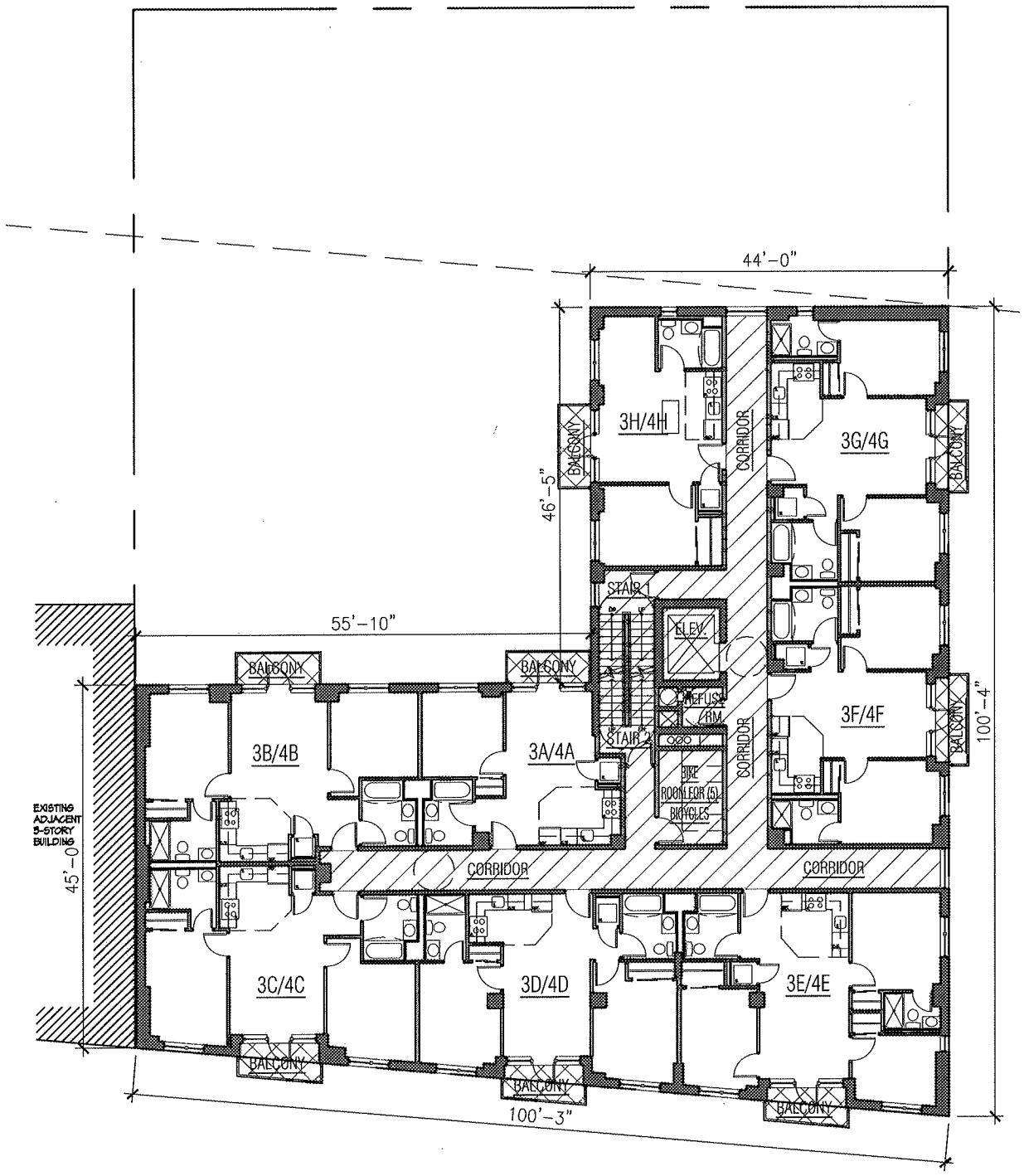
LIMITED COMMON ELEMENT

SECOND FLOOR PLAN

0' 4' 8' 16' 32'

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DATE: 07/26/2021



THIRD - FOURTH FLOOR PLAN

0' 4' 8' 16' 32'

N

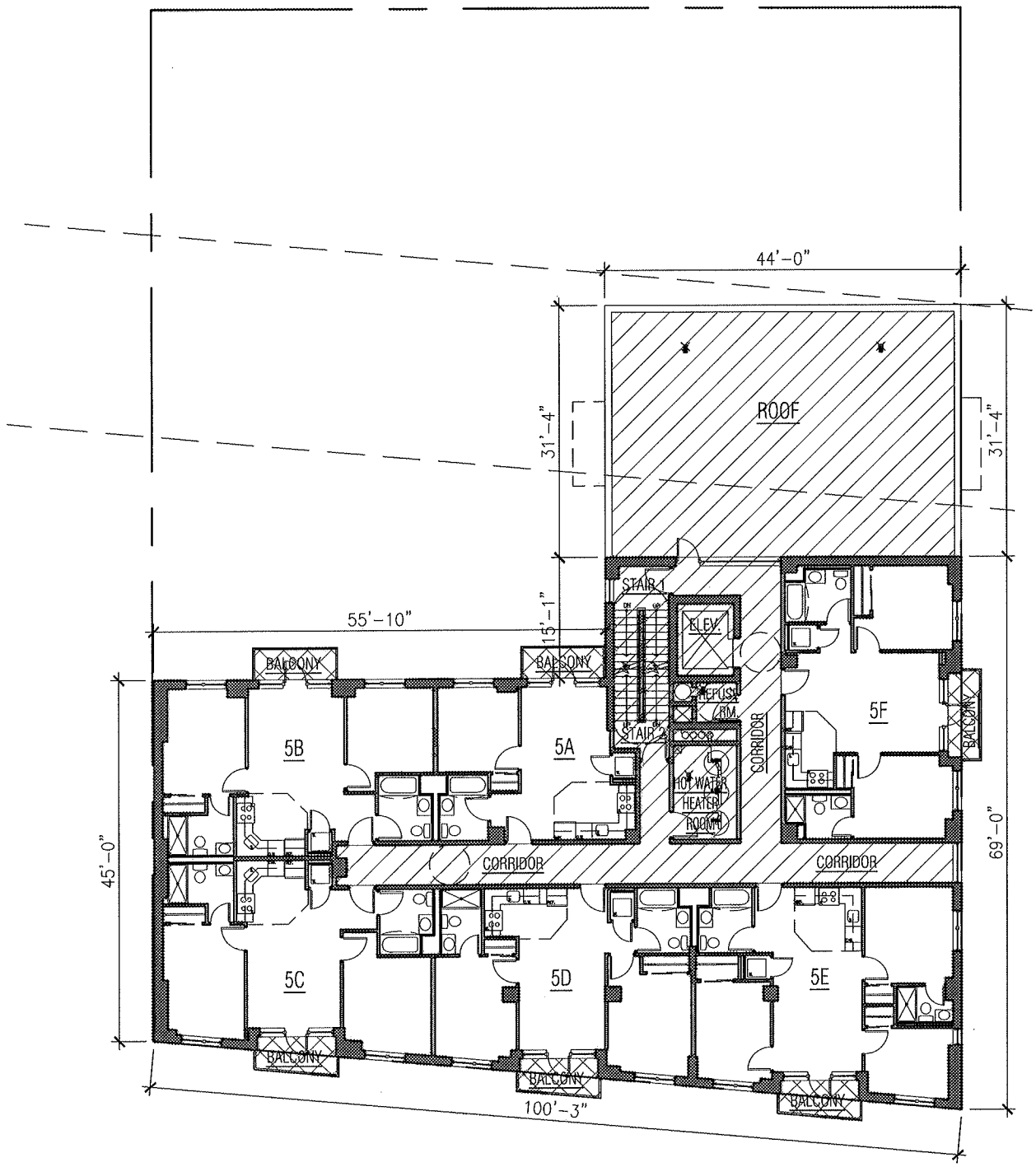
LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

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DATE: 07/26/2021



LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

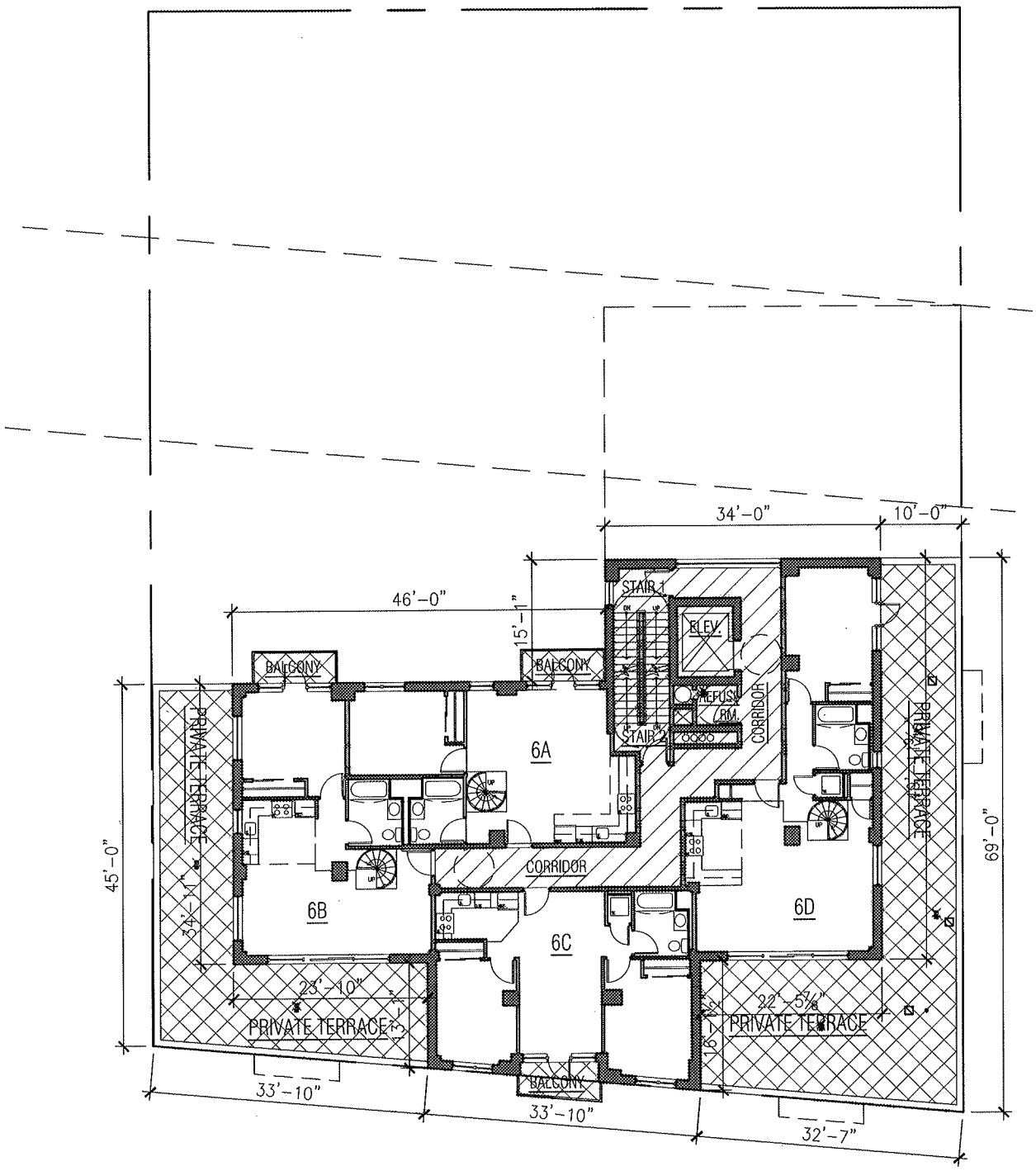
FIFTH FLOOR PLAN

0' 4' 8' 16' 32'

N

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DATE: 07/26/2021



LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

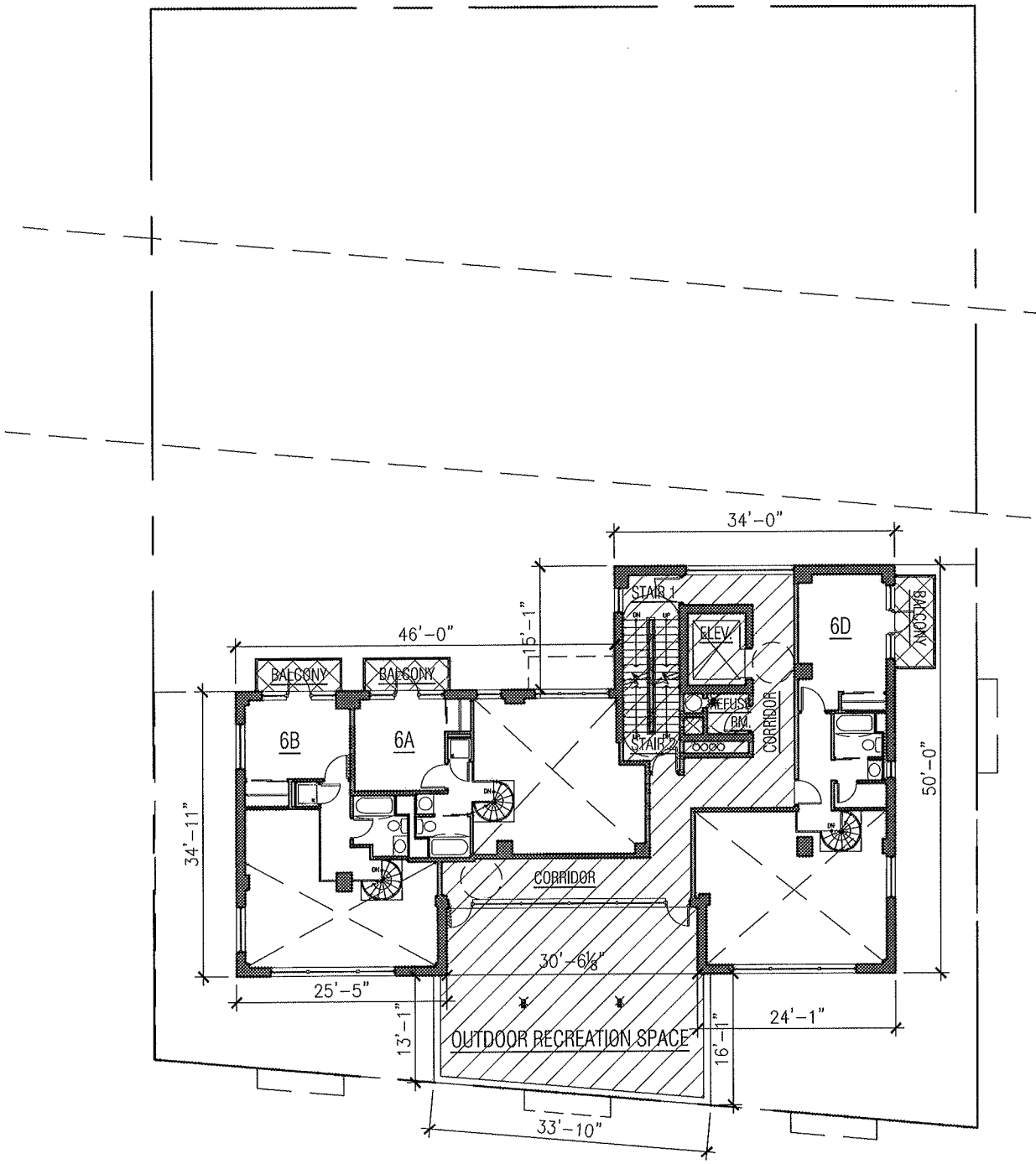
SIXTH FLOOR PLAN

0' 4' 8' 16' 32'

N

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Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021



LEGEND:

COMMON ELEMENT

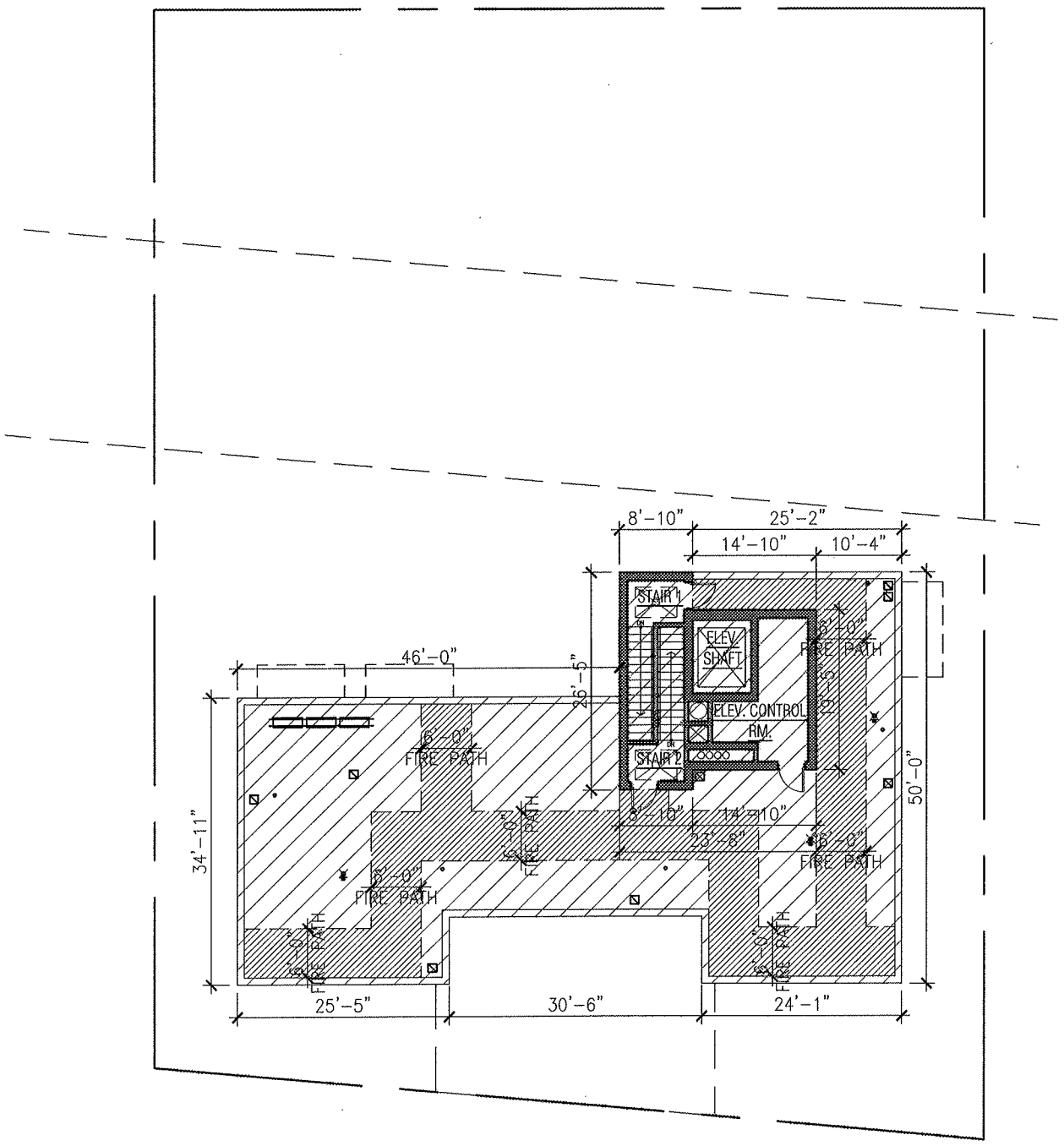
LIMITED COMMON ELEMENT

SEVENTH FLOOR PLAN

0' 4' 8' 16' 32'

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DATE: 07/26/2021



LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

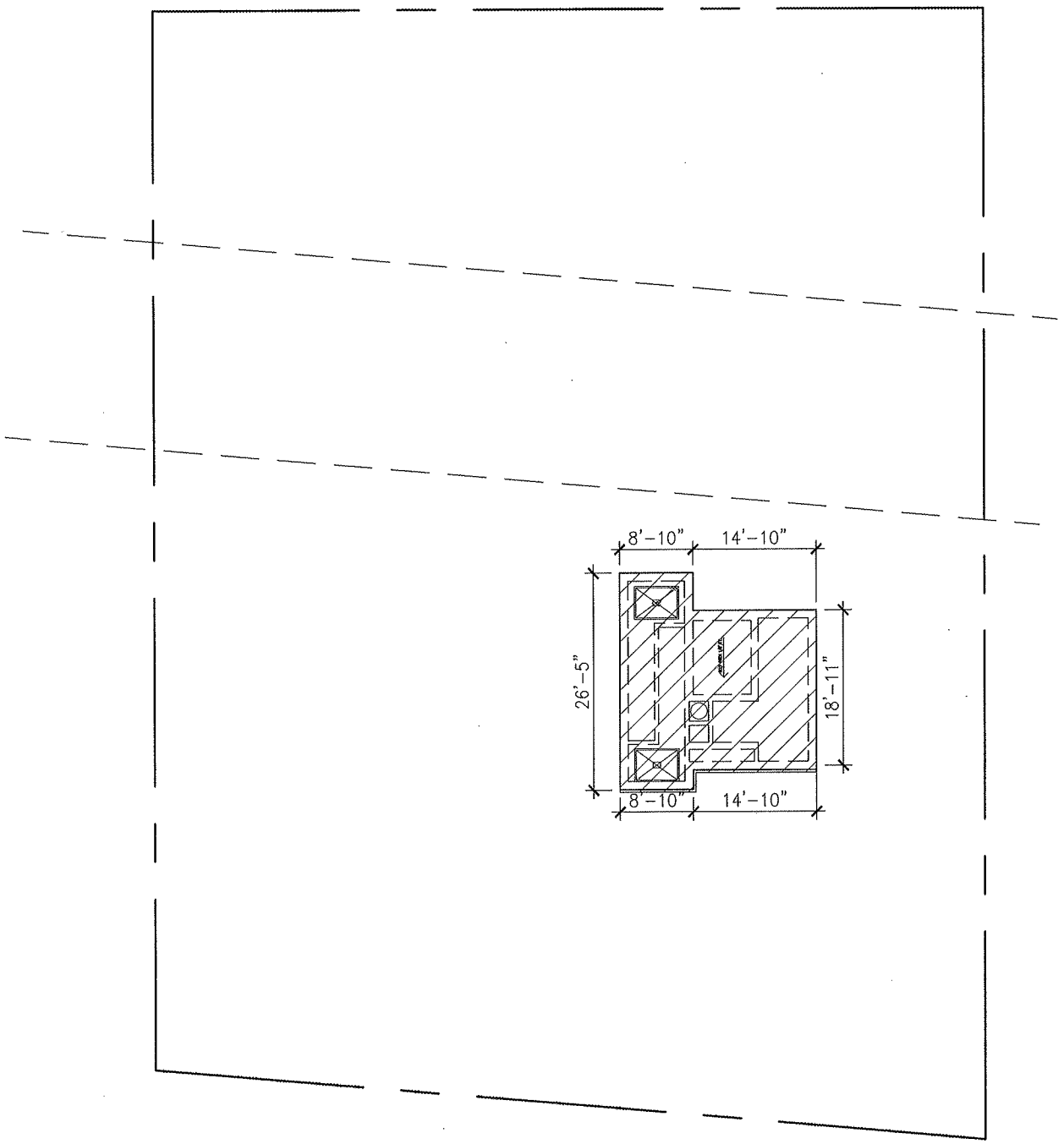
ROOF PLAN

0' 4' 8' 16' 32'

N

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DATE: 07/26/2021



LEGEND:

COMMON ELEMENT

LIMITED COMMON ELEMENT

BULKHEAD PLAN

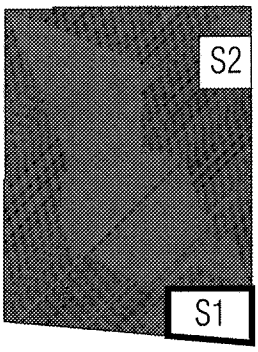
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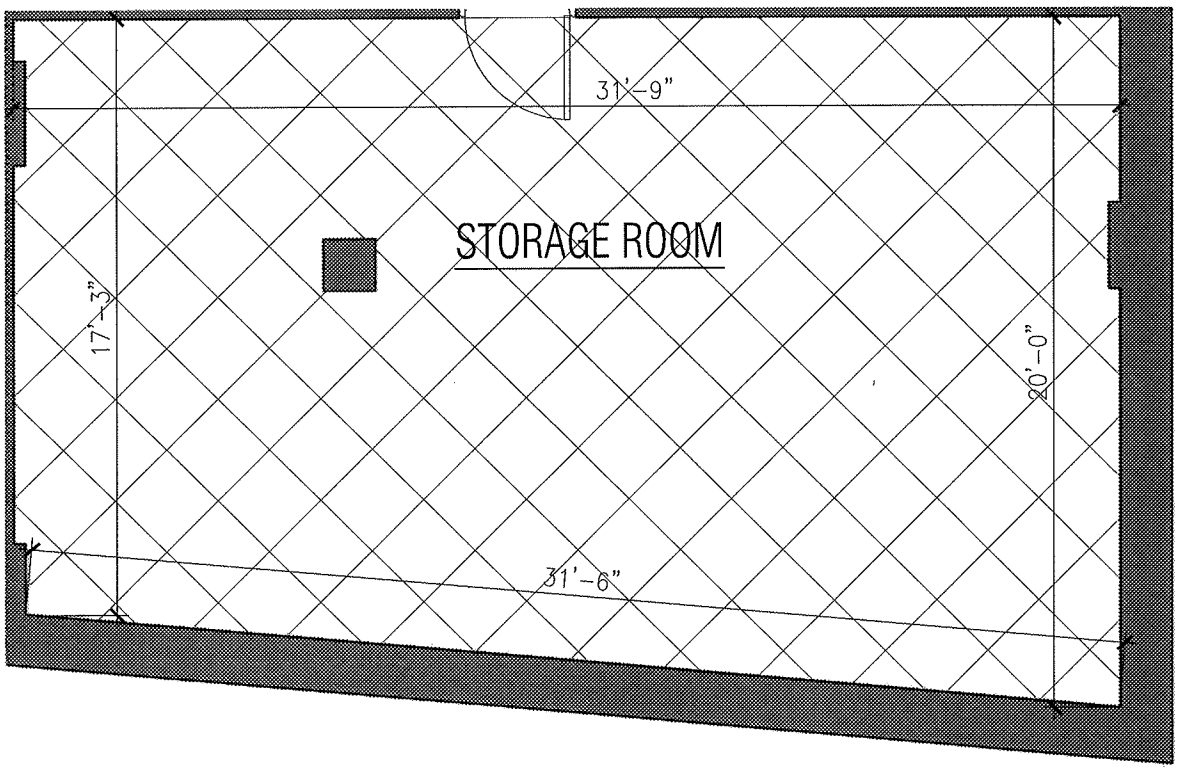
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DATE: 07/26/2021

KEYPLAN

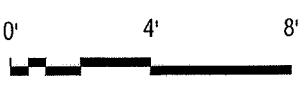


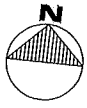


UNIT S1

STORAGE

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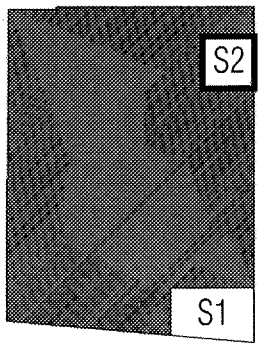


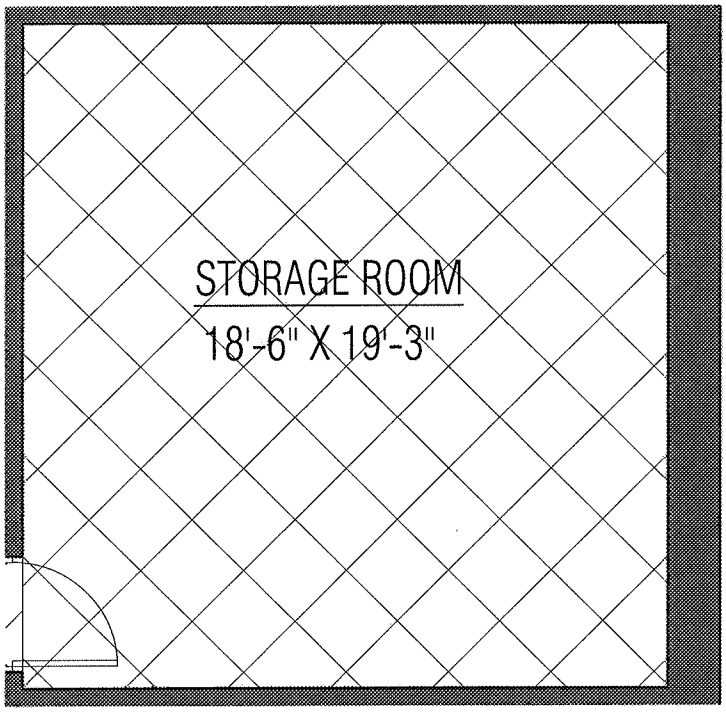


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DATE: 07/26/2021

KEYPLAN





UNIT S2

STORAGE

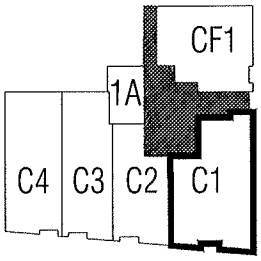
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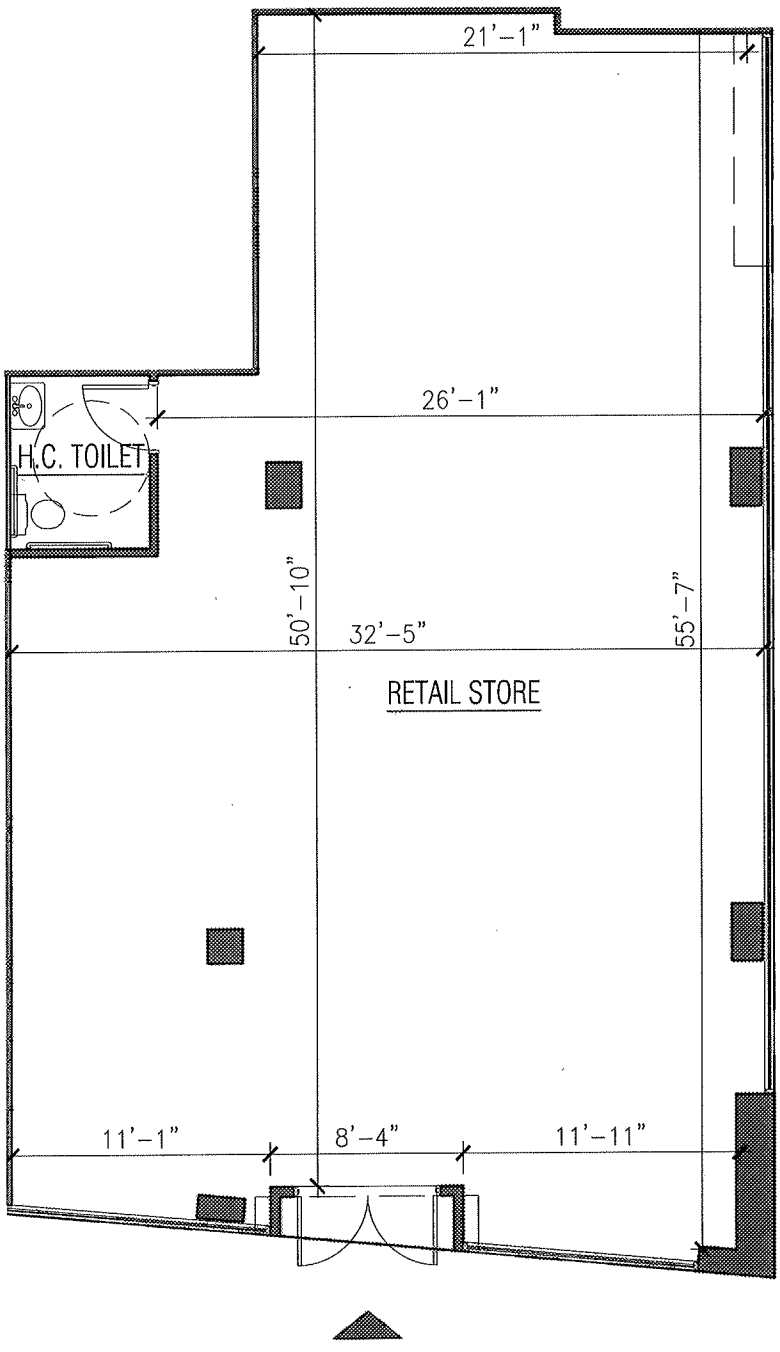


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DATE: 07/26/2021

KEYPLAN

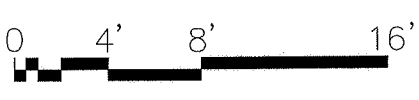


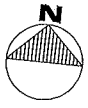


UNIT C1

RETAIL

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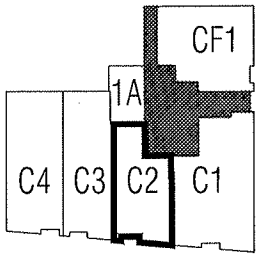


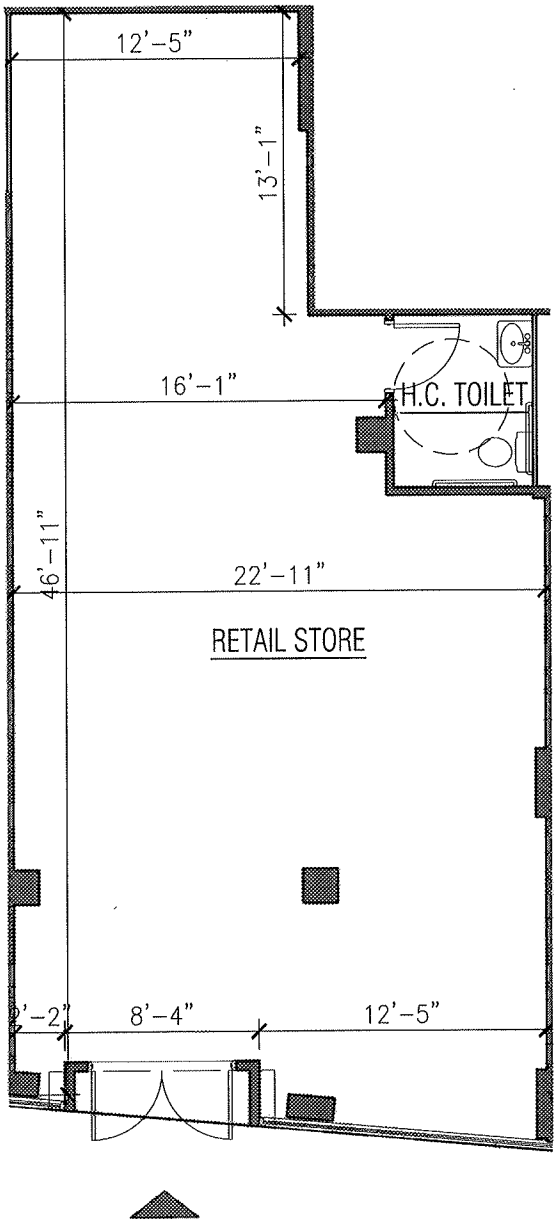


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DATE: 07/26/2021

KEYPLAN





UNIT C2

RETAIL

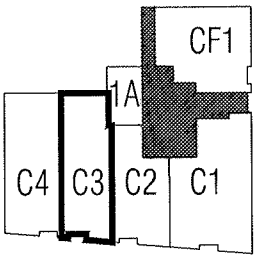
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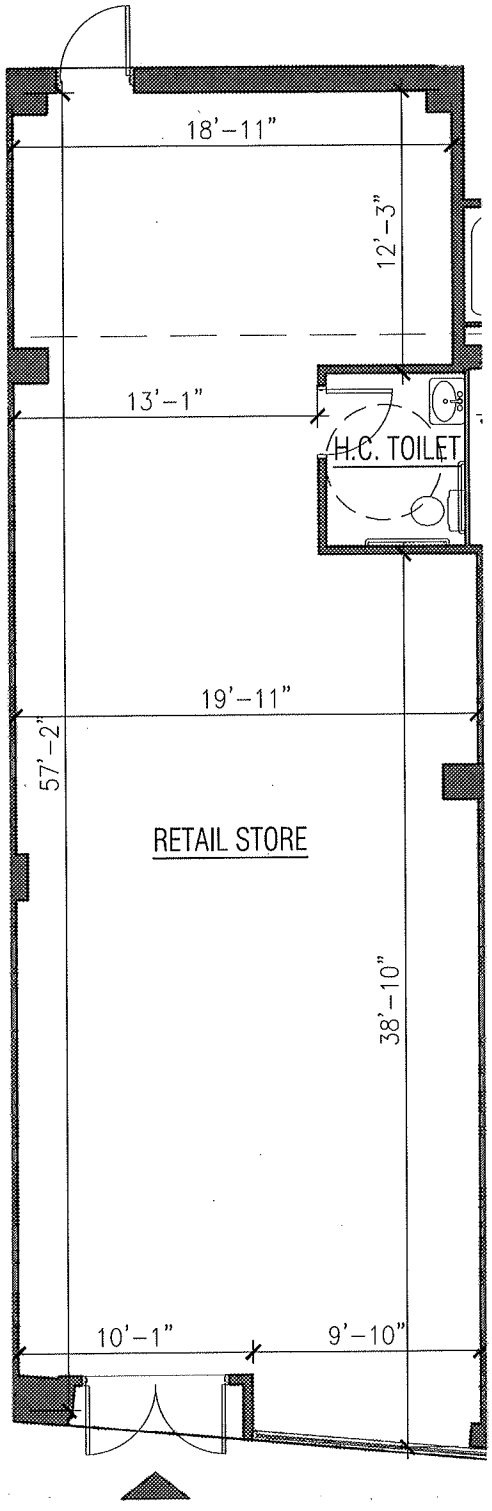


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DATE: 07/26/2021

KEYPLAN

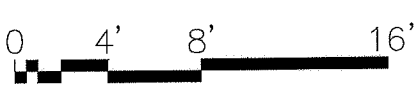


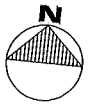


UNIT C3

RETAIL

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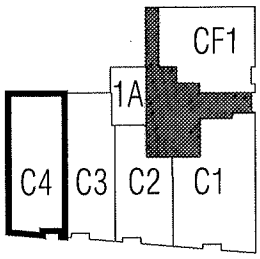


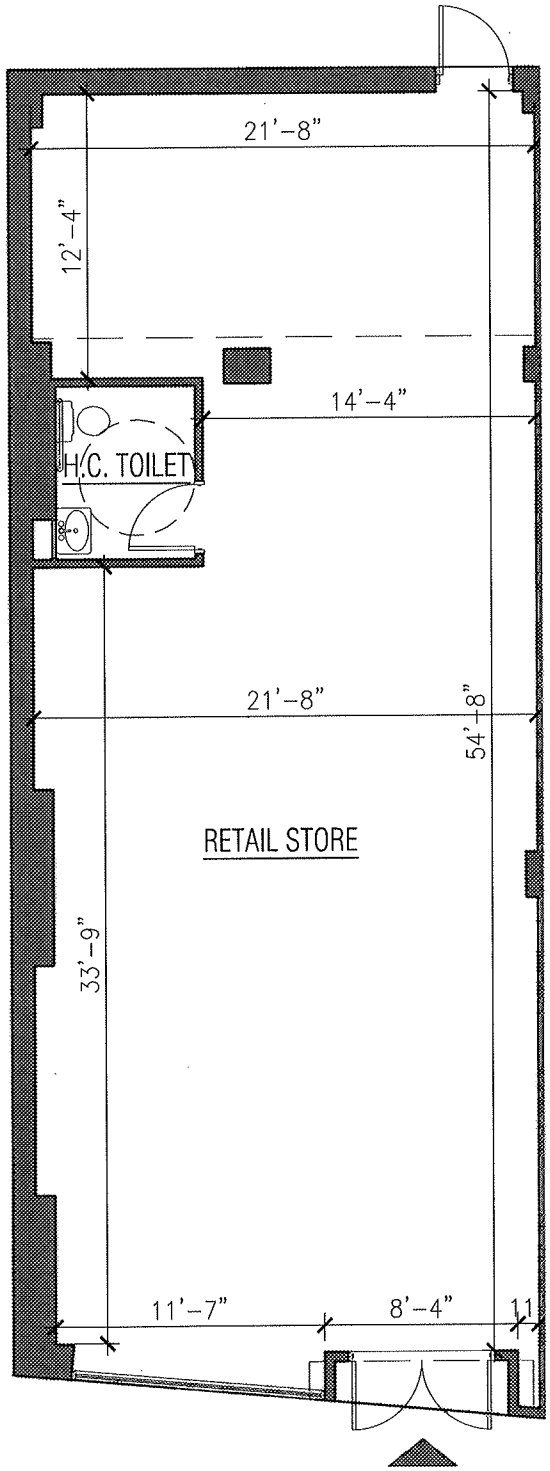


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DATE: 07/26/2021

KEYPLAN





UNIT C4

RETAIL

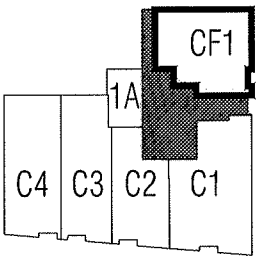
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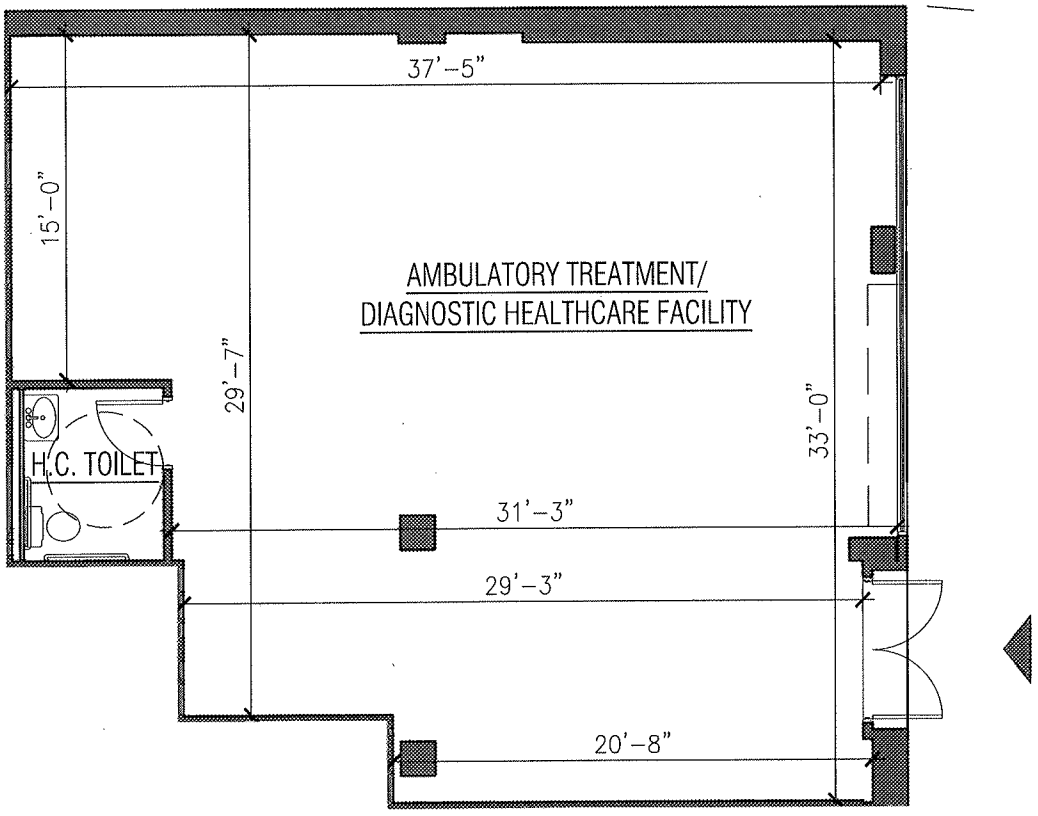


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DATE: 07/26/2021

KEYPLAN





UNIT CF1

RETAIL

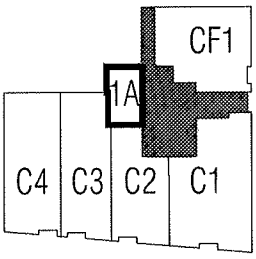
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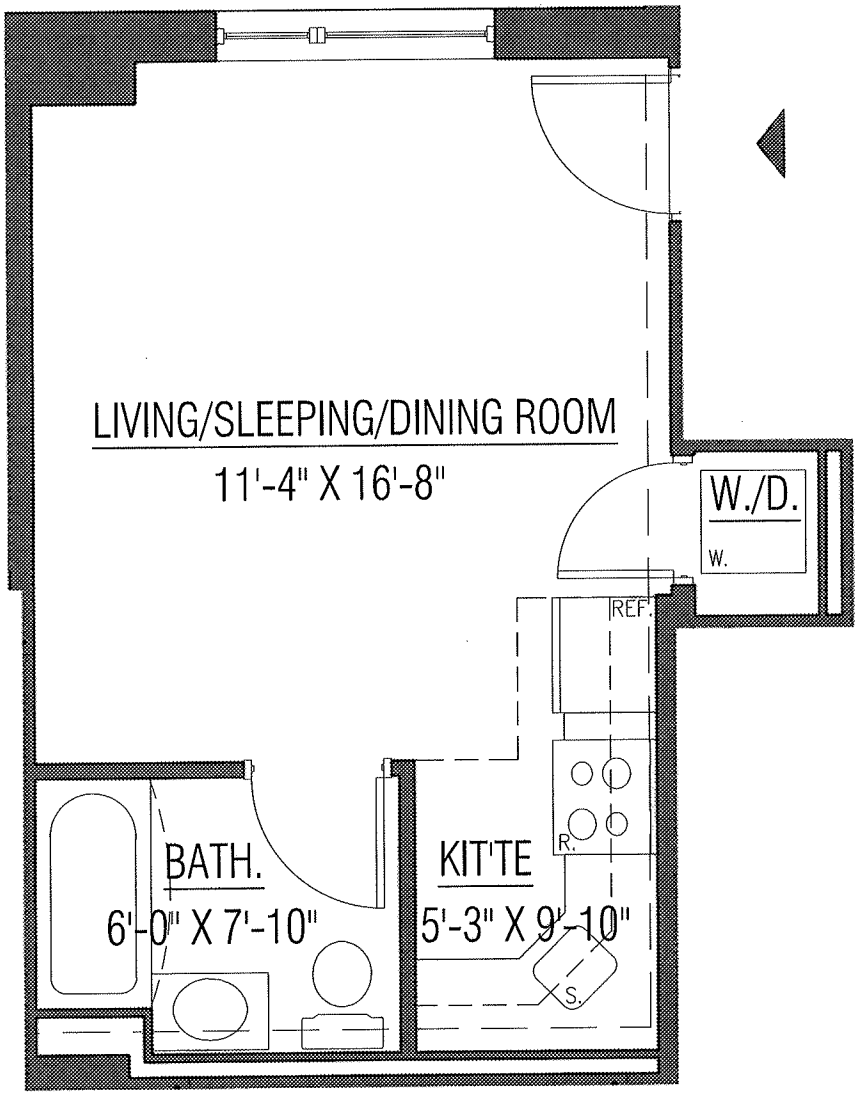


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DATE: 07/26/2021

KEYPLAN



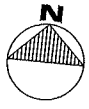


UNIT 1A

STUDIO

APPROX. FL. AREA: 351.0 S.F.

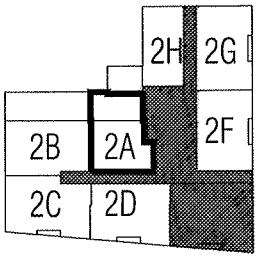
0' 4' 8'

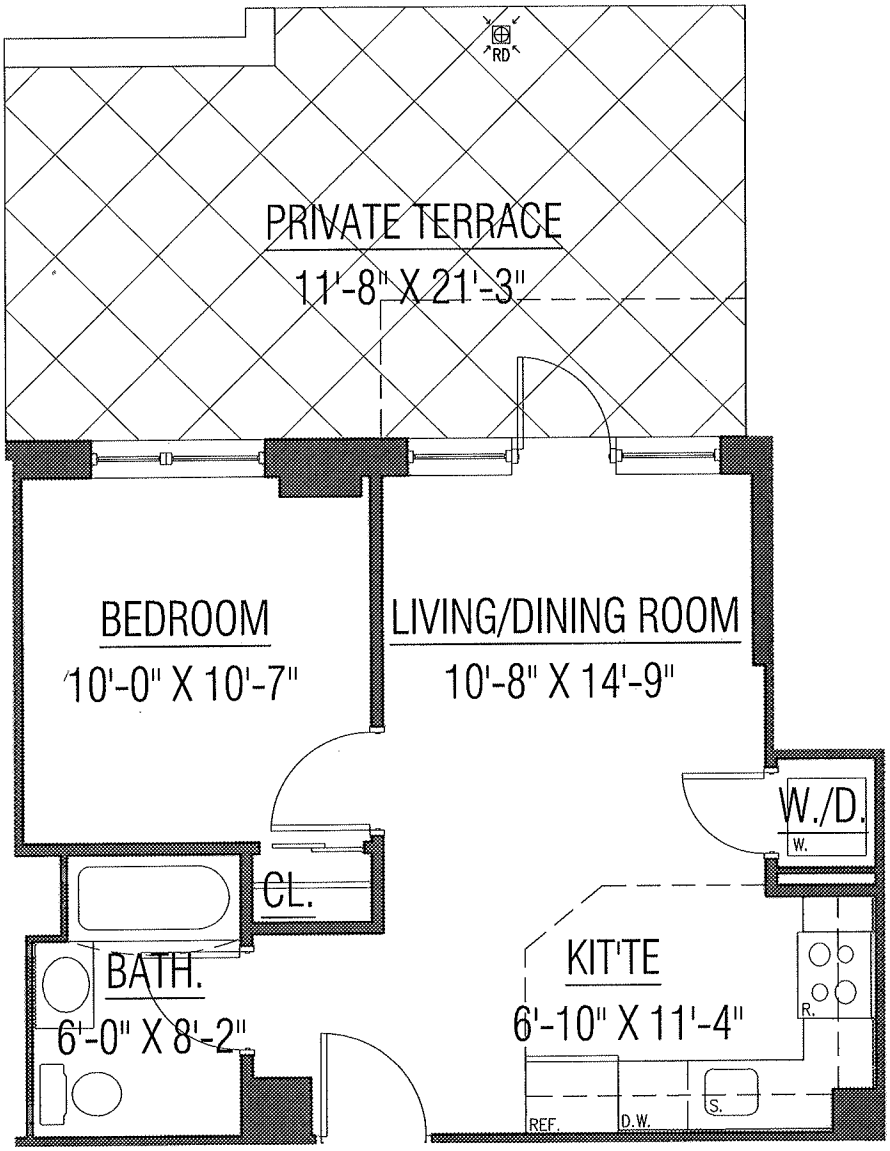


All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

KEYPLAN





UNIT 2A

1 BEDROOM

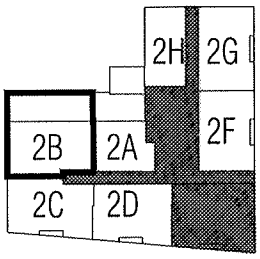
APPROX. FL. AREA: 480.0 S.F.
APPROX. TERRACE AREA: 252.0 S.F
APPROX. TOTAL FL. AREA: 732.0 S.F.

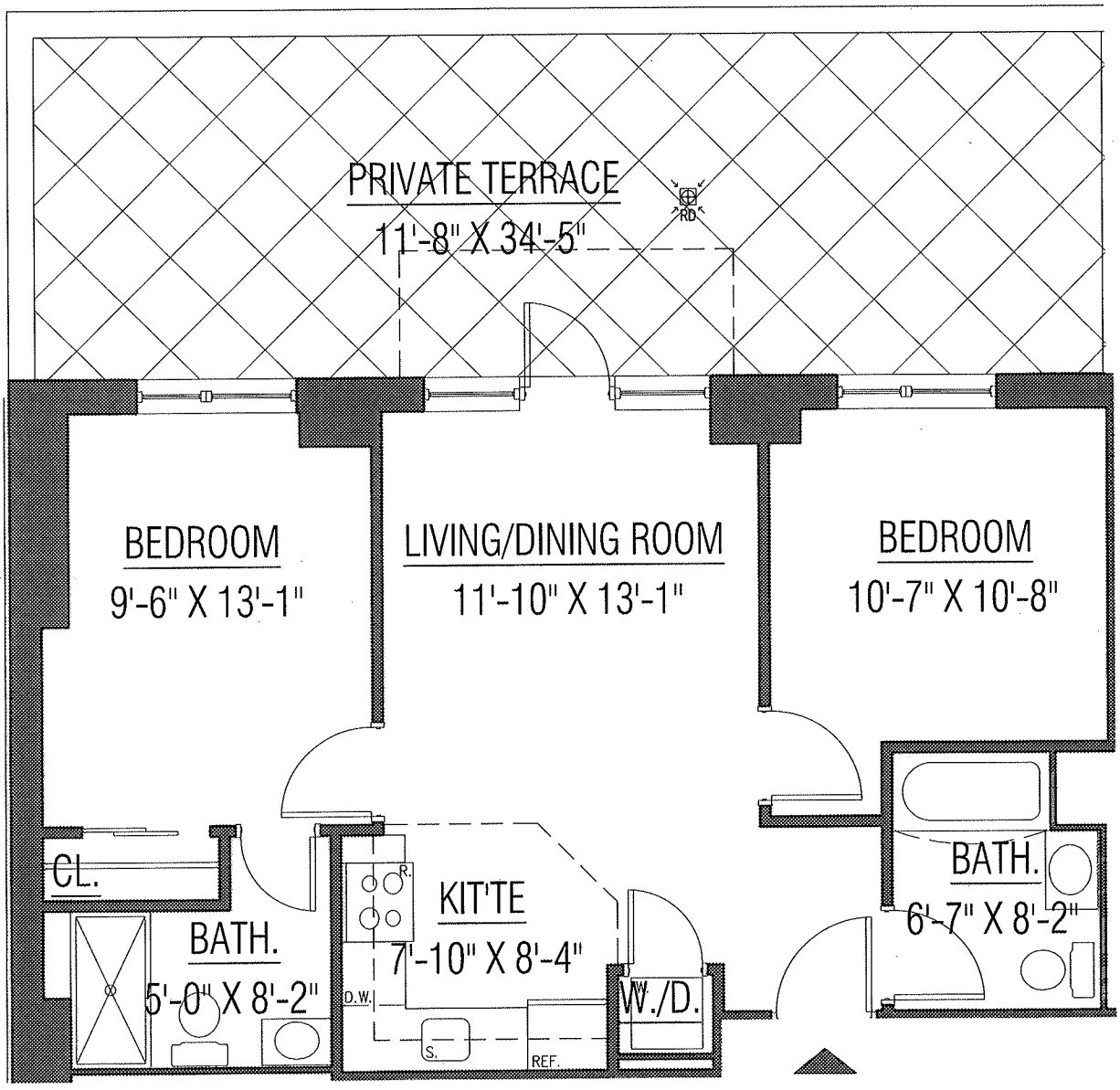


All dimensions are approximate and are subject to normal construction variances and tolerances.
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DATE: 07/26/2021

KEYPLAN





UNIT 2B

2 BEDROOM

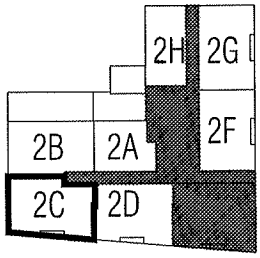
APPROX. FL. AREA: 751.0 S.F.
APPROX. TERRACE AREA: 402.0 S.F
APPROX. TOTAL FL. AREA: 1,153.0 S.F.

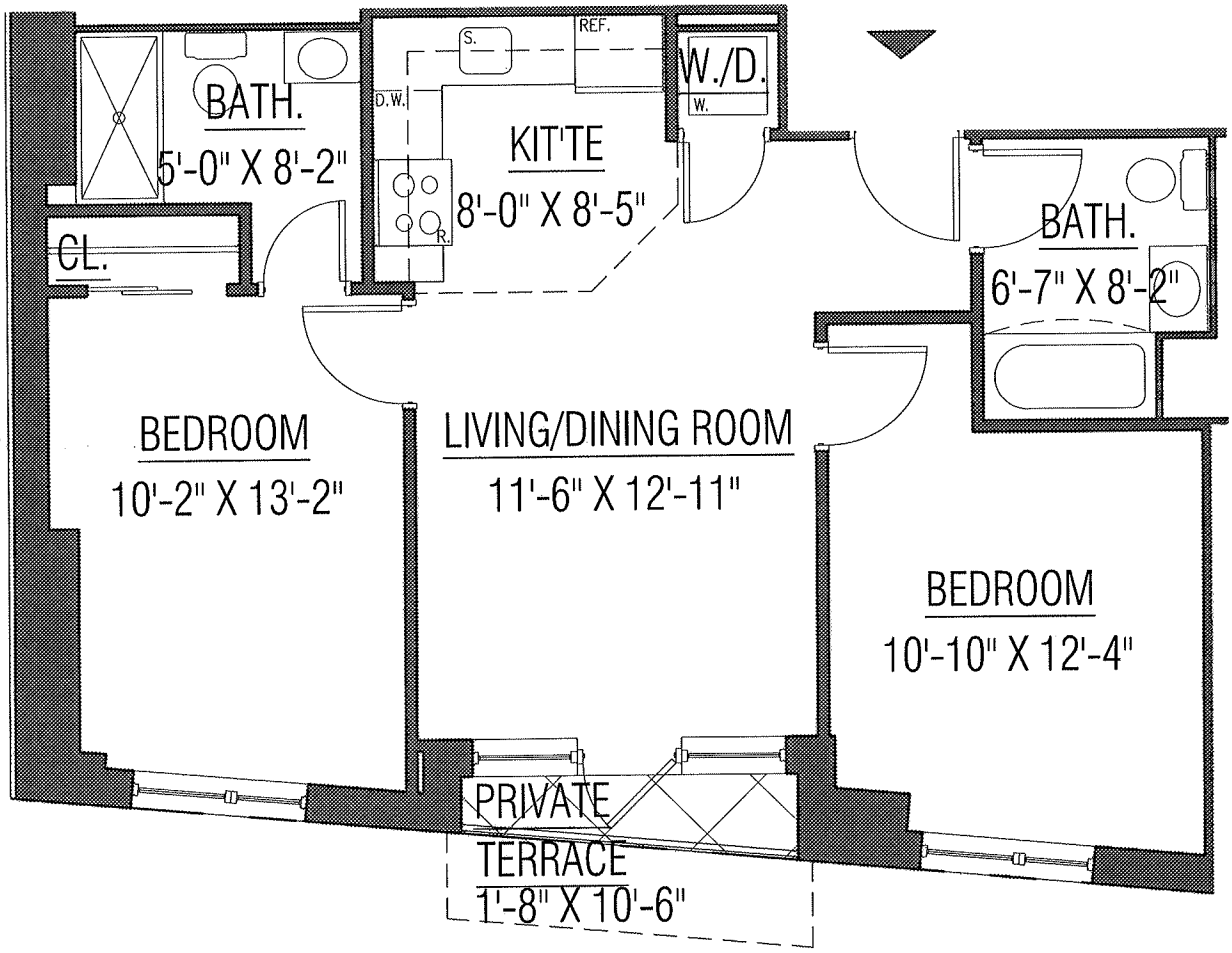


All dimensions are approximate and are subject to normal construction variances and tolerances.
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DATE: 07/26/2021

KEYPLAN





UNIT 2C

2 BEDROOM

APPROX. FL. AREA: 775.0 S.F.
APPROX. TERRACE AREA: 20.0 S.F
APPROX. TOTAL FL. AREA: 795.0 S.F.

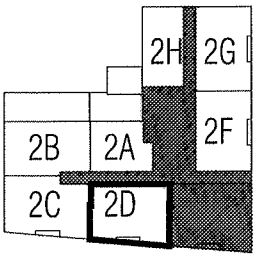
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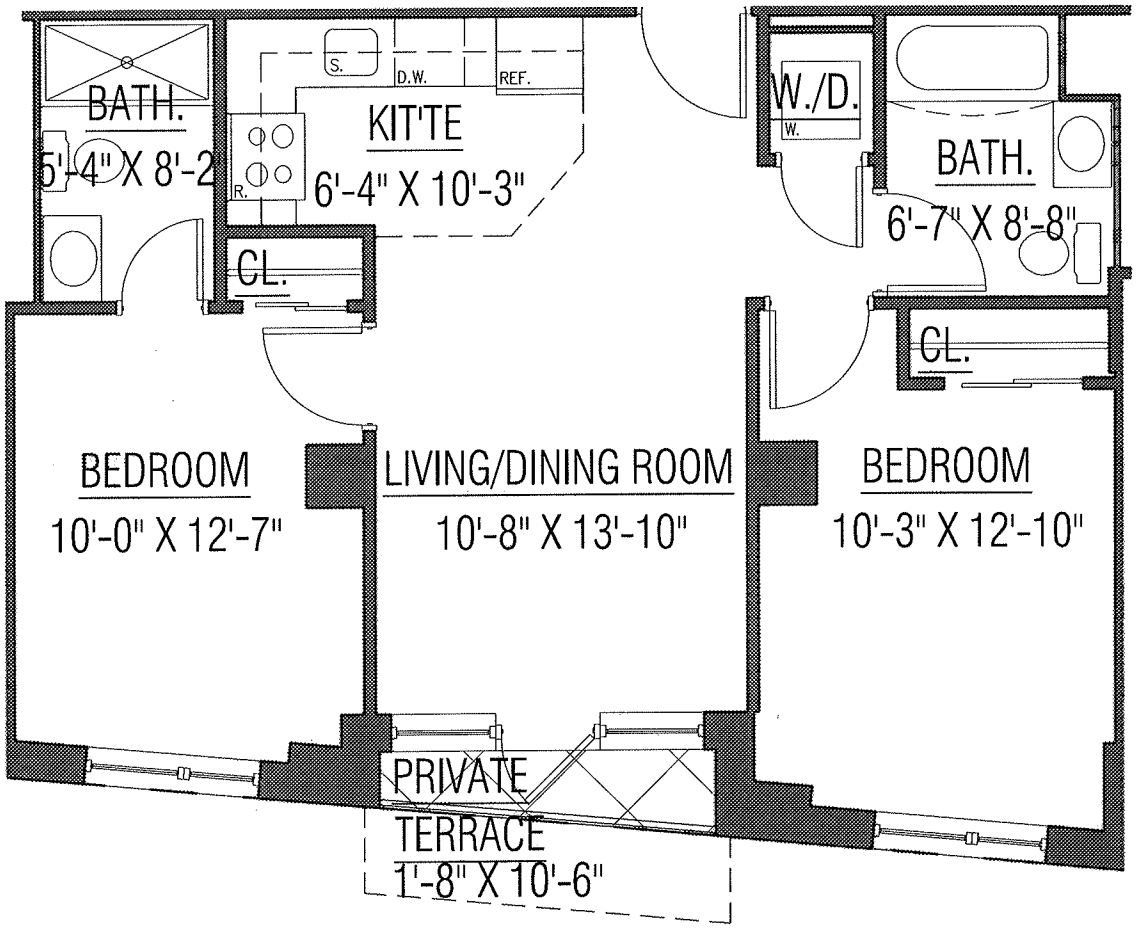
N

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DATE: 07/26/2021

KEYPLAN





UNIT 2D

2 BEDROOM

APPROX. FL. AREA: 736.0 S.F.
APPROX. TERRACE AREA: 20.0 S.F
APPROX. TOTAL FL. AREA: 756.0 S.F.

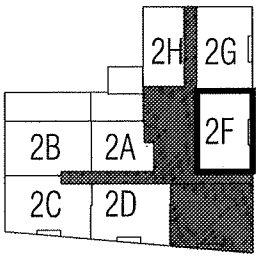
0' 4' 8'

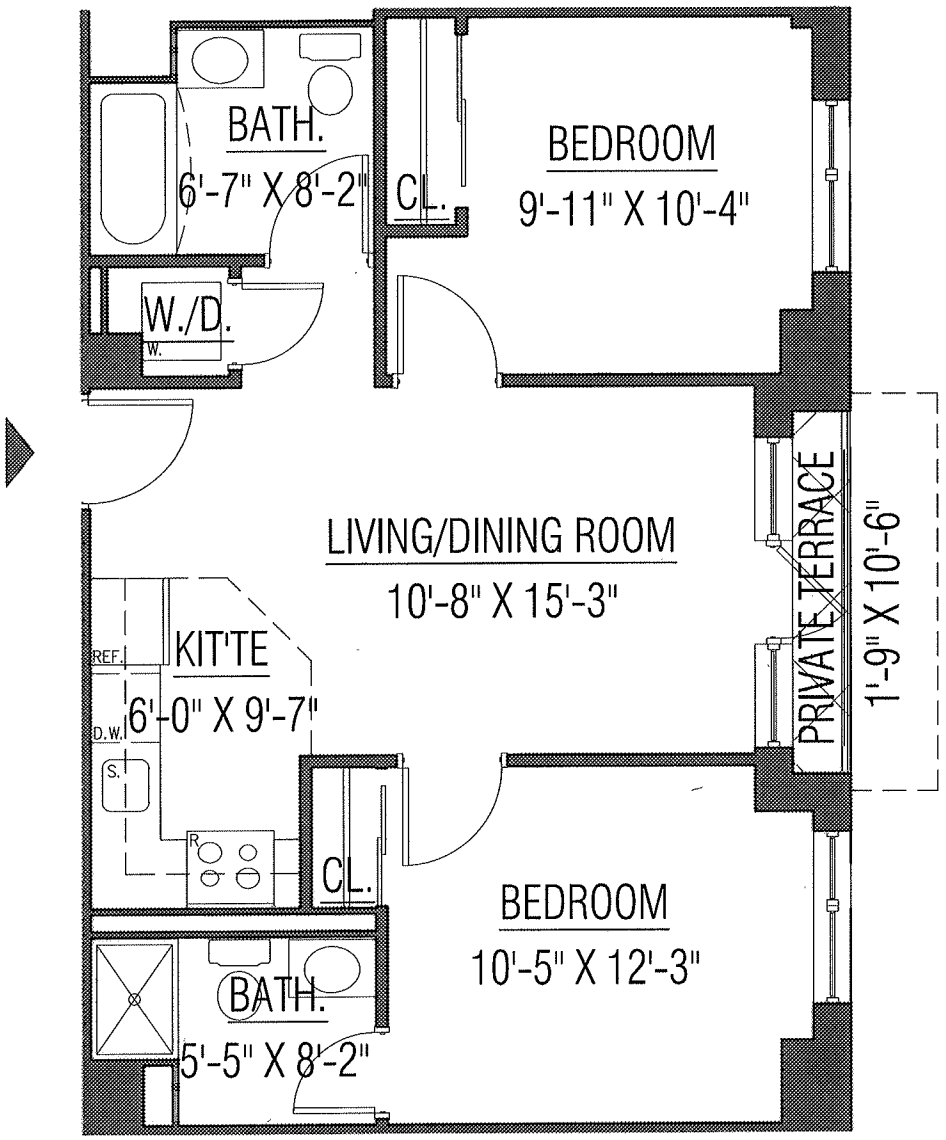
N

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DATE: 07/26/2021

KEYPLAN





UNIT 2F

2 BEDROOM

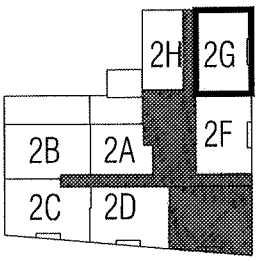
APPROX. FL. AREA: 701.0 S.F.
APPROX. TERRACE AREA: 18.0 S.F
APPROX. TOTAL FL. AREA: 719.0 S.F.

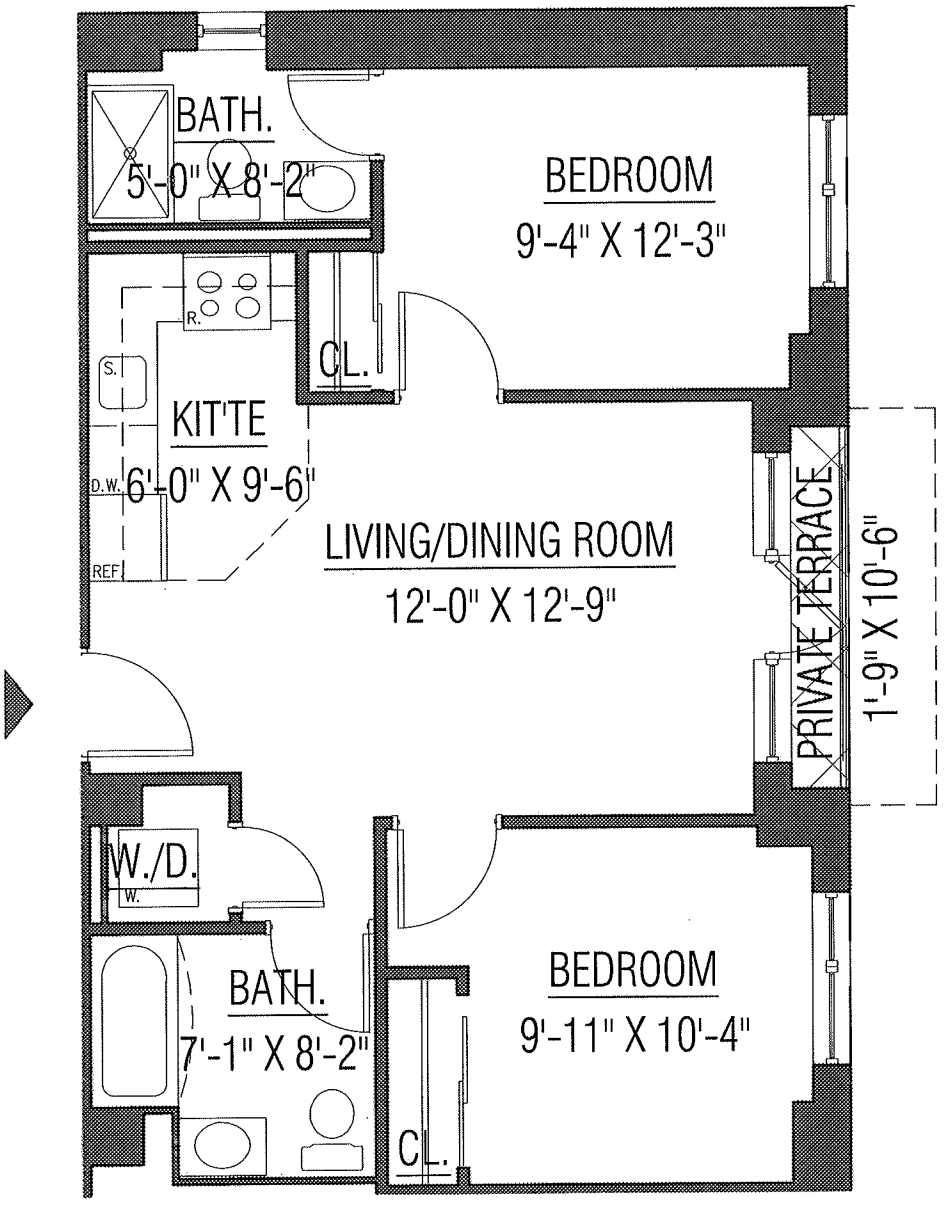


All dimensions are approximate and are subject to normal construction variances and tolerances.
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DATE: 07/26/2021

KEYPLAN





UNIT 2G

2 BEDROOM

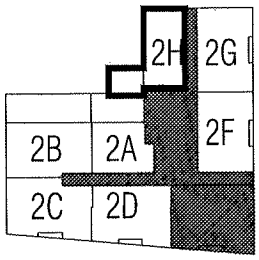
APPROX. FL. AREA: 739.0 S.F.
APPROX. TERRACE AREA: 18.0 S.F
APPROX. TOTAL FL. AREA: 757.0 S.F.

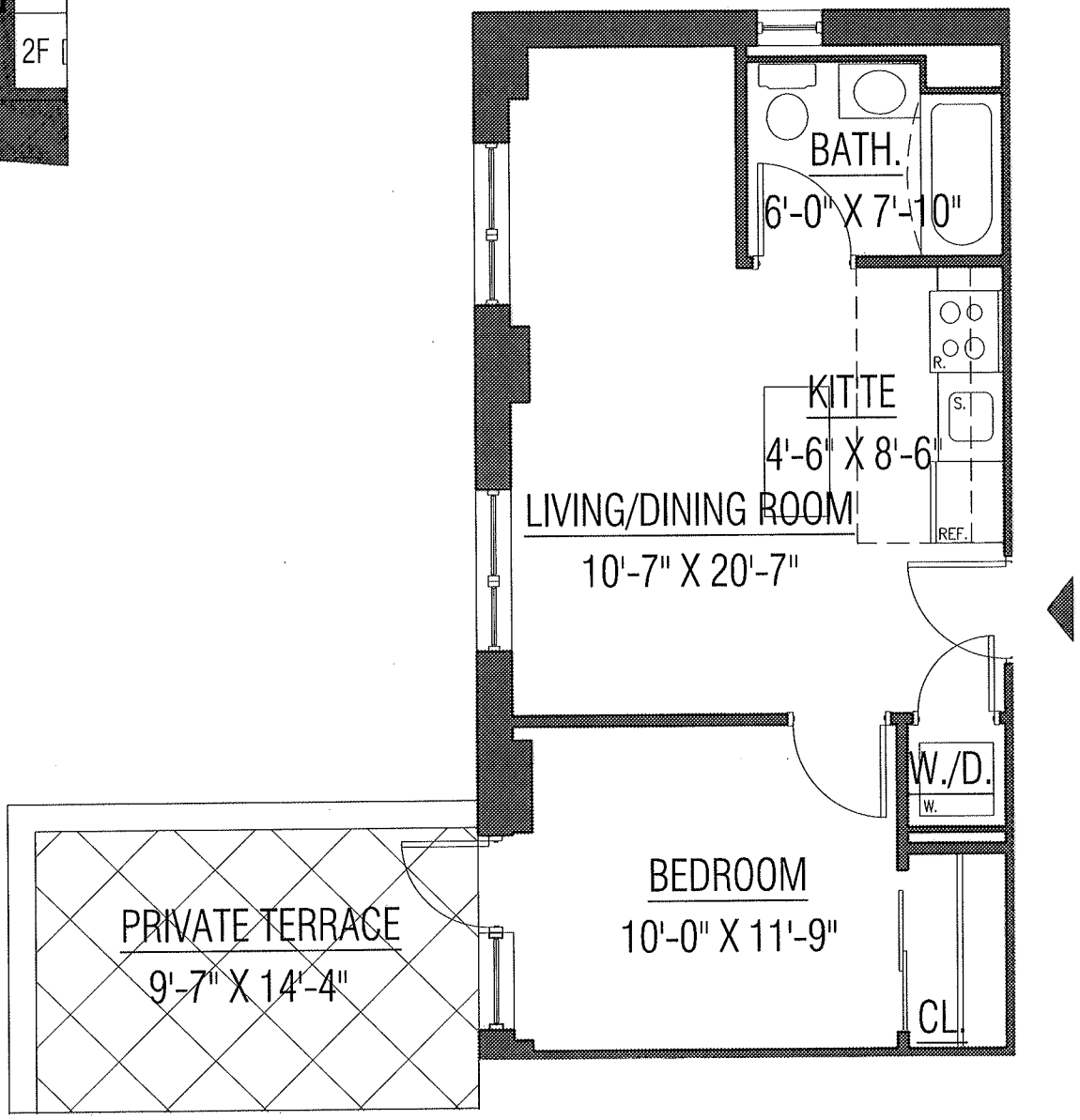


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DATE: 07/26/2021

KEYPLAN





UNIT 2H

1 BEDROOM

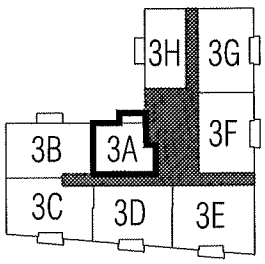
APPROX. FL. AREA: 529.0 S.F.
APPROX. TERRACE AREA: 137.0 S.F
APPROX. TOTAL FL. AREA: 679.0 S.F.

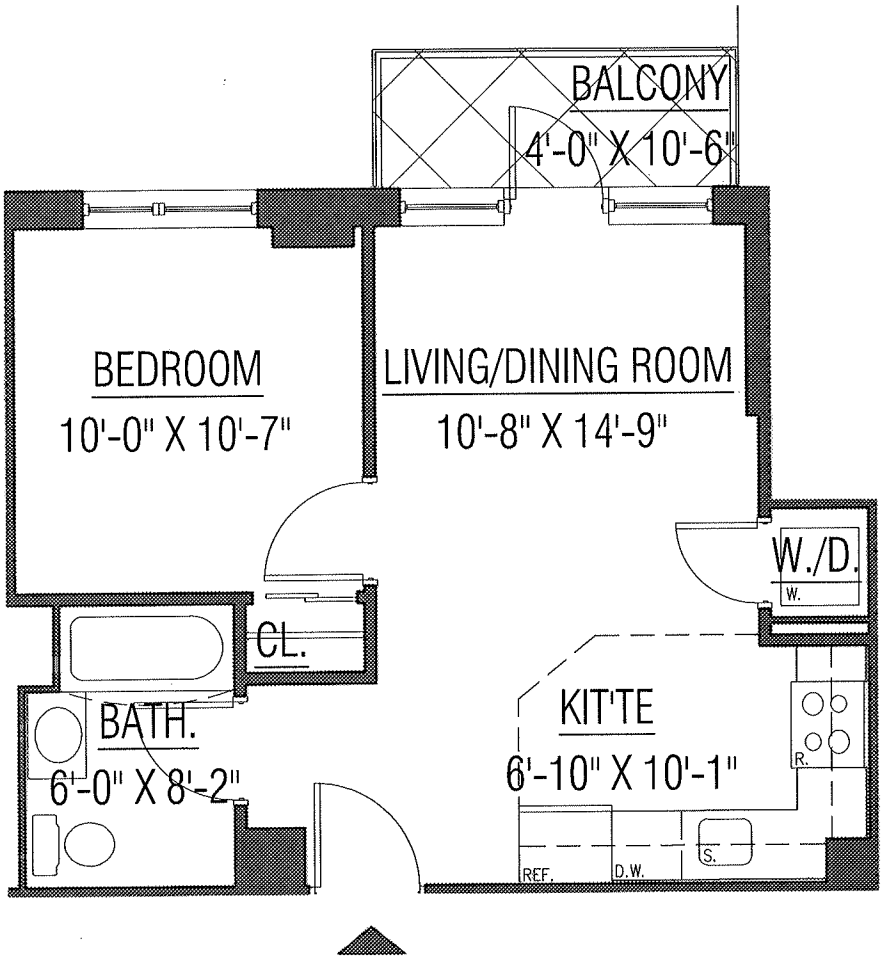


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DATE: 07/26/2021

KEYPLAN

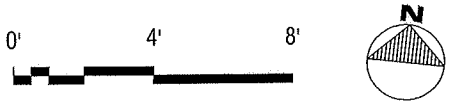




UNIT 3A/4A

1 BEDROOM

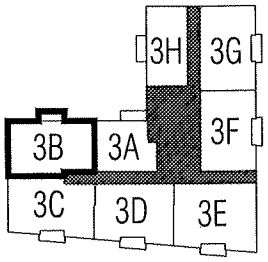
APPROX. FL. AREA: 480.0 S.F.
APPROX. BALCONY AREA: 42.0 S.F
APPROX. TOTAL FL. AREA: 522.0 S.F.

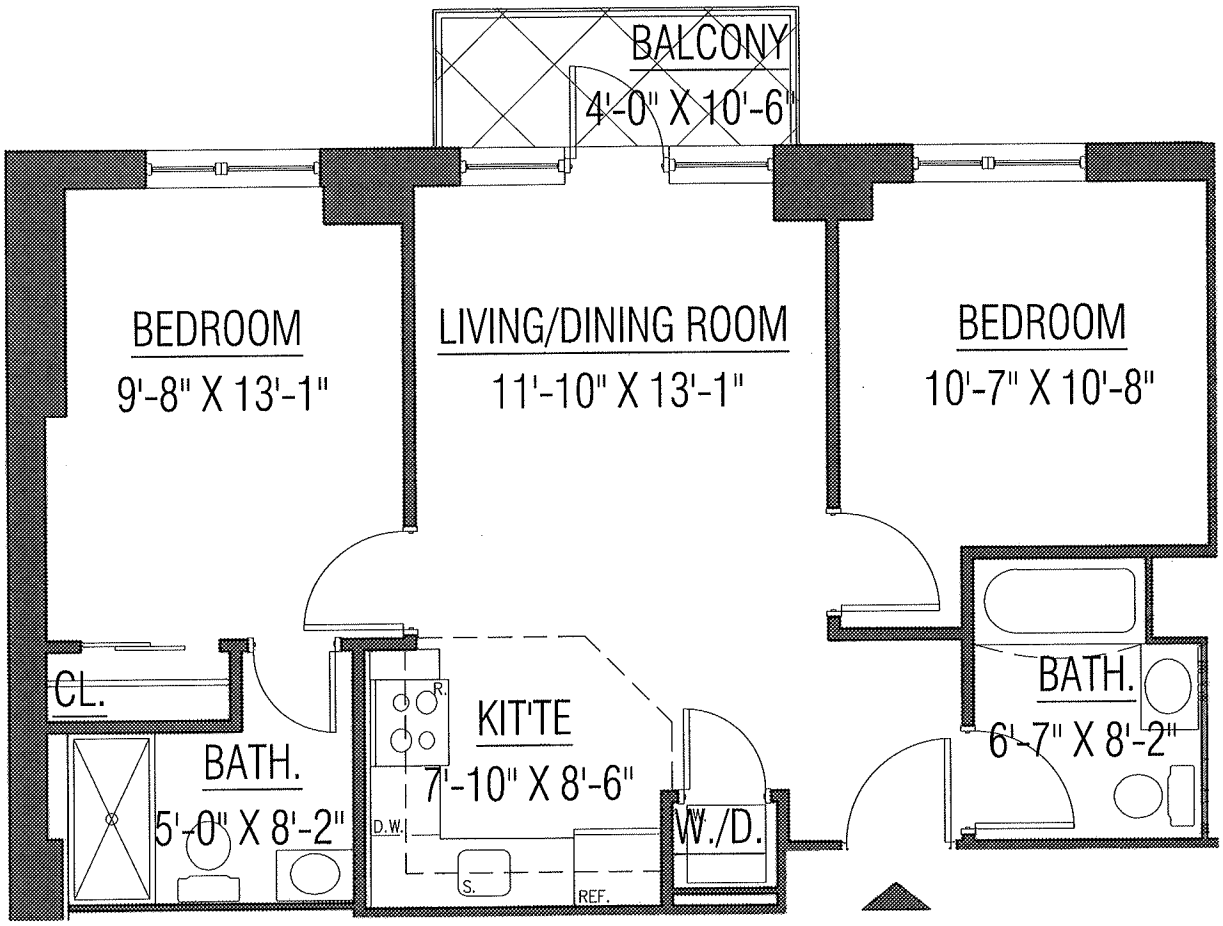


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DATE: 07/26/2021

KEYPLAN





UNIT 3B/4B

2 BEDROOM

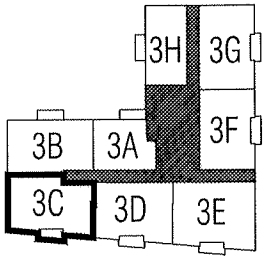
APPROX. FL. AREA: 751.0 S.F.
APPROX. BALCONY AREA: 42.0 S.F
APPROX. TOTAL FL. AREA: 793.0 S.F.

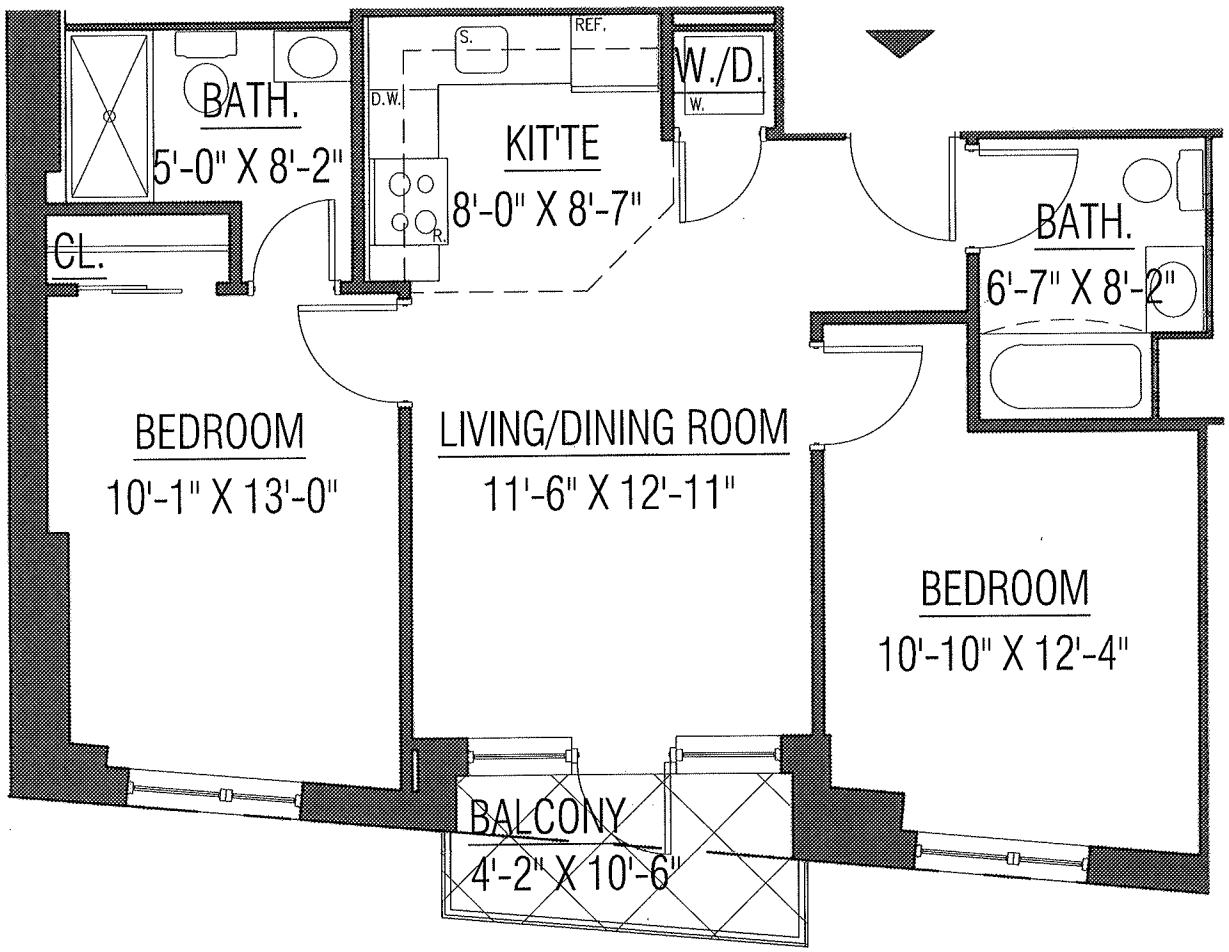


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DATE: 07/26/2021

KEYPLAN





UNIT 3C/4C

2 BEDROOM

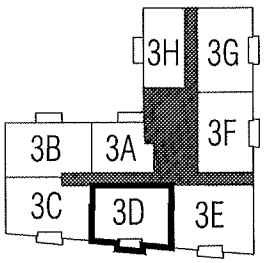
APPROX. FL. AREA: 775.0 S.F.
APPROX. BALCONY AREA: 46.0 S.F
APPROX. TOTAL FL. AREA: 821.0 S.F.

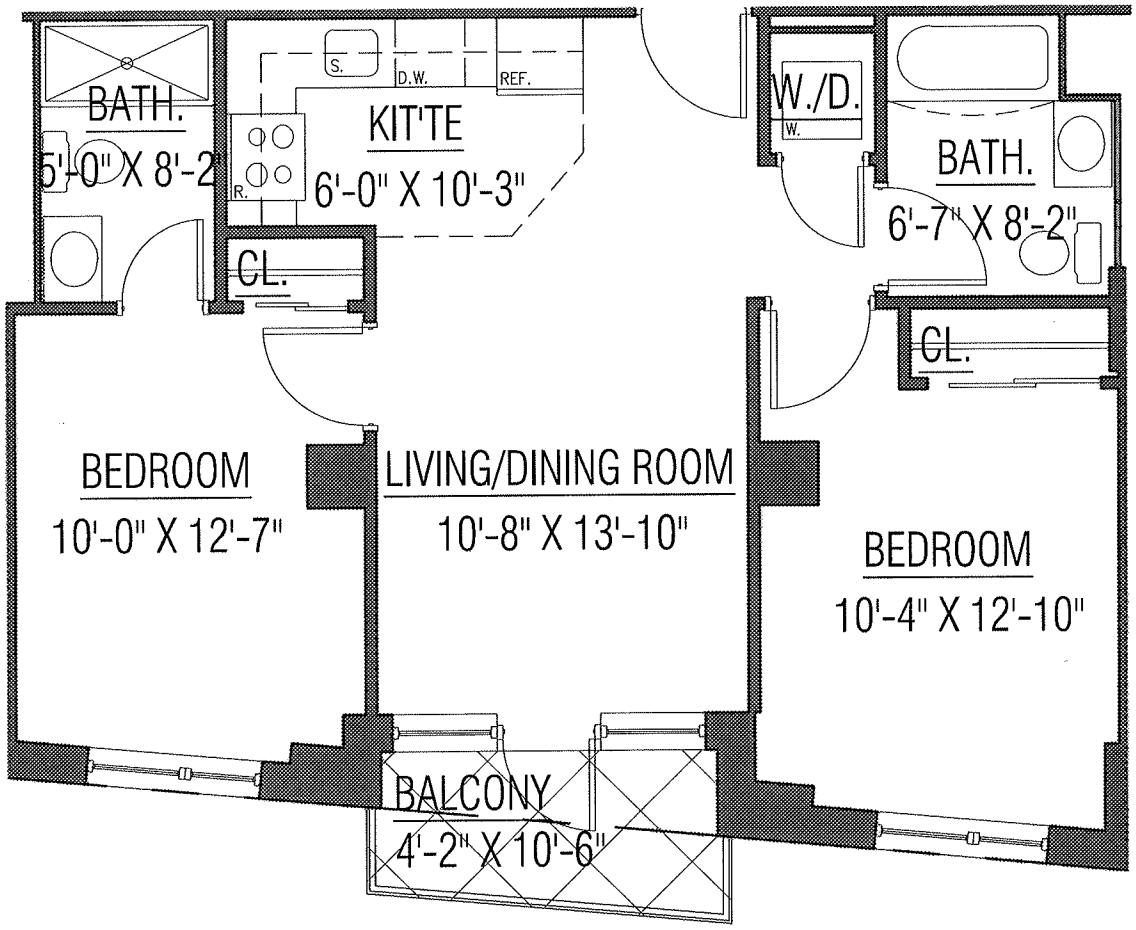


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DATE: 07/26/2021

KEYPLAN





UNIT 3D/4D

2 BEDROOM

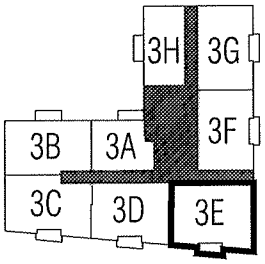
APPROX. FL. AREA: 736.0 S.F.
APPROX. BALCONY AREA: 47.0 S.F
APPROX. TOTAL FL. AREA: 783.0 S.F.

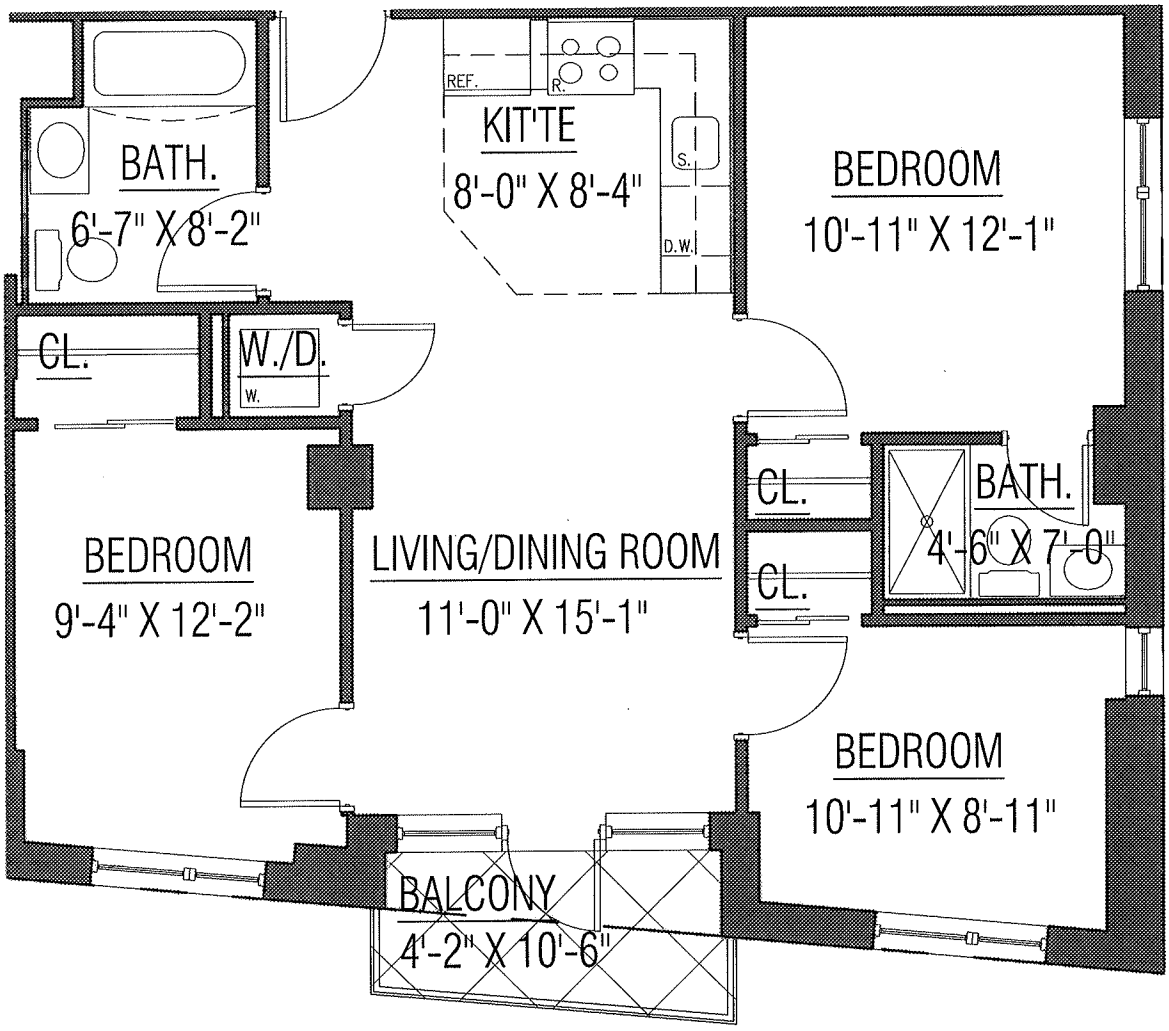


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DATE: 07/26/2021

KEYPLAN





UNIT 3E-4E

3 BEDROOM

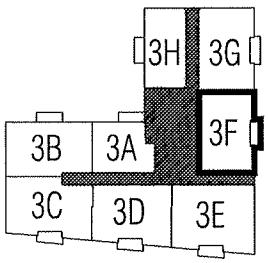
APPROX. FL. AREA: 861.0 S.F.
APPROX. BALCONY AREA: 46.0 S.F
APPROX. TOTAL FL. AREA: 907.0 S.F.

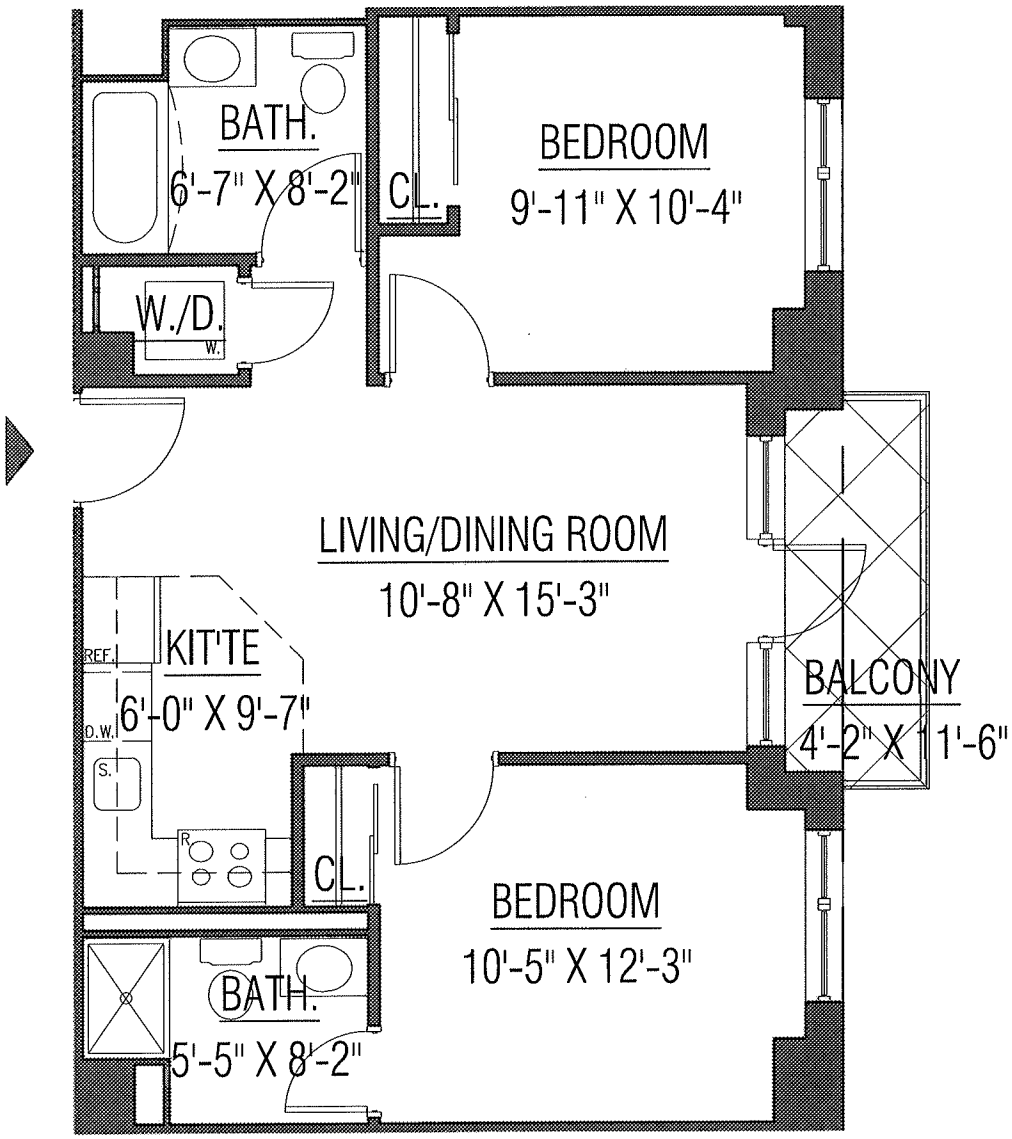


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DATE: 07/26/2021

KEYPLAN

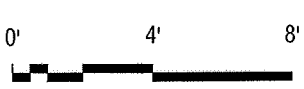




UNIT 3F/4F

2 BEDROOM

APPROX. FL. AREA: 701.0 S.F.
APPROX. BALCONY AREA: 46.0 S.F
APPROX. TOTAL FL. AREA: 747.0 S.F.

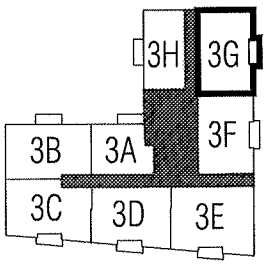


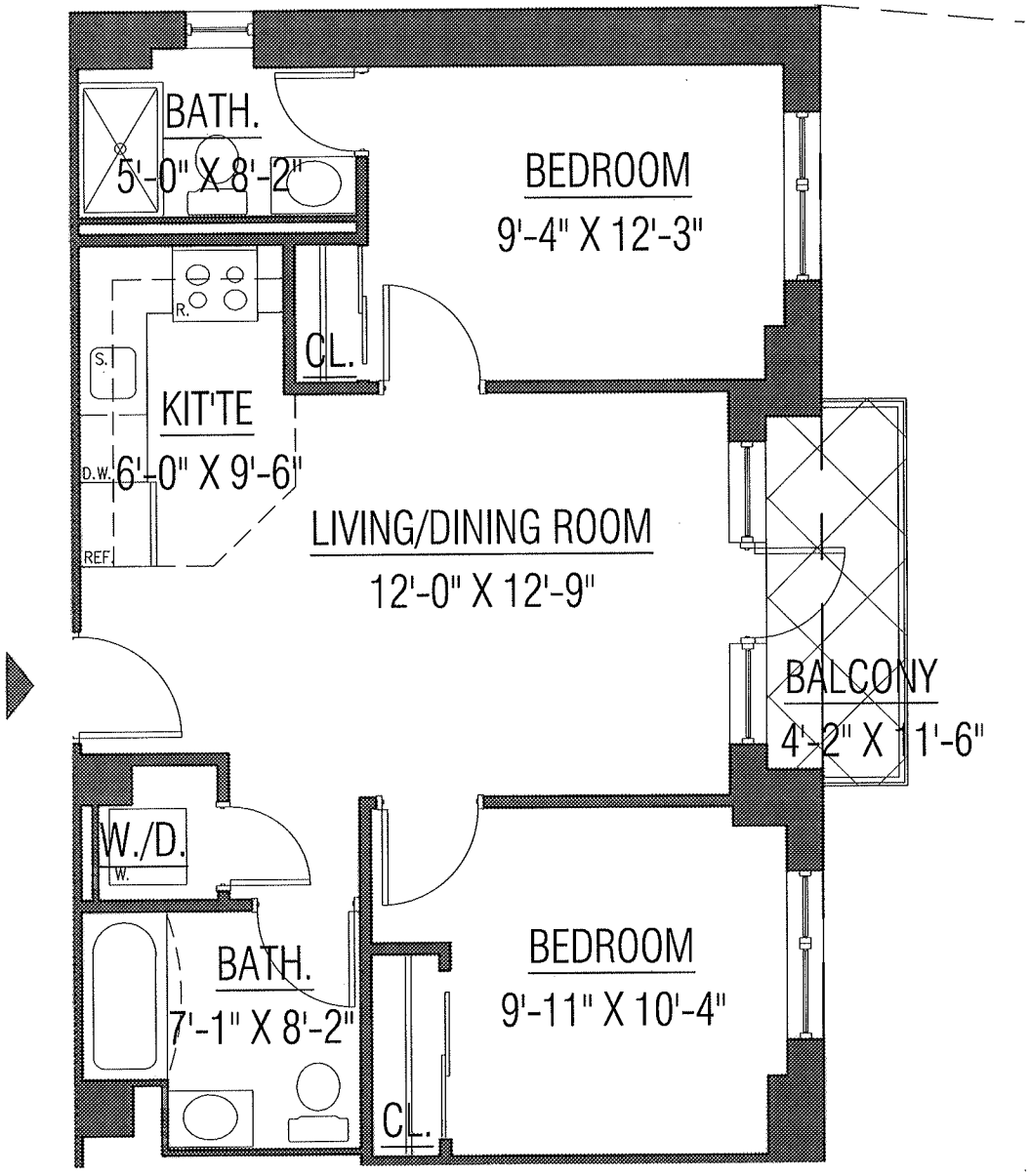


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DATE: 07/26/2021

KEYPLAN





UNIT 3G/4G

2 BEDROOM

APPROX. FL. AREA: 739.0 S.F.
APPROX. BALCONY AREA: 46.0 S.F
APPROX. TOTAL FL. AREA: 785.0 S.F.

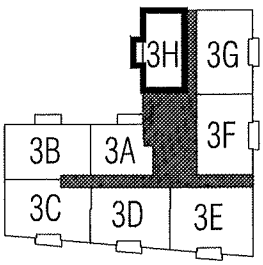
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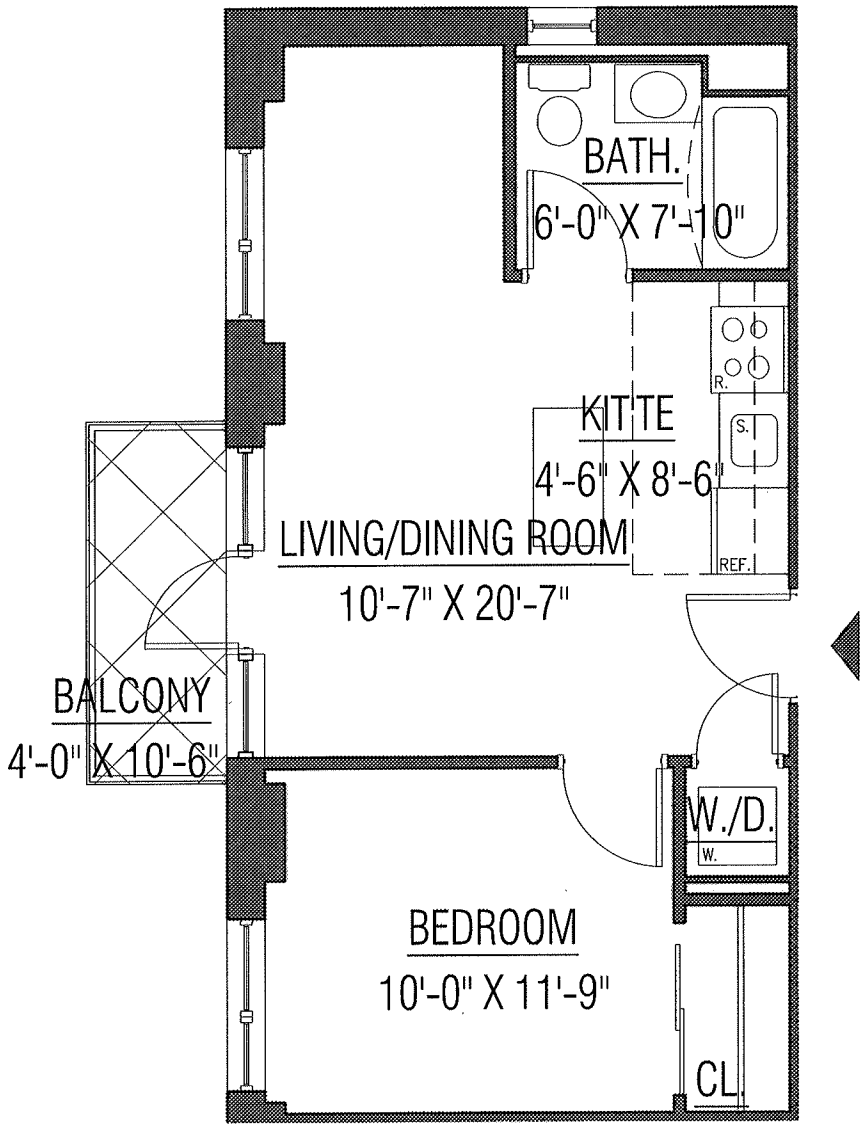
N

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DATE: 07/26/2021

KEYPLAN





UNIT 3H/4H

1 BEDROOM

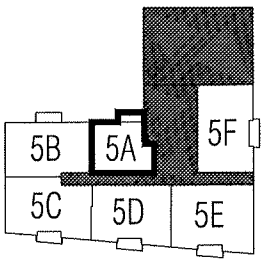
APPROX. FL. AREA: 529.0 S.F.
APPROX. BALCONY AREA: 42.0 S.F
APPROX. TOTAL FL. AREA: 571.0 S.F.

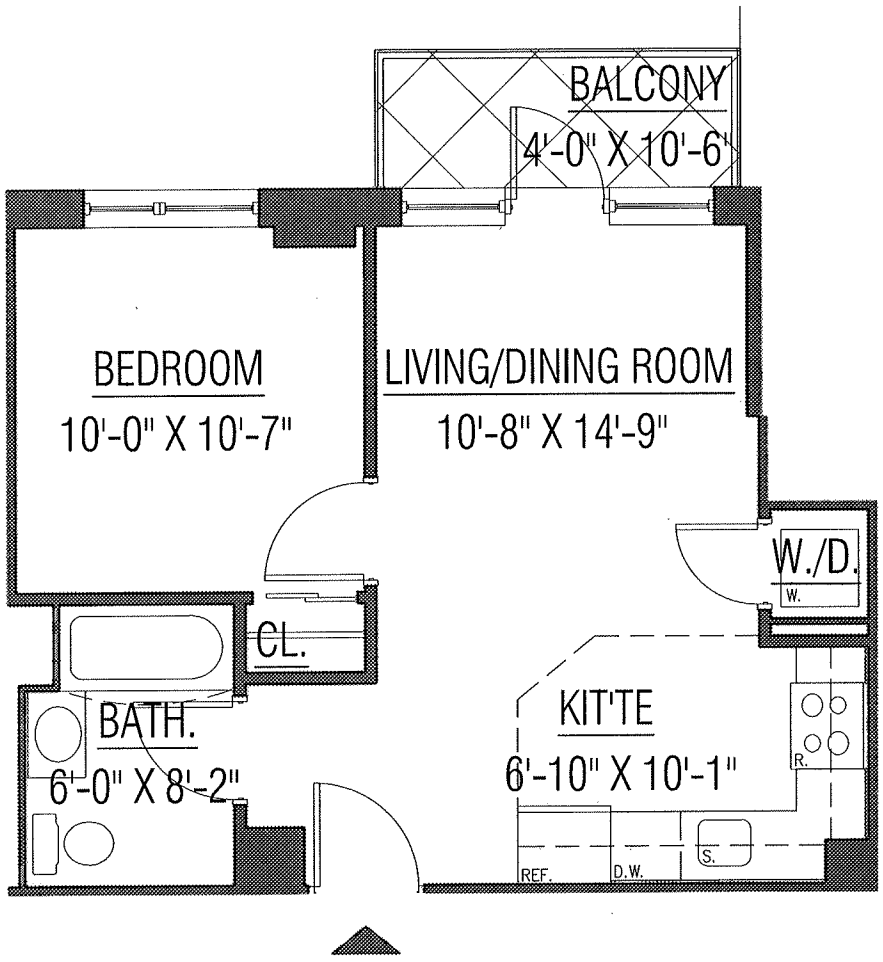


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DATE: 07/26/2021

KEYPLAN





UNIT 5A

1 BEDROOM

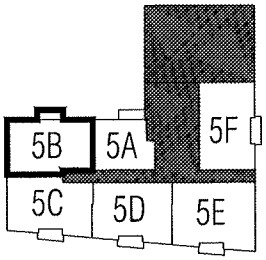
APPROX. FL. AREA: 480.0 S.F.
APPROX. BALCONY AREA: 42.0 S.F
APPROX. TOTAL FL. AREA: 522.0 S.F.

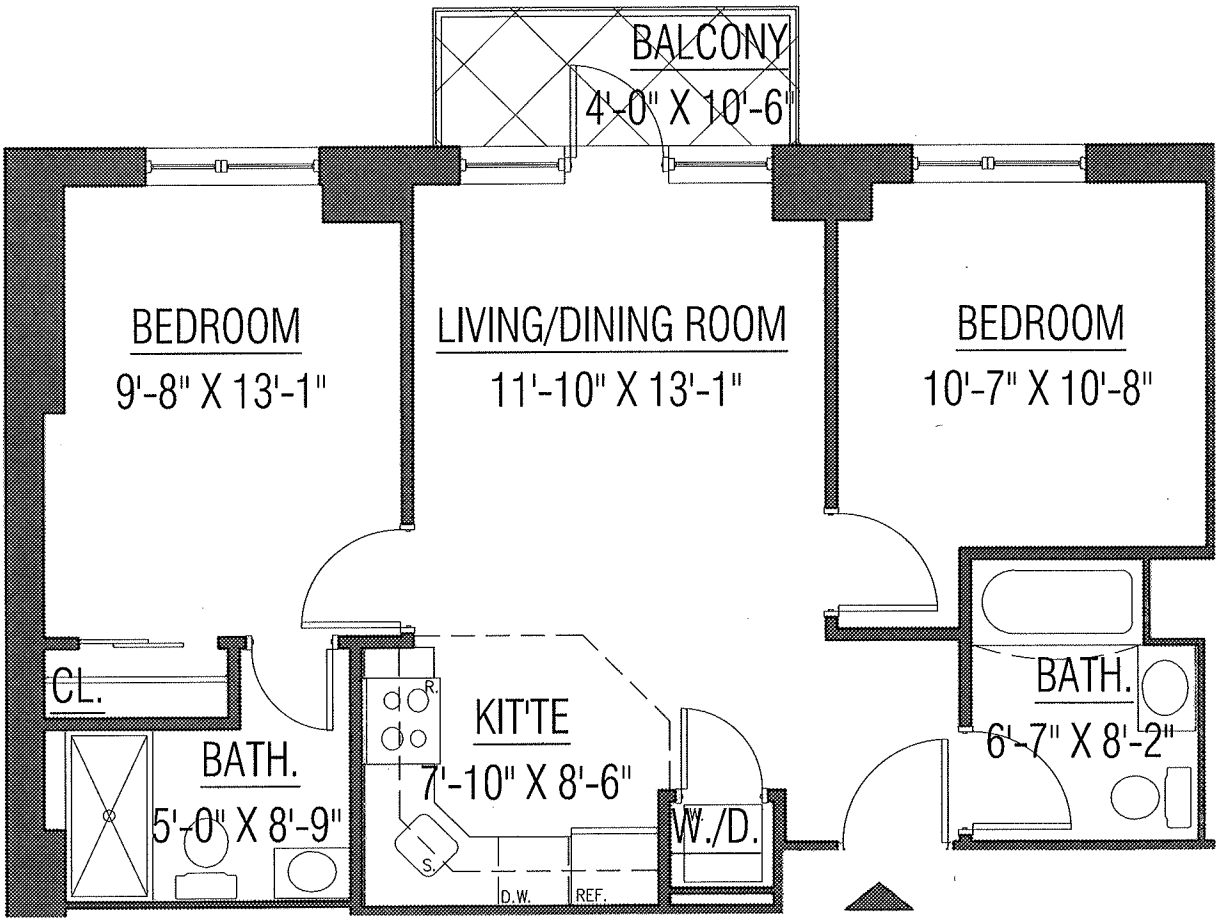


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DATE: 07/26/2021

KEYPLAN





UNIT 5B

2 BEDROOM

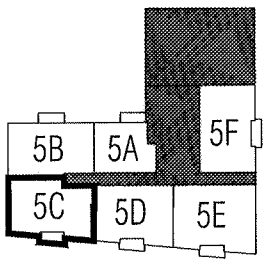
APPROX. FL. AREA: 751.0 S.F.
APPROX. BALCONY AREA: 42.0 S.F
APPROX. TOTAL FL. AREA: 793.0 S.F.

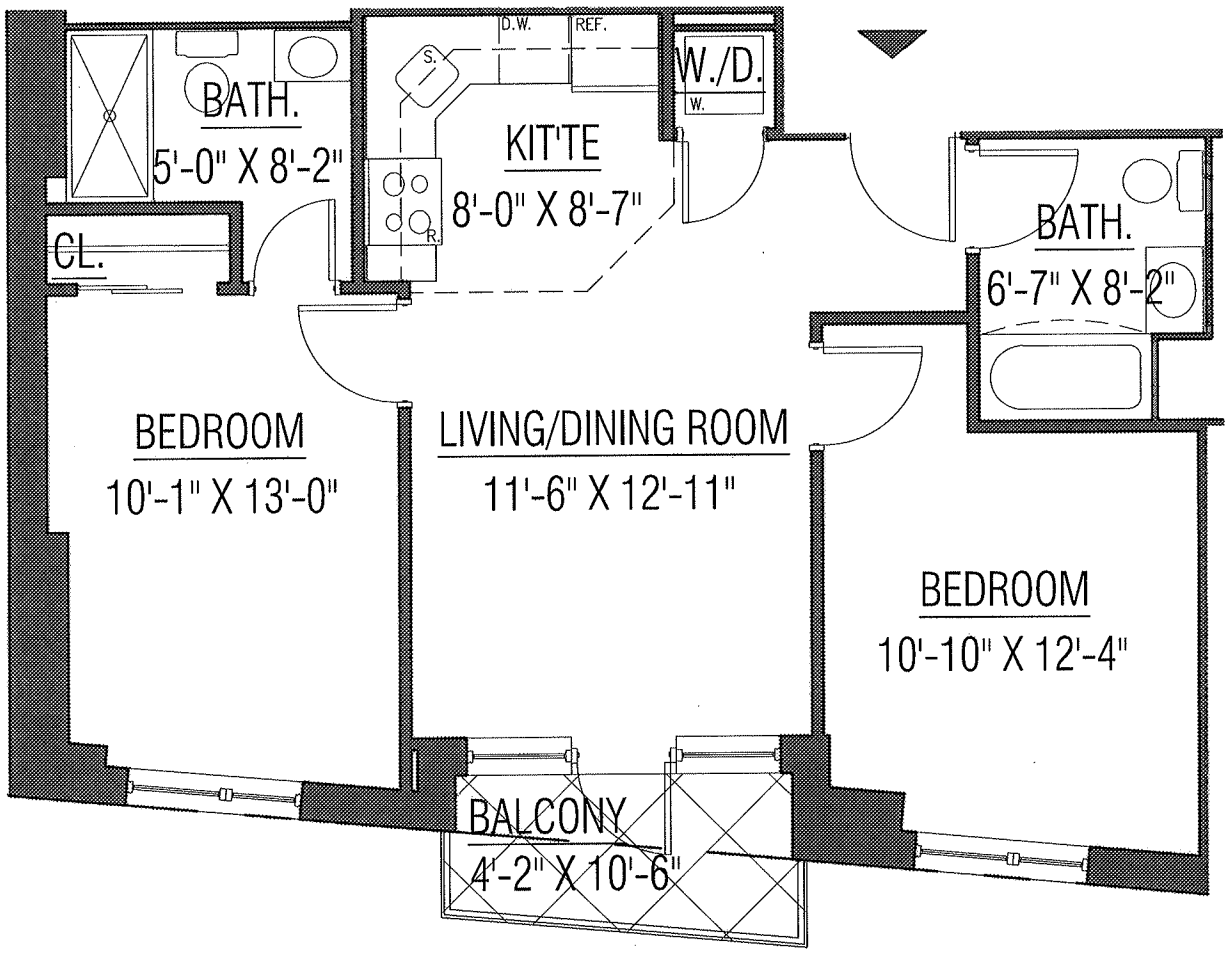


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DATE: 07/26/2021

KEYPLAN





UNIT 5C

2 BEDROOM

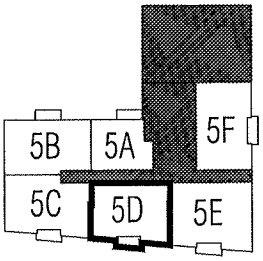
APPROX. FL. AREA: 775.0 S.F.
APPROX. BALCONY AREA: 46.0 S.F
APPROX. TOTAL FL. AREA: 821.0 S.F.

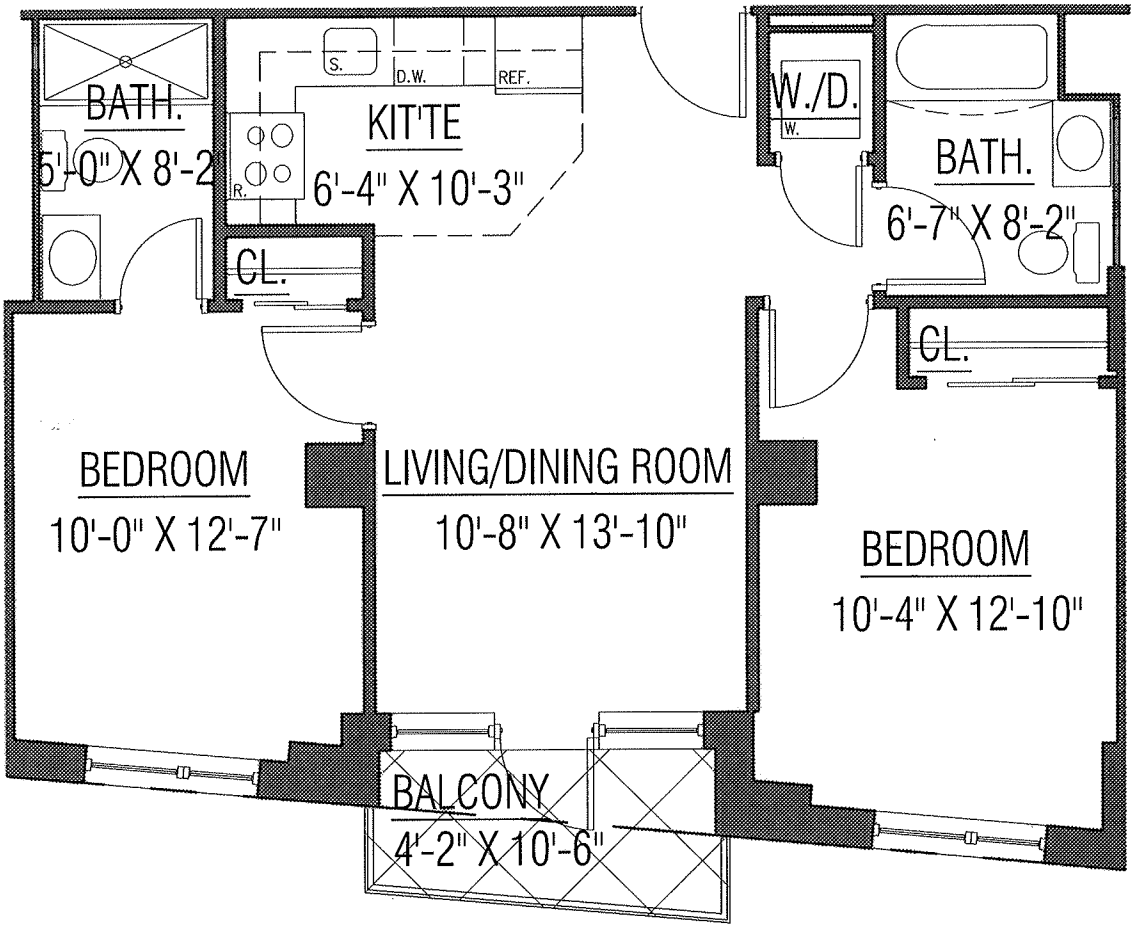


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DATE: 07/26/2021

KEYPLAN





UNIT 5D

2 BEDROOM

APPROX. FL. AREA: 736.0 S.F.
APPROX. BALCONY AREA: 47.0 S.F
APPROX. TOTAL FL. AREA: 783.0 S.F.

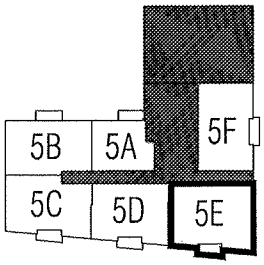
0' 4' 8'

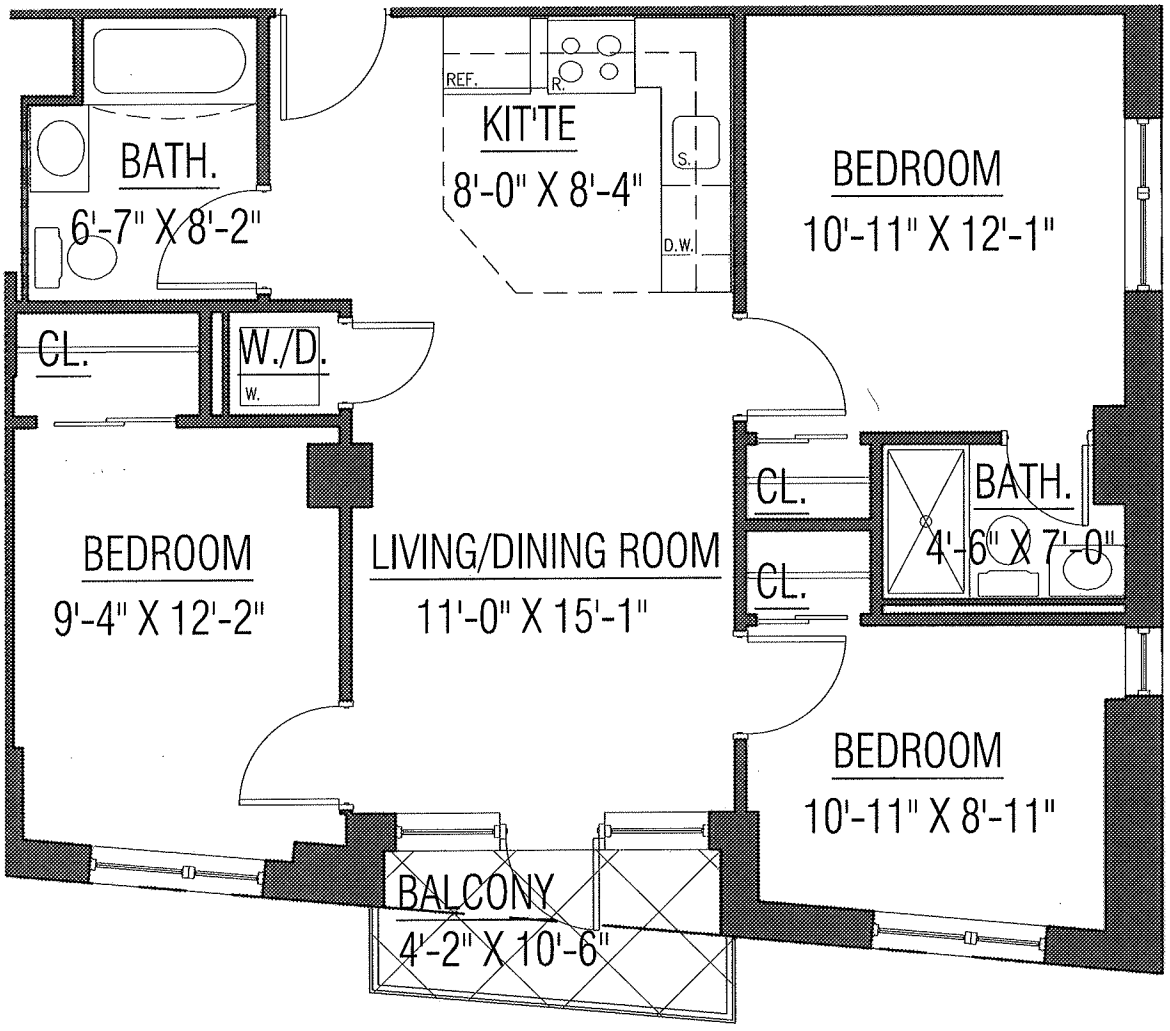
N

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DATE: 07/26/2021

KEYPLAN





UNIT 5E

3 BEDROOM

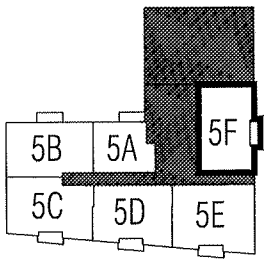
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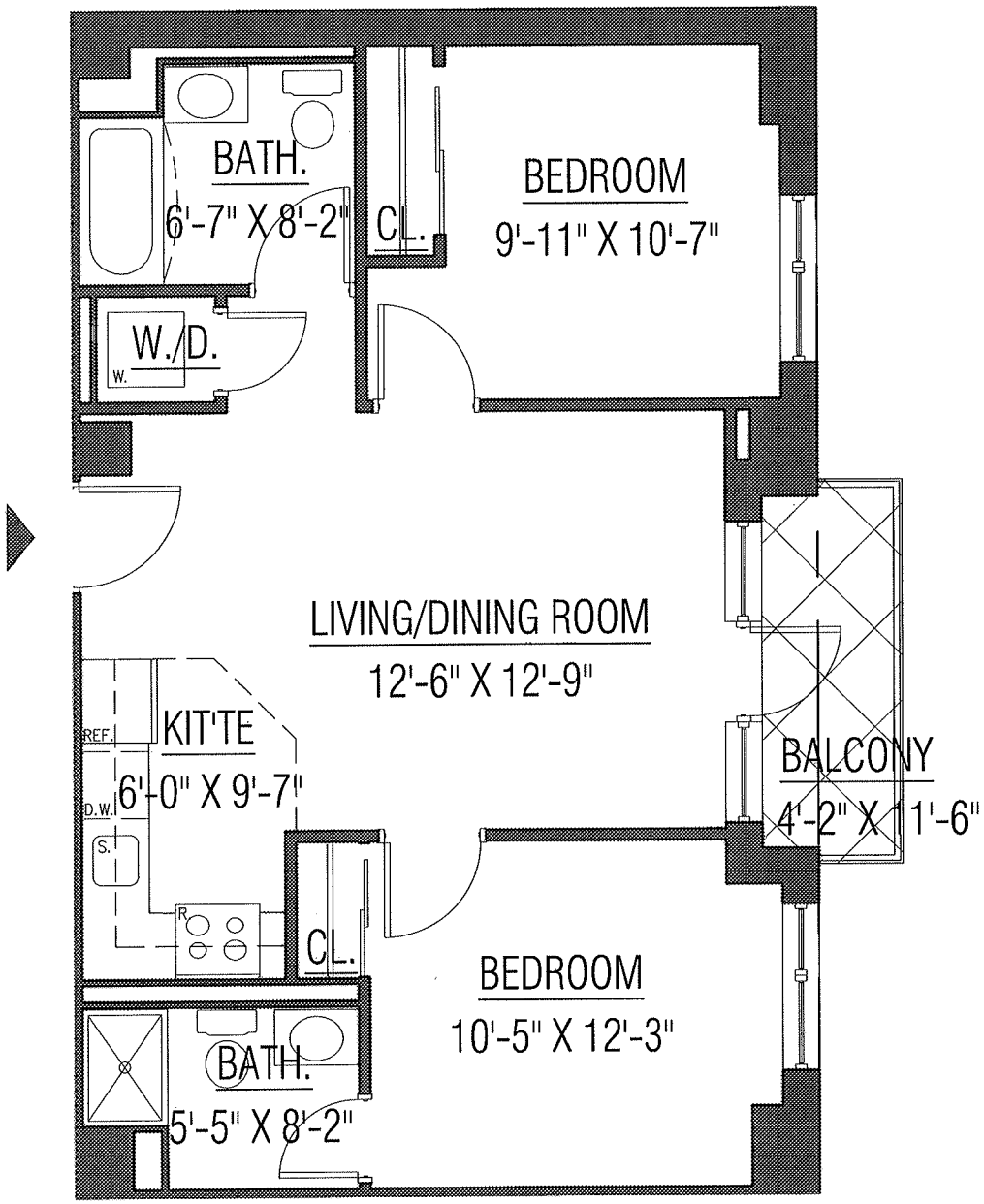


All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

KEYPLAN





UNIT 5F

2 BEDROOM

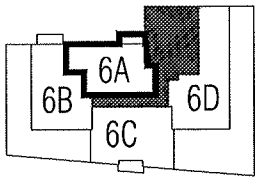
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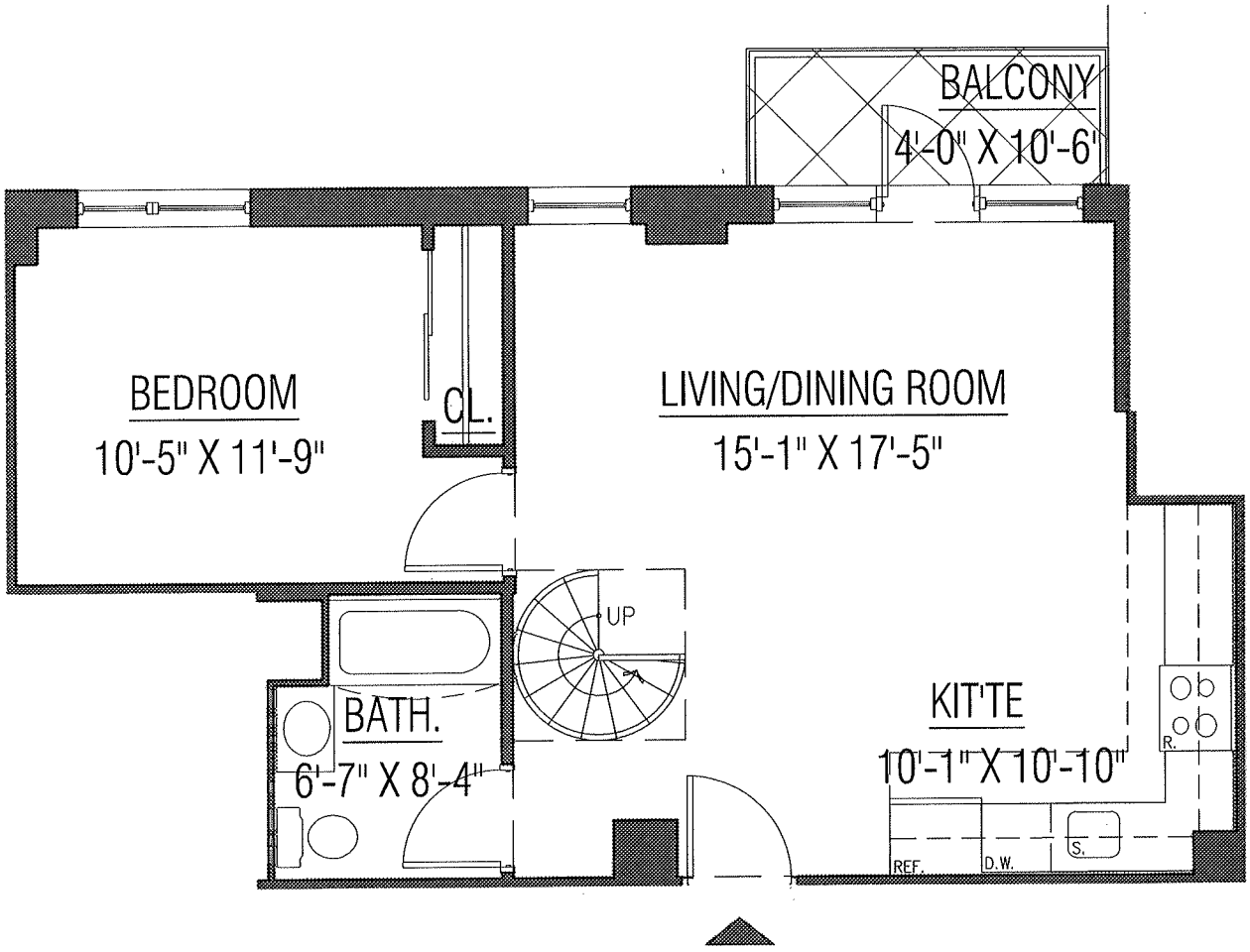


All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

KEYPLAN





UNIT 6A

2 BEDROOM

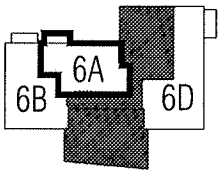
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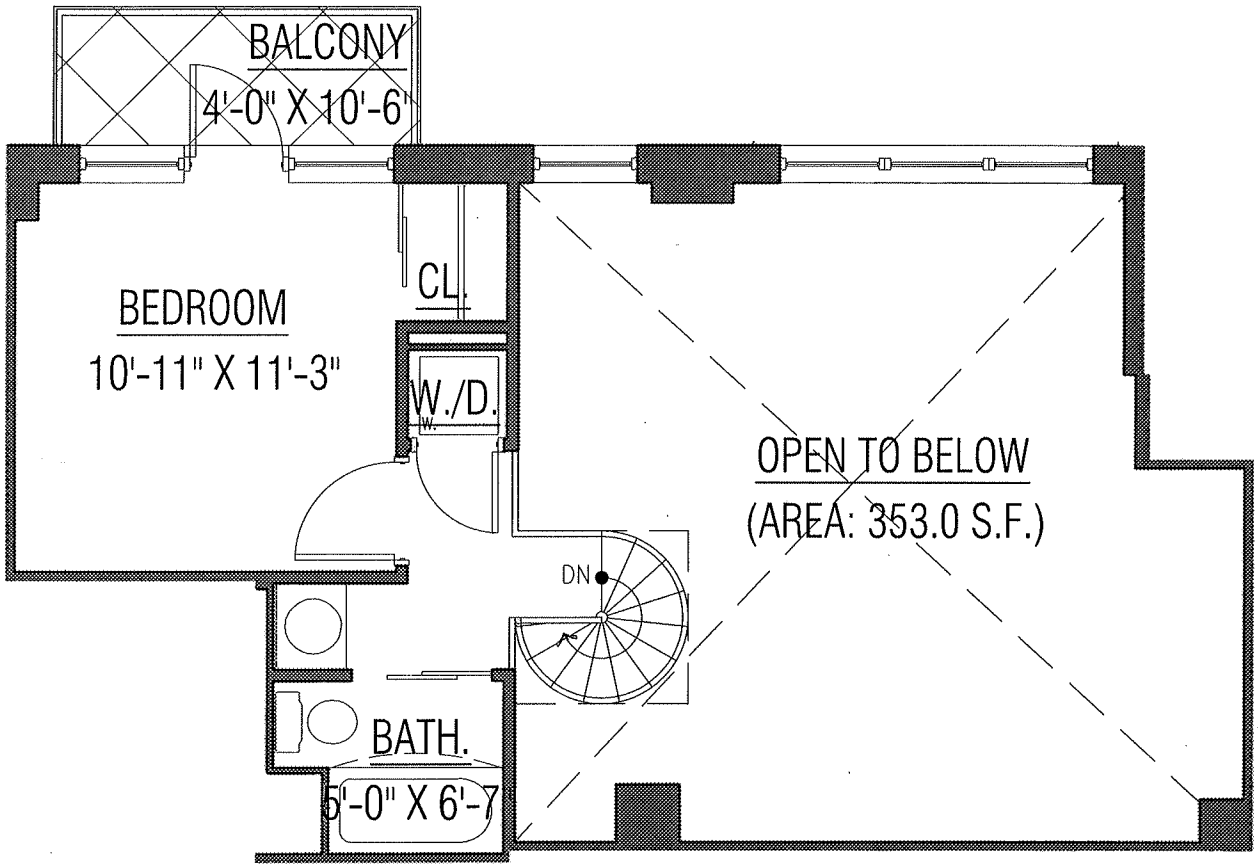


All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

KEYPLAN





UNIT 6A (7th FLOOR)

IN CONJUNCTION WITH UNIT 6A (6TH FLOOR)

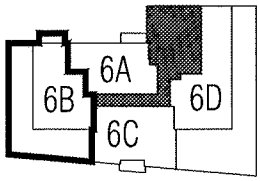
0' 4' 8'

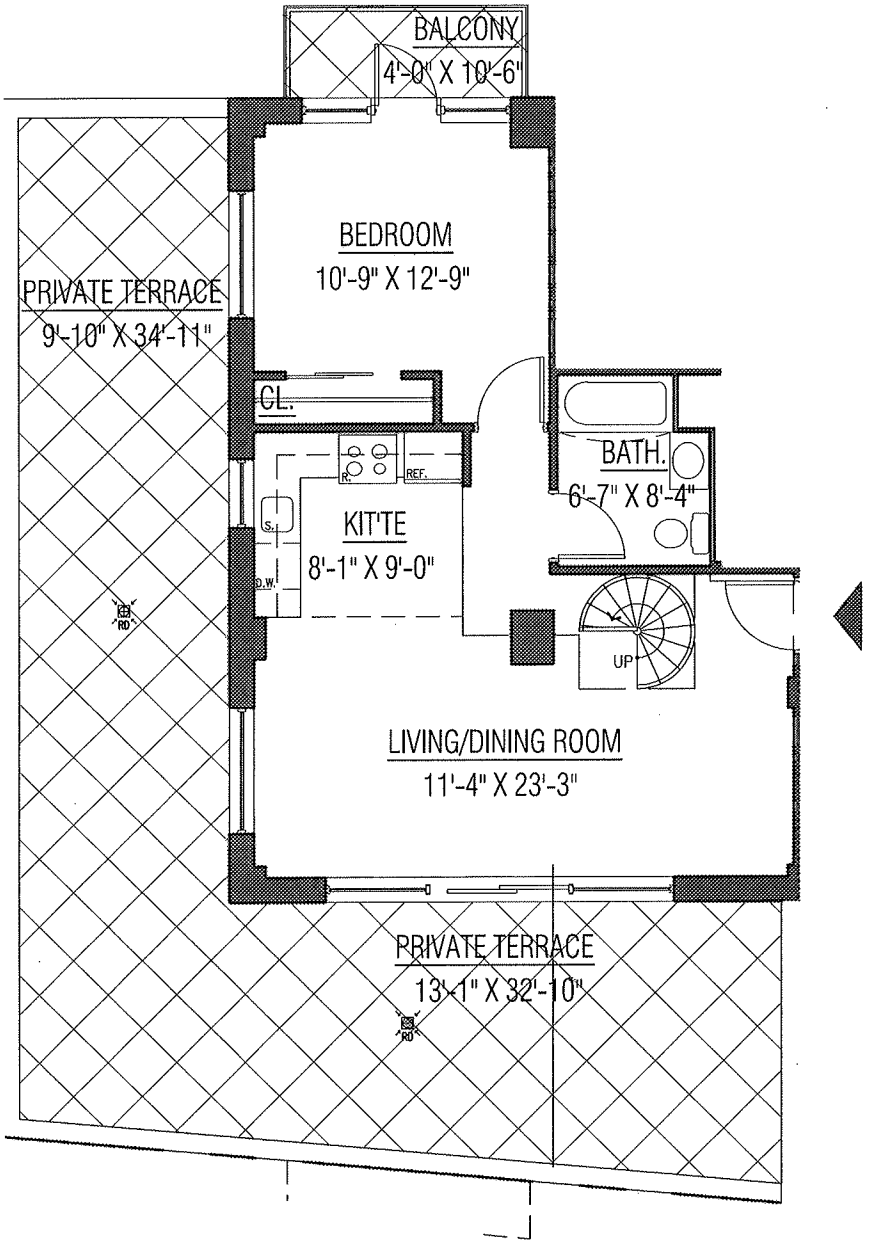
N

All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

KEYPLAN





UNIT 6B

2 BEDROOM

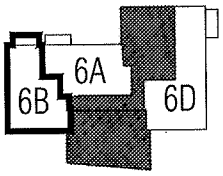
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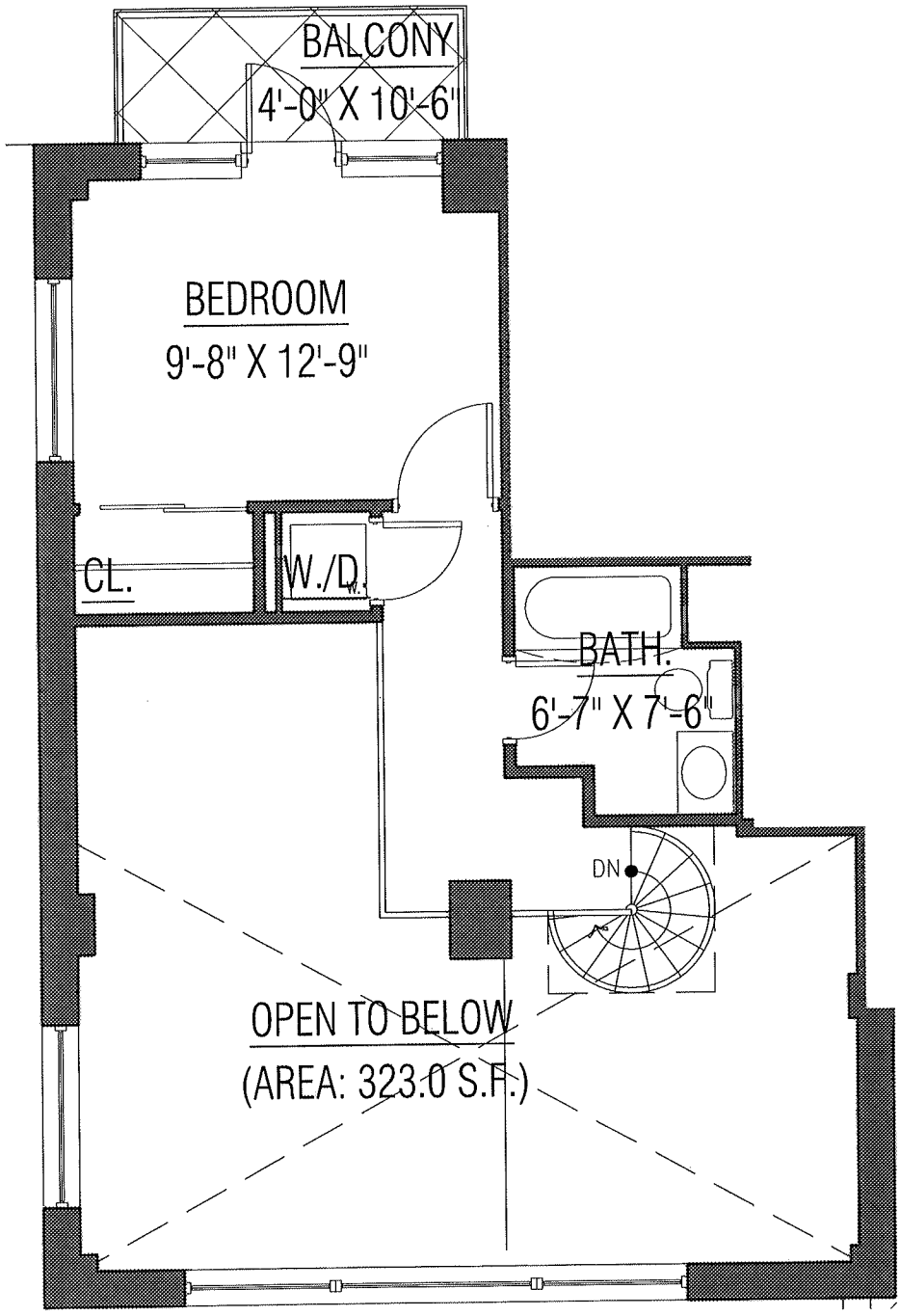


All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

KEYPLAN





UNIT 6B (7th FLOOR)

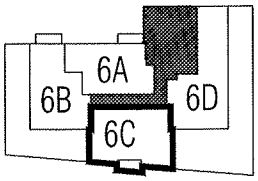
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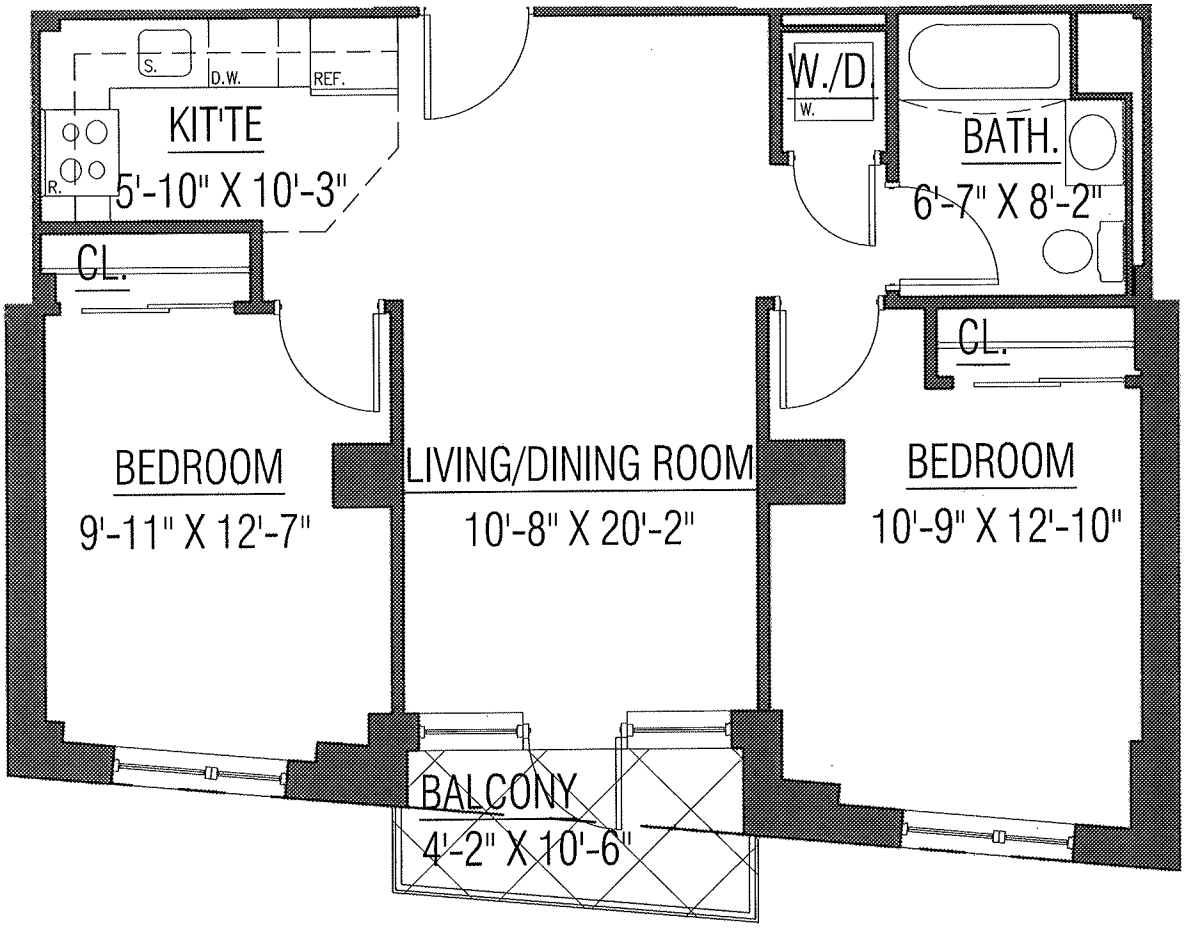


All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

KEYPLAN





UNIT 6C

2 BEDROOM

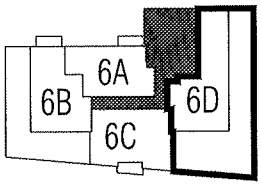
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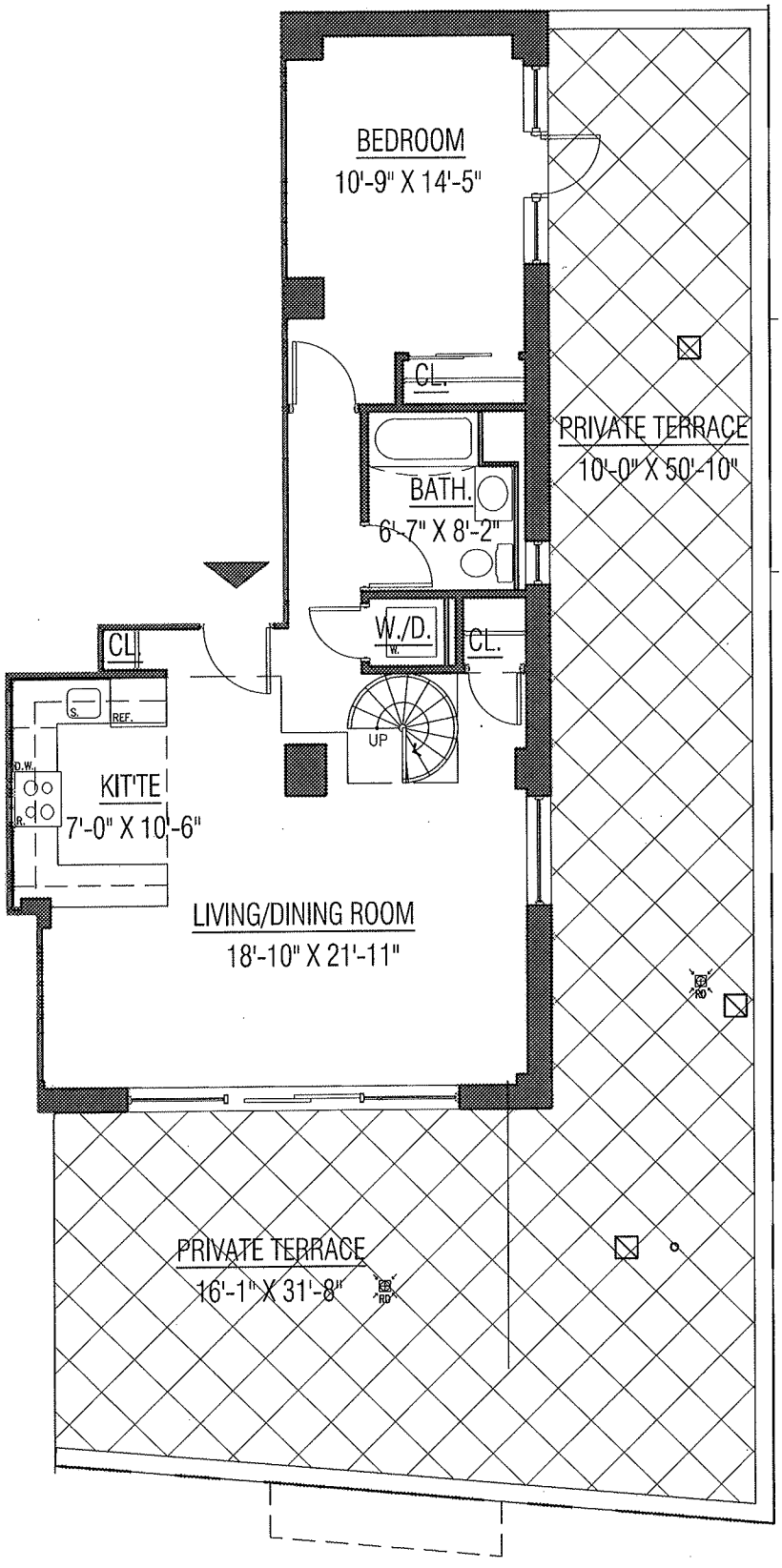


All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

KEYPLAN

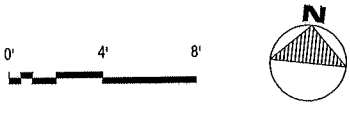




UNIT 6D

2 BEDROOM

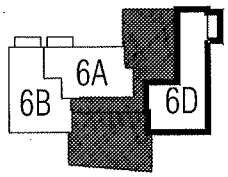
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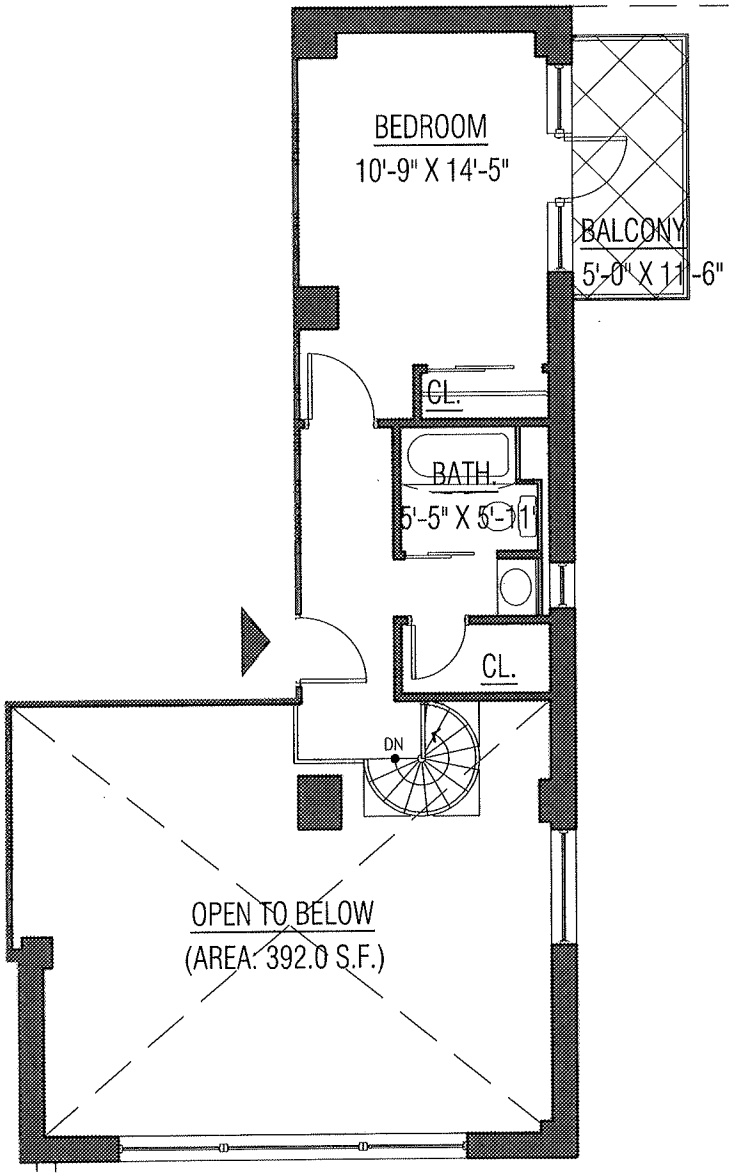


All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

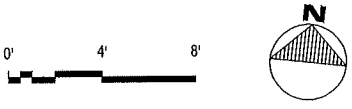
KEYPLAN





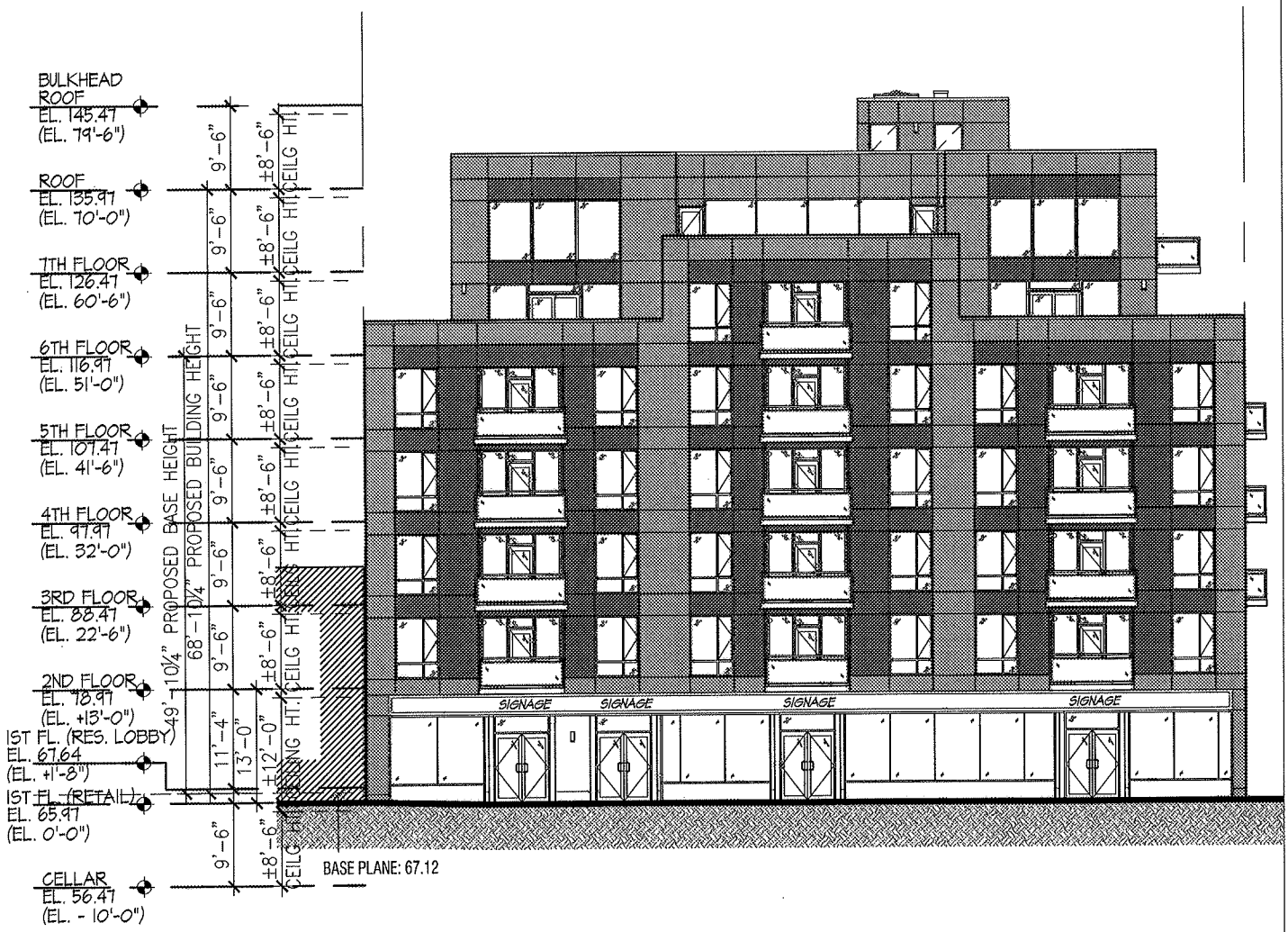
UNIT 6D (7th FLOOR)

IN CONJUNCTION WITH UNIT 6D (6th FLOOR)



All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

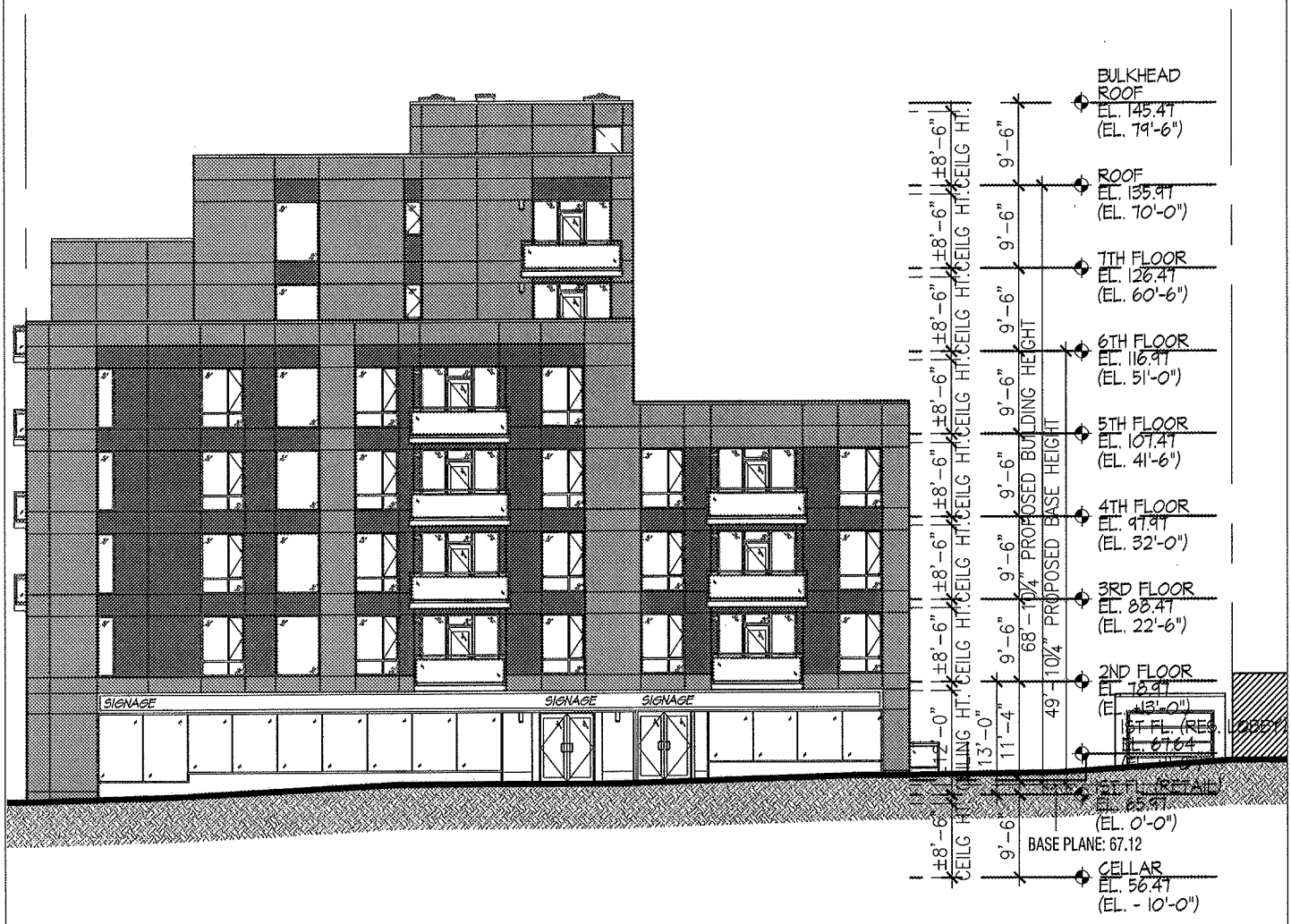


FRONT ELEVATION (NORTHERN BLVD.)

0' 4' 8' 16' 32'

All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

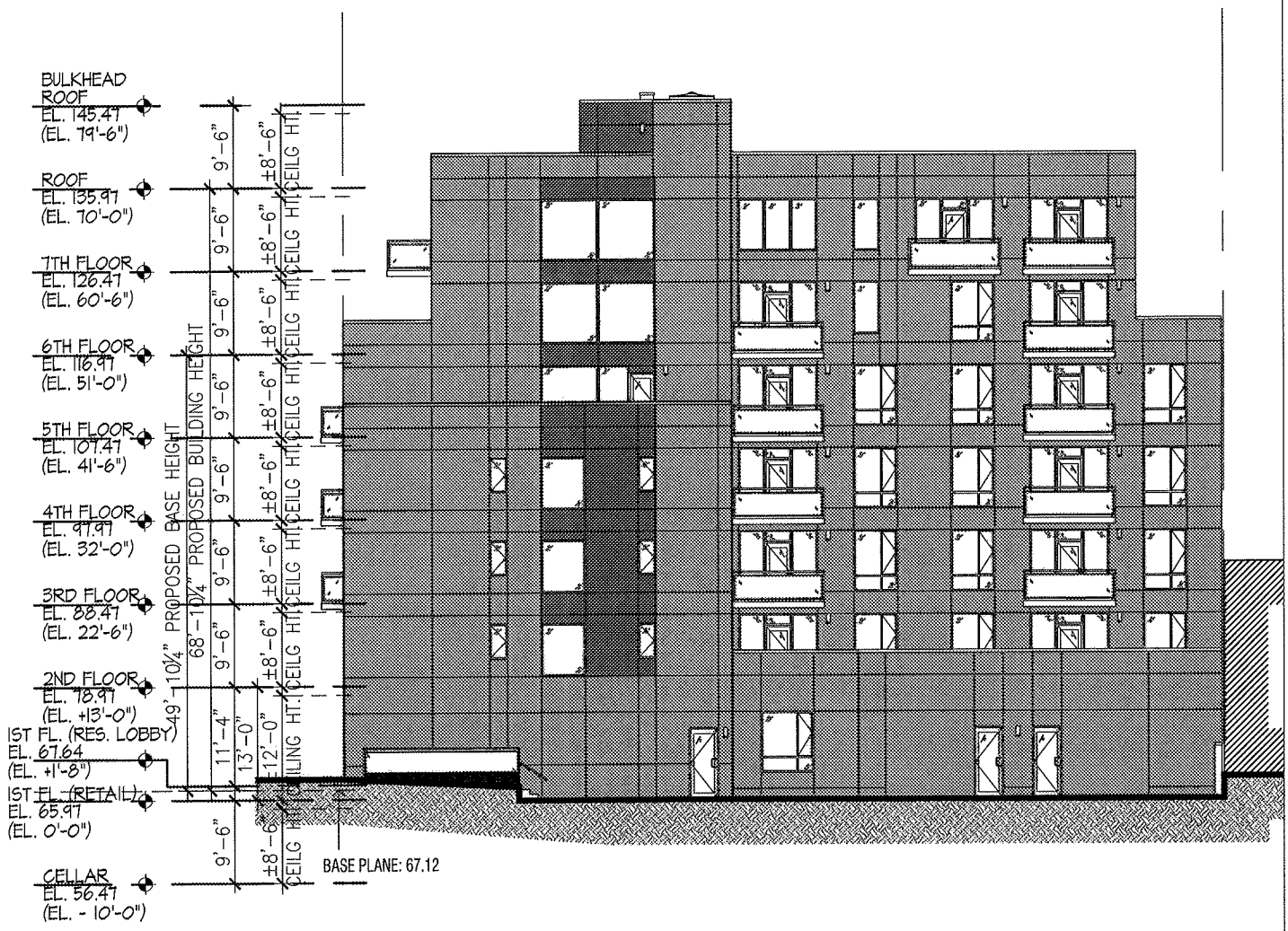


FRONT ELEVATION (105th STREET)

0' 4' 8' 16' 32'

All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

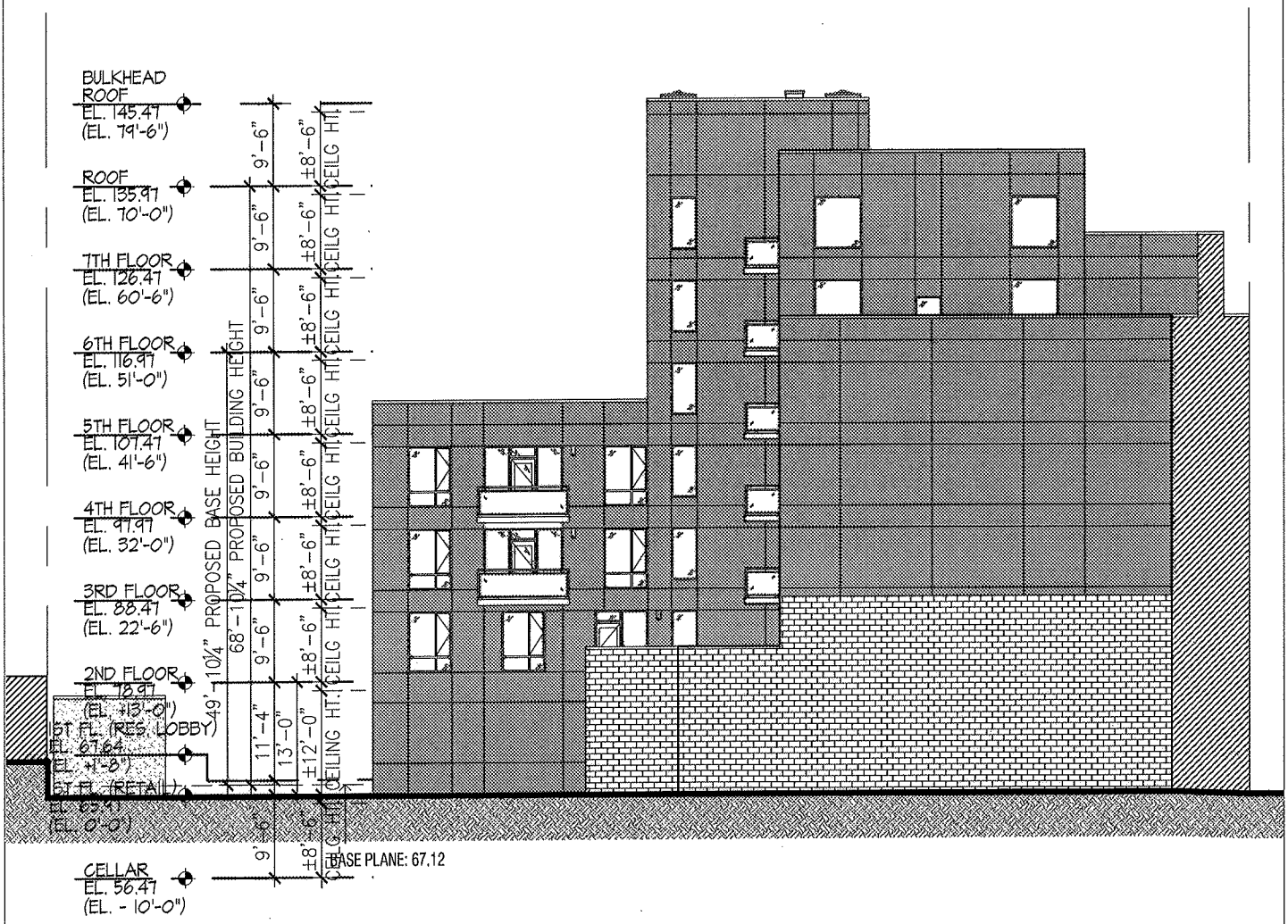


SIDE ELEVATION

0' 4' 8' 16' 32'

All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021



SIDE ELEVATION

0' 4' 8' 16' 32'

All dimensions are approximate and are subject to normal construction variances and tolerances.
Sponsor reserves the right to make changes due to unforseen conditions in accordance with the offering.

DATE: 07/26/2021

FEE TITLE DESCRIPTION

A "Unit" as hereinafter referred to shall be defined as follows:

Each Unit shall consist of the area enclosed horizontally by the unexposed sides of the dry walls of the exterior walls of the Building and by the unexposed sides of the masonry or the exposed face of the concrete or concrete block of those walls and partitions which separate the Unit from the corridors, stairs, mechanical equipment spaces and other Units, and enclosed vertically by the underside of the Unit's finished flooring and the unexposed side of the Unit's drywall ceiling where applicable. The doors and windows which open from the Unit shall be deemed part of the Unit. No Unit Owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the Unit which are utilized for or serve more than one (1) Unit. The Description of Units set forth herein pertains to the location of the walls, floors and roof of the Units as they are finally set forth in the building plans to be filed simultaneously with the recording of the Declaration.

DECLARATION

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED AT
32-58 105TH STREET
QUEENS COUNTY
CITY AND STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

CONDO #

NAME: Polaris Condominium

DECLARANT: Sanford 147 Development LLC
133-47 Sanford Avenue, Suite C1E
Flushing, New York 11355

DATE OF DECLARATION:

BLOCK: 1699
FKA LOT: 32
NKA LOTS:

Record and Return To:

MORITT HOCK & HAMROFFLLP
Attorneys for the Sponsor
1407 Broadway, 39th Floor
New York, New York 10018

SCHEDULE I

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SCHEDULE B

EXHIBIT A Legal Description

EXHIBIT B By-Laws of Condominium

PLAN OF CONDOMINIUM UNIT OWNERSHIP

DECLARATION OF POLARIS CONDOMINIUM PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK

In the Borough and County of Queens, City and State of New York on this ___ day of _____, 202__, Sanford 147 Development LLC, a limited liability company organized and existing under the laws of the State of New York, whose principal office is situated at 133-47 Sanford Avenue, Suite C1E, Flushing, New York 11355, hereinafter referred to as the "Declarant" or "Sponsor" represented in this Declaration by _____, 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 Borough and County of Queens, City and State of New York, and more particularly bounded and described on Exhibit A annexed hereto and made a part hereto.

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

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

2. "Board Member" or "Member" - Each individual representative elected, designated or appointed to the Board of Managers. The Board Members are classified as follows:

    a. "Residential Board Member" – a Residential Unit Owner representative elected, designated or appointed to the Board of Managers.

    b. "Non-Residential Unit Member" – a Non-Residential Unit Owner representative elected, designated or appointed to the Board of Managers.

3. "Building" - The seven (7) story building containing thirty-four (34) Residential Units, four (4) Commercial Units, one (1) Community Facility Unit, thirty-one (31) Parking Space Units, two (2) Storage Bin Units, Cellar and Bulkhead.

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

5. "Common Charges" - Each Unit Owner's proportionate share of the General Common Expenses as determined in accordance with the Common Interest appurtenant to the Unit.

6. "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, including all sewer and drainage pipes for the Building, and Limited Common Elements which are Common Elements that are irrevocably restricted for the exclusive use of an individual Residential Unit Owner.

7. "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.

8. "Common Interest" - The proportionate, undivided interest each Unit Owner has in the Common Elements.

9. "Community" or "Development" - As used herein refers to Polaris Condominium.

10. "Condominium" – Polaris Condominium, which is comprised of the Common Elements, Residential Units, Community Facility Units, Commercial Units, Parking Space Units, Storage Bin Units and Unit Owners.

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

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

13. "Escrow Account" - The attorney's account where a Purchaser's initial deposit will be held as provided for in Section X of the Offering Plan.

14. "Escrow Agent" - The attorney or law firm overseeing the Escrow Account as provided for in Section X of the Offering Plan.

15. "Extraordinary" - Very unusual, remarkable or not the norm.

16. "General Common Elements" – shall mean and refer to those common elements shared by all Unit Owners and include all portions of the Condominium except for the individual Units and the Limited Common Elements (irrevocably restricted in use to specified Units or Unit Owners).

17. "Irrevocably Restricted" or "Limited Common Elements" - A Common Element appurtenant to a particular Residential Unit or Units, the use of which is restricted to the Owners of such Residential Unit or Units.

18. "Ordinary" - with no special or distinctive features; normal.

19. "Parking Space Unit" - The thirty-one (31) Parking Space Units, as identified in the Floor Plans in Part II of the Offering Plan, which are to be used solely for parking automobiles and other permitted vehicles.

20. "Primary Residence" – shall mean and refer to is the primary dwelling for the Unit Owner. A person can only have one primary residence at any given time, though they may share the residence with other people. A primary residence is considered to be a legal residence for the purpose of income tax and/or acquiring a mortgage.

21. "Purchaser" - The person(s) who have entered into a Purchase Agreement to acquire a Residential Unit and/or Community Facility Unit, if applicable, in the Condominium.

22. "Purchase Agreement" - The document to be executed by the Purchaser which will obligate the Purchaser to acquire the Residential Unit, or the Community Facility Unit, in the Condominium and which will obligate the Seller to sell to Purchaser the Residential Unit in the Condominium.

23. "Residential Units" - The thirty-five (35) Residential Units designated in the Declaration of Condominium for residential use. As used herein the terms "Residential Unit" is equivalent to the term "Unit" in Article 9-B of the Real Property Law of the State of New York.

24. "Sponsor" Sanford 147 Development LLC, a New York limited liability company with an address at 133-47 Sanford Avenue, Suite C1E, Flushing, New York 11355, and its successors and/or assigns.

25. "Unit" - A Unit includes all the Units in the Condominium and is divided as follows:

(a) "Residential Units" - The Units designated in the Declaration of Condominium for Residential use.

(b) "Community Facility Units" – The Unit designated in the Declaration of Condominium for community facility use.

(c) "Commercial Units" – The Unit designated in the Declaration of Condominium for commercial use.

(d) ""Parking Space Units" – The Units designated as Parking Space Units in the Declaration of Condominium.

(e) "Storage Bin Units" – The Units designated in the Declaration of Condominium for storage use.

(f) "Non-Residential Unit" – The Units designated in the Declaration of Condominium as Commercial Units, Community Facility Units, Parking Space Units, and/or Storage Bin Units.

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

26. "Unit Owner" - A Unit Owner includes all the Unit Owners in the Condominium and is divided as follows:

(a) "Residential Unit Owner" - The owner of a Residential Unit.

(b) "Community Facility Unit Owner" – The owner of a Community Facility Unit.

(c) "Commercial Unit Owner"– The owner of the Commercial Unit.

(d) "Parking Space Unit Owner" – The Owner of a Parking Space Unit.

(e) "Storage Unit Owner" – The Owner of a Storage Unit.

(f) "Non-Residential Unit Owner" – The owner of a Commercial Unit, Community Facility Unit and/or Parking Space Unit.

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

FOURTH: COMMUNITY. The Declarant is constructing on the parcel of land described above a Condominium Community known as Polaris Condominium, according to the plans, prepared by Chang Hwa Tan, Ra, Tan Architect P.C., 194-02 Northern Blvd., Suite# 205, Auburndale, NY 11358, filed simultaneously with the recording of this Declaration in the Office of the Register of the City of New York, Queens County, which Plans set forth a description of the Building stating the number of stories and number of Units.

The Community will consist of thirty-four (34) Residential Units, four (4) Commercial Units, one (1) Community Facility Unit and thirty-one (31) Parking Space Units as set forth on the Floor Plans filed simultaneously with this Declaration. The Building structure will be masonry, steel and concrete. Each of the Units has access to a public street by means of a walk, driveway or roadway. For the purposes of describing the location of a 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 on Schedule B annexed hereto. Each Unit will be sold to one or more Unit Owners, each Unit Owner obtaining fee ownership in, and exclusive right of occupancy and possession of, the Unit, together with an undivided interest in the Common Elements of the Condominium, as listed hereinafter in this Declaration, and referred to as the "Common Elements," all of the above in accordance with Article 9-B of the Real Property Law of the State of New York. Each Unit Owner will automatically become a part of the Condominium. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities may be changed by mutual consent of the Declarant and the Unit Owner at the time of construction of the Unit.

The aforesaid Condominium has a total lot area of approximately 13,284 square feet.

FIFTH: COMMON ELEMENTS. The Common Elements will consist of the entire property, including all parts of the Building and improvements thereon, other than the Units, and will consist of General Common Elements to be shared by all Unit Owners and Limited Common Elements irrevocably restricted in use to specified Unit Owners.

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 Limited Common Elements and include without limitation the following:

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

2. All foundations, columns, girders, beams and supports;

3. Those portions of the walls and partitions dividing Residential Units located between the unexposed faces of the sheetrock walls enclosing the Residential Units; those portions of the ceilings of the highest floor above the unexposed face of the sheetrock;

4. Roofs, stairs and stairways, which are not located wholly within a Residential Unit and which are not designated as Limited Common Elements, and entrances to and exits from a Building other than entrances to the individual Units;

5. All improved and unimproved areas of the property outside the boundary of an individual Unit except for any Limited Common Elements;

6. All central and appurtenant installations in the Building or Property that provide service to the entire Building, 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;

7. All sewer pipes and drainage pipes and facilities that provide service to the entire Building or two (2) or more Units;

8. All meter rooms, compactor rooms, storage rooms, refuse rooms, equipment rooms and any other mechanical rooms or areas that service two (2) or more Units;

9. The elevator and elevator equipment;

10. The bike room in the cellar and the two (2) bike rooms on the third and fourth floors;

11. The indoor recreation room located at the second floor and the outdoor recreation space provided on seventh floor;

12. The parking area, excluding the Parking Space Units;

13. The storage area, excluding the Storage Bin Units;

14. The video communication intercom system which controls the main entrance from each unit;

15. All pedestrian walkways, intended for the common use of all Unit Owners; and

16. All other parts of the property and all apparatus and installations existing in a Building or on the property for common use to all Units or necessary or convenient to the existence, maintenance or safety of the property, including such equipment which may be on the roof and appurtenant to the Units.

The nine bicycle parking spaces (located in the bike rooms in the cellar and third and fourth floors) shall be made available on a first come first serve basis, at no charge; offered only to residents. The elevator, bike rooms, indoor recreation room on the second floor, storage area (excluding Storage Bin Units) and roof terrace located on the seventh floor, shall be common elements and made available for all residents to use on a first come first serve basis.

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 Common Element and subject to the rules of the Board of Managers. 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 detailed descriptions of the irrevocably restricted Limited Common Elements:

1. Community Facility Unit Limited Common Elements. The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of individual owners of the Community Facility Unit and are herein sometimes collectively referred to as the "Community Facility Unit Limited Common Elements":

   (a) The entrances to and exits from the Community Facility Unit.

   (b) The equipment and facilities that service solely the Community Facility Unit and all other apparatus, installations, systems equipment and facilities in the Building (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively the Community Facility Unit.

The Community Facility Unit Limited Common Elements servicing the individual Community Facility Units shall be maintained, repaired and replaced by the individual Community Facility Unit Owner's sole expense.

2. Commercial Unit Limited Common Elements. The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of individual owners of the Commercial Units and are herein sometimes collectively referred to as the "Commercial Unit Limited Common Elements":

   (a) The entrances to and exits from the Commercial Units.

   (b) The equipment and facilities that service solely the Commercial Unit and all other apparatus, installations, systems equipment and facilities in the Building (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively the Community Facility Unit.

The Commercial Unit Limited Common Elements servicing an individual Commercial Unit shall be maintained, repaired and replaced by the individual Commercial Unit Owner at its sole expense.

3. General Residential Units' Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of all the Residential Unit Owners and are herein, sometimes collectively referred to as the "General Residential Units' Limited Common Elements:

   (a) The residential entrance and lobby.

   (b) The residential stairway.

   (c) The residential hallways.

   (d) Any heating, cooling or other mechanical system servicing exclusively the Residential Units that are located in 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 exclusively all the Residential Units.

4. Individual Residential Unit Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual Residential Unit Owner and are herein, sometimes collectively referred to as the "Individual Residential Unit Limited Common Elements":

(a) The terraces appurtenant to Residential Units 2A, 2B, 2C, 2D, 2F, 2G, 2H, 6B and 6D.

(b) The balconies appurtenant to Residential Units 3A, 3B, 3C, 3D, 3E, 3F, 3G, 3H, 4A, 4B, 4C, 4D, 4E, 4F, 4G, 4H, 5A, 5B, 5C, 5D, 5E, 5F, 6A and 6C.

(c) Any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements.

(d) 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 exclusively a Residential Unit.

All general maintenance, repairs and replacements to a balcony or terrace that is a Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, including the repair of leaks and the repair or replacement of the balcony or terrace surface shall be the responsibility of the Residential Unit Owner whose balcony or terrace is appurtenant to their Residential Unit and is a Limited Common Element of their Residential Unit.

All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements 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 exclusively a Residential Unit shall be the responsibility of the Residential Unit Owner for such equipment services, etc.

All maintenance and repairs to Parking Space Units, whether structural or non-structural, ordinary or extraordinary, will be made by the Board of Managers and the cost thereof will be a Common Charge payable by all Unit Owners.

Balcony and Terrace space may not be legally used as a bedroom or living room and to do so may result in a building code violation being issued for the building. The balconies and terraces are not permitted to be used for storage of any items and are not permitted to be enclosed.

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 the undivided interest in the Common Elements established herein shall not be changed except with the consent of all of the Unit Owners affected expressed in a duly recorded amendment to this Declaration.

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

SIXTH: EASEMENTS. All pipes and maintained wires, conduits and public utility lines located within each Unit shall be owned and maintained by such Unit Owner. Any portion of such pipes, wires, conduits and public utility lines located in the Common Elements and servicing two or more Units, will be owned in common by the Unit Owners. Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, wires, conduits and public utility lines located in other Units and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, wires, conduits and public utility lines servicing such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, wires, conduits and public utility lines located in any Unit and servicing any other Unit or causing damage to any other Unit. The cost of such repairs shall be a Common Expense. In the event any portion of such pipes, wires, conduits and public utility lines is located in any of the Limited Common Elements, the cost of any repairs to such pipes, wires, conduits and public utility lines shall be the sole responsibility of the respective Unit Owner(s) for whom the Limited Common Element is limited in use. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

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

The Declarant, its successors, assigns, and purchasers of undeveloped or unsold Units, reserves the easements, licenses, rights and privileges of a right-of-way in,

through, over, under and across the Common Elements of the Condominium for the purpose of completing construction and sale of the 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, solar energy panels and other utilities and for any other materials or services necessary for the completion of the work. The Declarant, its successors, assigns, and purchasers of undeveloped or unsold Units, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Common Elements. The Declarant, its successors and assigns, and purchasers of undeveloped or unsold Units, shall have an easement to erect and maintain general sales, leasing, business or administration offices and/or model Units, to erect, maintain, repair and replace from time to time one or more free-standing and other selling, directional and informational signs in/or on the Condominium as it deems necessary for the purposes of advertising the sale or lease of Units, and for the purpose of showing the Property to prospective Purchasers or lessees and for access to Units and Common Elements consistent with the purposes of the Declaration, as the same may be amended, and Declarant's rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units, together with their interest in the Common Elements. Finally, the Declarant, its successors, assigns and purchasers reserve the right to continue to use the Common Elements and any facilities, sales offices, model Units, signs located on the Common Elements, in its efforts to market or lease Units constructed in the Condominium and to complete construction of the Condominium. This paragraph shall not be amended without the consent of the Declarant.

Each Unit Owner hereby grants a right of access to and through their Unit to Declarant or its designee, and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Declarant with respect to the Common Elements and/or the Units.

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 located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements.

The Board of Managers shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other

machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Building.

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

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

Any easements granted to Declarant, the Board of Managers, any Unit or any Unit Owner under this Declaration and the By-Laws may be exercised by such Declarant's, Board of Managers or Unit Owner's employees, agents, contractors, suppliers, customers, guests, invitees, licensees, servants, visitors, tenants, subtenants, tenants and/or tenant-shareholders, 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 Limited Common Elements appurtenant to such Unit, and the General Common Elements, subject to and in accordance with the terms and conditions of this Declaration and By-Laws.

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

SEVENTH: SERVICE OF PROCESS: Service of process on the Unit Owners in any action with relation to the Common Elements shall be made upon the Secretary of State as the agent of the Board of Managers of the Condominium. The post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon him as agent for service of this Condominium during the period the Declarant controls the Board of Managers is: Sanford 147 Development LLC, 133-47 Sanford Avenue, Suite C1E, Flushing, New York 11355. 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 him as agent of this Condominium is: Board of Managers, Polaris Condominium, 32-58 105th Street, East Elmhurst, New York 11369 or such other address as the Board of Managers of the Condominium selects.

EIGHTH: COMMON INTEREST. Each Unit Owner shall have such percentage of interest in the Common Elements as is set forth in Schedule B attached

hereto and shall bear such percentage of the Common Expenses of the Condominium except as otherwise described herein in reference to the Limited Common Elements. Each Unit Owner shall have one vote for all voting purposes at any meeting of the Unit Owners. The percentage of interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular unit. Said method of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

NINTH: ADMINISTRATION. The administration of the Condominium, and parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto as Exhibit "B".

TENTH: AMENDMENTS AND WITHDRAWAL.

A. The dedication of the property to Condominium ownership herein shall not be revoked or the property withdrawn from Condominium ownership unless eighty (80%) percent of the 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.

B. The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number held at a duly-called meeting of the Unit Owners, provided however, that:

1. No amendment shall change any condominium parcel, nor a Unit Owner's proportionate share of the Common Charges, nor the voting rights appurtenant to any Unit, unless all of record owner(s) in number and Common Interest thereof and the first mortgagees, if any, of each of these same Units agree to such revocation by recorded instrument.

2. No amendment shall be passed which shall impair of prejudice the validity, interest, rights and priorities of mortgagees.

3. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from this Declaration, the By-Laws or any rules and regulations shall be effective in any way against Declarant or its designee or any Unsold Unit, as long as the Declarant owns an Unsold Unit in the Condominium unless the Declarant has given its prior written consent thereto. This provision is not subject to amendment.

There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

C. The Declarant, its successors, assigns and purchasers of undeveloped or unsold Units shall have the right without vote or consent of the Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Office of the Register of the City of New York, Queens County 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 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 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, or (v) to amend Schedule B of this Declaration to consolidate Units subject to all necessary approvals by the City of New York, 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 combined percentage of Common Interest of the Units that were combined, or (vi) to effectuate permissible changes in unsold Units or (vii) to amend Schedule B to make technical corrections to said Schedule including, but not limited to, square footage of Units, assign or revise Limited Common Elements appurtenant to a Unit or to revise the number and description of rooms contained in a Unit or (viii) the carrying out of other provisions of the Offering Plan of Polaris Condominium.

D. Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Register of the City of New York, Queens County.

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 use or occupancy of any of said Units shall signify that the provisions of this Declaration and the

By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

TWELFTH: COMMON CHARGES. All sums assessed as Common Charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York thereon, chargeable to any Unit Owner shall constitute a lien on his or her Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivisions of any governmental authority, including but not limited to State, County, City, and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees and costs of collection (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense. However, where the holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquirer of title, his successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquirer. In such event, the unpaid balance of Common Charges will be charged to all other Unit Owners as a Common Expense. The term "institutional mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Declarant to a purchaser of a Unit or in which the Declarant participates with one of the above.

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 cost of suit including reasonable attorneys' fees.

Every Unit Owner shall pay the Common Charges assessed against the Unit Owner when due as determined by the Board of Managers and no Unit Owner may be exempt from liability for the payment of the Common Charges assessed against the Unit Owner by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of a Unit. However, no Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by the

Unit Owner of such Unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws.

THIRTEENTH: UNITS ACQUIRED BY THE BOARD. In the event any Unit Owner shall convey their Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such 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. 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 may in its sole discretion deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board in its sole discretion shall deem proper. Each Unit Owner shall upon becoming a Unit Owner further grant an irrevocable power of attorney, coupled with an interest to the Board of Managers to nominate, designate, constitute and appoint the members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a 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.

FIFTEENTH: ENCROACHMENTS. The Unit Owners agree that if any portion of a Unit or the Common Elements (whether restricted in use to an individual Unit Owner or not) encroaches upon another or shall hereinafter encroach upon another as a result of original construction or settling of the Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and is rebuilt, the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements as aforedescribed due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Building shall stand.

SIXTEENTH: UNIT OWNERSHIP. Upon the closing of title to a Unit, a purchaser shall automatically become a Unit Owner in the Condominium and shall remain such until such time as the Unit Owner ceases to own the Unit for any reason. Occupancy of the Units shall be restricted to residential occupancy in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium.

SEVENTEENTH: USE OF UNITS. Units shall be restricted to residential occupancy in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Community.

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 against the latter assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charge against the Grantor and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for any unpaid Common Charge against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include either the holder of an institutional mortgage of record or other purchaser of a Unit at a foreclosure sale of an institutional mortgage.

NINETEENTH: COVENANT OF FURTHER ASSURANCES. Any party subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, or the occupant of a portion of a Unit, a Member of the Board of Managers, an officer of the Condominium, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

If any Unit Owner or any other party subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request thereof, to take any action which the Unit Owner or such other party is required to take pursuant to this Declaration, then the Board of Managers is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, or other party and such document or action shall be binding on such Unit Owner or other party.

If any Unit Owner or the Board of Managers or any other party who is subject to the terms of this Declaration fails or refuses to execute, acknowledge or deliver any instrument, or fails or refuses within ten (10) days after request therefor, to take any action that the Board of Managers, any Unit Owner, or other party is required to take pursuant to this Declaration at the request of Declarant or Declarant's designee, then Declarant or Declarant's designee, as the case may be, is hereby authorized as attorney-in-fact for the Board of Managers, such Unit Owner, or other party, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board of Managers, such Unit Owner, or other party, and

such document or action shall be binding on the Board of Managers, such Unit Owner, or other party, as the case may be.

Each Unit Owner will have the affirmative duty to maintain its respective Unit in such a manner so as to reasonably prevent and avoid inflicting harm to other Units, the Limited Common Elements, however described, the General Common Elements or the Building. In the event any Unit Owner causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Element, the General Common Elements or the Building, the Condominium Board will give written notice to such Unit Owner including a request that the Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Unit Owner fails to remedy the condition within seven (7) days of the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within seven (7) days, fails to commence appropriate remedies, the Condominium Board may, upon ten (10) business days additional notice to the Unit Owner, enter into the Unit and effect a reasonable remedy, at the Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has a deleterious effect on its Unit, the first Unit Owner may request that the Board of Managers send a Remedy Notice. If the Board of Managers fails or otherwise determines not to send the Remedy Notice, the Unit Owner will have all rights to enjoin, abate or remedy by appropriate legal proceedings against the other Unit Owner or the Board of Managers, either at law or in equity, the continuance of any such condition or breach and to seek reimbursement for any costs or expenses incurred in connection therewith.

The Board of Managers will not promulgate and/or enforce any rules or regulations, or otherwise act, in a discriminatory manner.

TWENTIETH: COVENANTS AND RESTRICTIONS. The use of the Unit by the Unit Owner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Managers and the following covenants and restrictions:

(a) The Unit and area restricted to the Unit Owner's use shall be maintained in good repair and overall appearance.

(b) No alteration, addition, decoration or change to any part of the Common Elements may be made and no structure or other improvement may be built or placed on any portion of the Common Elements or Limited Common Elements or any portion of the Condominium which affects two (2) or more Units, without the written consent of the Board of Managers. The provisions of this paragraph shall not apply to Declarant.

(c) No Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Unit, any Limited Common Element or any portion of the Condominium which

affects two (2) or more Units, without the prior written approval of the Board of Managers. In addition, no Unit Owner may alter or remove any interior wall without written approval of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed structural addition, alteration or improvement. No Unit Owner shall make any structural addition, alteration or improvement in or to any Unit or any Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, 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 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 Unit or Limited Common Element shall be completed by the Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

In the event a Unit Owner violates this provision of the Declaration, the Board of Managers, in addition to all remedies it may have under this Declaration and the By-Laws, may institute legal action against the Unit Owner for the enforcement of this provision. In such an event the Unit Owner shall be responsible for the payment of reasonable attorney's fees

of the Condominium, plus interest and costs of suit, as well as all costs associated with remedying the violation.

These provisions shall not apply to Units owned by the Declarant or its designee until such Units shall have been initially conveyed by the Declarant or such designee.

(d) Any interior alterations or improvements made to a Unit shall be made in accordance with all applicable rules, regulations, permits and zoning ordinances of any governmental agencies having jurisdiction thereof.

(e) Any Unit Owner who mortgages their Unit shall notify the Board of Managers providing the name and address of the mortgagee.

(f) The Board of Managers shall, at the request of the mortgagee of the Unit, report any unpaid Common Charges due from the Unit Owner of such Unit.

(g) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(h) No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(i) Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the Unit Owners, provided, however, that copies of such regulations are furnished to each Unit Owner prior to the time the said regulations become effective.

(j) The Common Charges shall be paid when due.

TWENTY-FIRST: FIRST LIEN HOLDERS' RIGHTS

(a) Notices of Action. A holder, insurer or guarantor of a first mortgage, upon written request to the Condominium, (such request to state the name and address or such holder, insurer or guarantor and the unit number), shall be entitled to timely written notice of:

(1) Any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (ii) the interest in the general or Limited Common Elements appertaining to any Unit or the liability for

common expenses appertaining thereto, (iii) the number of votes in the Condominium appertaining to any Unit or (iv) the purposes to which any Unit or the Common Elements are restricted;

(2) Any proposed termination of the Condominium regime;

(3) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

(4) Any delinquency in the payment of assessments or charges owed by a Unit Owner of a Unit subject to the mortgage of such eligible holder, insurer or guarantor, which such delinquency has continued for a period of sixty (60) days; and

(5) Any lapse, cancellation or material modification of any insurance policy maintained by the Condominium.

(b) Other Provisions for First Lien Holders. To the extent permitted under applicable law, the following protections for the benefit of first mortgage holders will be legally binding with respect to the Condominium:

(1) Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated, is obtained;

(2) Any election to terminate the Condominium regime after substantial destruction or a substantial taking in condemnation of the Condominium property must require the approval of the eligible holders of first mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated; and

(3) Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial 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 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, assigns or designees shall have the right, without requiring the consent of either the Condominium or Board of Managers, and without charge or limitation, to:

(a) have its employees, contractors, subcontractors and sales agents present on the properties described in Exhibit "A" and any Building erected thereon;

(b) erect and maintain signs and other promotional materials (including, without limitation, "For Sale", and "For Rent" signs), in connection with the promotion, sale, leasing, management, or operation of the Units;

(c) use any one or more Units as;

(i) model Units,
(ii) offices for the promotion, sale, rental, management and/or operation of any unsold Units,
(iii) 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
(iv) for any other purpose;

(d) do and cause to be done all of the things that are necessary, desirable or appropriate (including, without limitation, the use of the Common Elements, the Units and any unsold Units) for the purpose of:

(i) the promotion, sale, rental, management and/or operation of any unsold Units,
(ii) 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
(iii) the exercise performance and discharge of Declarant's other rights and obligations under this Declaration, the By-Laws or the rules and regulations;

(e) make any other changes required by the City of New York or other Municipal 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 may not be amended without the written consent of the Declarant, or its 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.

SANFORD 147 DEVELOPMENT LLC

Dated: _____ By: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the ____ day of _____ in the year 202__, 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 signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

EXHIBIT A

TO FOLLOW DIRECTLY HEREAFTER

Exhibit A to the Declaration of Condominium

DECLARATION OF CONDOMINIUM AND BY-LAWS

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED AT
32-58 105TH STREET, QUEENS COUNTY
CITY AND STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

Condo #

NAME: Polaris Condominium

DECLARANT: Sanford 147 Development LLC
133-47 Sanford Avenue, Suite C1E
Flushing, New York 11355

DATE OF DECLARATION:

BLOCK: 1699
FKA LOT: 32
NKA LOTS:

Record and Return To:

MORITT HOCK & HAMROFF LLP
Attorneys for the Sponsor
1407 Broadway, 39th Floor
New York, New York 10018

BY-LAWS

OF

POLARIS CONDOMINIUM

MORITT HOCK & HAMROFF LLP
Attorneys for the Sponsor
1407 Broadway, 39th Floor
New York, New York 10018

EXHIBIT B
to the Declaration of Condominium

SCHEDULE J

BY-LAWS

OF

POLARIS CONDOMINIUM

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BY-LAWS

OF

POLARIS CONDOMINIUM

ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Unit Ownership. The property located at 32-58 105th Street, East Elmhurst, Queens County, City and State of New York as specifically set forth in the Declaration and more commonly known as Polaris 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, the term "Building" as hereinafter used shall be as defined in the Declaration of Condominium.

Section 3. Personal Application. All present or future Unit Owners, mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of use or 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 indicated.

ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium. The Condominium shall be limited to Unit Owners.

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 or Units owned by such Unit Owner, but 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 said Unit for the election of any Member to the Board.

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. 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 any business may be transacted which might have been transacted at the meeting originally called. 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 power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Unit Owners as shall represent at least twenty-five (25%) percent 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.

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 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 Sponsor. The initial Board of Managers will call for the first annual meeting of the Unit Owners to elect a new Board of Managers within one (1) year of the closing of the first Unit. At such meeting, Members of the Board of Managers shall be elected by the Unit Owners, other than the Members of the Board the Sponsor shall have the right to designate, and the former Members of the Board shall thereupon resign. Thereafter annual meetings shall be held on the anniversary of such date each succeeding year or such other convenient date as the Board of Managers may so designate. At such meetings there shall be elected by ballot of the 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. The Sponsor will have voting control and may designate a majority of the Board of Managers for a period ending (i) three (3) years from date of the closing of the first Unit, or (ii) one hundred and twenty (120) days after the closing of seventy-five (75%) percent of all Units in the Condominium, whichever is earlier. Thereafter, the Sponsor shall retain the right to designate one (1) Member of the Board of Managers until such time as Sponsor no longer owns a Unit. At such time as Sponsor no longer owns a Unit in the Condominium, Sponsor may not hold a seat on the Board of Managers.

Section 10. Special Meetings. It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by a majority of the 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 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. Any or all of the Board of Managers of the Condominium, other than those designated by the Declarant may be removed without cause by vote of the Members at a special meeting called pursuant to this section if the meeting is called for such purpose.

Section 11. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at least ten (10) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 12. Order of Business. The order of business at all meetings shall be as follows:

(a) Roll Call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of officers
(e) Report of committees
(f) Election of inspectors of election (in the event there is an election and only if requested by a Unit Owner present at the meeting)
(g) Election of managers (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 first Board of Managers shall consist of three (3) 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.

At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of three (3) Members shall be elected or designated. All Members, other than those designated by the Sponsor, 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. Separate ballots shall be conducted for each of the three terms of office. Each Unit Owner shall be entitled to cast one vote on each ballot for each Unit owned. The one nominee(s) on each of the ballots, as the case may be, receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Member, the Member's successor shall be elected to serve a term of three (3) years. The Members shall hold office until their successors have been elected and hold their first meeting.

Notwithstanding the foregoing, the Sponsor will have voting control and may designate a majority of the Board of Managers for a period ending (i) three (3) years from date of the closing of the first Unit, or (ii) one hundred and twenty (120) days after the closing of seventy-five (75%) percent of all Units in the Condominium, whichever is earlier. Thereafter, the Sponsor shall retain the right to designate one (1) Member of the Board of Managers until such time as Sponsor no longer owns a Unit.

This Section may not be amended without the written consent of Sponsor.

Section 2. Vacancy and Replacement. If the office of any Member or Members becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining Members, 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. 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. In the event of the failure to hold any election of the Board of Managers at the time designated for the annual election of the Board of Managers or in the event that the Board of Managers shall not have filled any such vacancy, a special meeting of the Unit Owners to elect a new 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 first Board of Managers (see Section 4 of this Article III) or any other Member who has been designated by the Sponsor and the Sponsor still retains ownership of at least one (1) Unit, the Sponsor shall have the sole right to choose such Member's successor to fill the unexpired portion of the term.

Section 3. Removal. Members may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Member, other than a Member of the first Board of Managers or a designee of the Sponsor, shall continue to serve on the Board if, during their term of office, they shall cease to be a Unit Owner. In the event a Sponsor designee is removed for cause and the Sponsor still retains ownership of at least one (1) Unit, the Sponsor shall have the sole right to designate a replacement.

Section 4. Resignation. Any Member may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

Section 5. First Board of Managers. The first Board of Managers shall consist of, Steven Li and Wei Zheng who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of Unit Owners. The Sponsor has the right to substitute or change any or all of said representatives of the first Board of Managers. Any or all of said Members shall be subject to replacement in the event of resignation or death in the manner set forth in Section 2 of this Article.

Section 6. Powers.

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration or by these

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

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of annual Common Charges, if required, to meet any additional necessary expenses, but said increases can only be assessed among all the Unit Owners pro-rata according to their respective percentage of Common Interest.

2. To collect, use, and expend the Common Charges collected to maintain, care for and preserve the Units, the Building, and other Common Elements;

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

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

5. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care and preservation of the property. No notice is required to gain access for repairs. Any repairs required as the result of negligence of the Unit Owner will be at the expense of the Unit Owner;

6. To insure and keep insured the General Common Elements, Limited Common Elements and the Units. A Unit Owner may secure supplemental coverage for the Unit and its contents and the liability coverage for the Unit;

7. To collect delinquent Common Charges and special Common Charge assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules or rules and regulations herein referred to;

8. To make reasonable rules and regulations applicable to the Common Elements of Units and Unit Owners and to amend the same from time to time, and such rules and regulations and amendments shall be binding upon the Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Unit;

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into

contracts, and generally to have the powers of a manager in connection with the matters hereinabove set forth;

10. To bring and defend actions by or against more than one Unit Owner and pertinent to the operation of the Condominium and to levy special Common Charge assessments to pay for the cost of such litigation;

11. To acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers;

12. To make additions, alternations, or improvements to the General Common Elements of the Condominium and those portions of the Condominium which are included in the description of an individual Unit but which service two (2) or more Units in the Condominium;

13. To borrow money on behalf of the Condominium when required in connection with the operation, care upkeep and maintenance of the General 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.

14. Pursuant to Section 339-y(4) of the New York Real Property Law, the Board of Managers may (but is not obligated to) act as an agent for one or more Unit Owners who have given their written authorization 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 Units. In such event, the Board 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;

15. To make payment for the real estate taxes assessed to the Building until the Units are separately assessed for taxes and to collect a reasonable adjustment for same from the individual Unit Owners.

16. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one (1) or more Unit Owners who have the right to use such Common Elements to the exclusion of any

other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted); and

17. To impose reasonable fines upon Unit Owners for violating the rules and regulations of the Community, as contained in these By-Laws or as promulgated by the By-Laws.

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

(c) Notwithstanding anything to the contrary contained in these By-Laws, for a period ending not more than five (5) years after the closing of title to the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner, the Board of Managers, may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the Common Elements or to any Unit, costing cumulatively more than $25,000, 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 contained in the Condominium budget for the first year of operation, (iii) hire any employee in addition to the employees referred to in the Plan of Condominium ownership, or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of closing of the first Unit, or (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, or (vii) charge any special Common Charge 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%) 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.

(d) Notwithstanding Article III, Section 6(c) of these By-Laws Sponsor may not exercise veto power over expenses described in the proposed first year budget, as described in the Offering Plan, or over expenses required:

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

(ii) to remedy any notice of violation; or

(iii) to remedy any matter regarding the health and safety of the occupants of the Building; or

(iv) to remedy any work order by an insurer.

(e) Sponsor may exercise veto power over expenses, other than those described in Article III, Sections 6(c) and (d) of the By-Laws, for a period ending not more than five (5) years after the closing of the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the common interest, whichever is sooner.

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

Section 7. Repairs and Maintenance. All maintenance, repairs and replacements to the Common Elements including but not limited to exterior walls of the Building, windows, roof and roof members, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located in one Unit and services another Unit or more than one (1) Unit or so much of any pipes (including sewer and water pipes), wires, conduits and public utility lines as are located in the Common Elements but serve one or more Units shall be made by the Board of Managers and the cost thereof shall be a Common Charge payable by all Unit Owners. The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the Common Elements.

All maintenance (including electrical and plumbing repairs in the Units and painting and decorating of the inside of the Units), repairs and replacements to the Units including windows (including all glass breakage), doors, windows and doors which open from a Unit (except painting and maintenance of the exterior surface which is performed by the Board of Managers on behalf of the Condominium), and repairs to any heating (boiler)/air conditioning/hot water system servicing a Unit, pipes, wires and conduits located within or without the same Unit other than as set forth above shall be made by the respective Unit Owners at their own expense.

All general maintenance, repairs and replacements to a balcony, terrace, Accessory Unit, private garden and/or rooftop that is a Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, including the repair of leaks and the repair or replacement of the surfaces of balcony, terrace, Accessory Unit, private garden and/or rooftop shall be the responsibility of the Unit Owner whose balcony, terrace, Accessory Unit, private garden and/or rooftop is appurtenant to their Unit and is a Limited Common Element of their Unit. No Unit Owner shall make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to any Limited Common Element, without the prior

written approval of the Board of Managers. Any repair or replacement to any Limited Common Element by a Unit Owner, if permitted, shall conform to the requirements contained in Article Eighteenth (2) of the Declaration of Condominium. The balconies and terraces are not permitted to be used for storage and are not permitted to be enclosed. The private garden, Accessory unit and Rooftop are not permitted to be used for sleeping, cooking and/or living purposes. All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Unit that is 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 Unit Owner. All repairs to the exterior of any door, building, open area or other generally visible portion of the Condominium must be in conformation with the style and colors initially installed by the Sponsor.

All maintenance, repairs and replacements to the Limited Common Elements will be made by the Board of Managers and the cost thereof will be a Common Expense payable by all Unit Owners.

The Board of Managers on behalf of the Condominium shall repair and replace any public utility lines located underground or overhead of any Limited Common Element except where such repair or replacement is necessitated because of the negligence or misuse or neglect of the Unit Owner to which the Common Element is restricted in use, in which event such Unit Owner shall make such repairs or replacements at their own expense.

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 of the General Common Elements and Limited Common Elements contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or the General Common Elements or Limited Common Elements, 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 replacements, repairs, painting or maintenance, whether made by the Unit Owner or by the Board of Managers to the doors, windows, or the exterior surface of a Unit, including roofs, or to any generally visible portion of the 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 and shall comply with the requirements of Article Twentieth (c) of the Declaration of Condominium.

In the event that a Unit Owner fails to perform any maintenance or repair which maintenance or repair is necessary to protect any of the Common Elements or any other Unit, the Board of Managers shall have the right to make such maintenance or repair (after the failure of the Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of any emergency situation) and to charge the Unit Owner for the cost of all such repairs and/or maintenance. In the event that the Board of Managers charges a Unit Owner for repairs or maintenance to Unit Owner's Unit or for repairs to any Common Element restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable Attorneys' fees and costs of such suit or proceeding together with interest on all sums due.

Section 8. Compensation. Members and officers, as such, shall receive no compensation for their services.

Section 9. Meetings.

(a) The first meeting of each Board 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 Owners meetings, and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board shall take place.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on two (2) days notice to each Member either personally or by mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) Members.

(d) At all meetings of the Board, 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 shall be a waiver of notice by him of the time and place thereof. If all the Members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

(f) Members of the Board 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 10. Annual Statement. The Board of Managers shall furnish to all Unit Owners and their mortgagees 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 verified 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.

Section 11. 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.

Section 12. Management Agent. The Board of Managers may employ for the Condominium a management agent under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, all of the delegable duties of the Board listed in this Article.

Section 13. Liability of the Board of Managers, Officers and Unit Owners. No Member of the Board of Managers or officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in his or her capacity as a Member of the Board or officer, provided that this provision does not eliminate or limit the liability of a Member of the Board or officer if a judgment or other final adjudication adverse to him or her establishes (a) that his or her acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board or officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that he, his testator or intestate, was a Member of the Board 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 or officer if a judgment establishes that his or her 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 he or she personally gained in fact a financial profit or the advantage to which he or she was not legally entitled.

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

Each Unit Owner's liability pursuant to this Section shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

ARTICLE IV. OFFICERS

Section 1. Elective Officers. The officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one (1) or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may

be necessary. All officers must be Unit Owners, Members of the first Board of Managers or designated Members of the Board of Managers of the Sponsor. Two (2) or more offices may be held by the same person, except that the President may only hold the office of President.

Section 2. Election. The Board of Managers at its first meeting after each annual Unit Owners Meeting shall elect a President, a Vice-President, a Secretary and a Treasurer. Only the President must be a member of the Board.

Section 3. Appointive Officers. The Board may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

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; the President shall preside at all meetings of the Unit Owners and Members, 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 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.

Section 6. The Vice-President. The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board 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 Unit Owners meetings and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision the Secretary shall be.

Section 8. The Treasurer. The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all monies and other

valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium as may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Members, at the regular meeting of the Board 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 is required to be given to the Board of Managers, any Member or Unit Owner, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the Board of Managers, such Member or Unit Owner at such address as appears on the books of the Condominium.

Section 2. Service of Notice-Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI. FINANCES

Section 1. Checks. All checks or demands for money and notes of the Condominium shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Managers may from time to time designate.

Section 2. Assessments. The Board of Managers shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the budget and supplement to the budget to every Unit Owner and mortgagee. They shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the Common Elements and other operating expenses 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 respective Common Interest appurtenant to such Units. This proration of assessments shall remain constant regardless of the percentage of the building square footage included in each Unit or the Common Elements restricted to the use of the Unit Owner of said Unit.

Said assessments shall be payable monthly or such other manner as ordered by the Board of Managers and shall be referred to as Common Charges. Special Common Charge assessments, should such be required, shall be levied and paid in the same manner as herein above provided for regular assessments.

The Unit Owner agrees to pay promptly when due the monthly Common Charges and all special Common Charge assessments assessed against the Unit Owner's own 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 charge" 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) interest at the rate of two (2%) percent per month (but in no event in excess of the maximum rate theretofore collected on such amounts) computed from the due date thereof, and (c) all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit Owner's Unit arising from said unpaid Common Charges in the manner permitted by applicable law. All such "late charges," interest and expenses 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 Charge assessments by any Unit Owner, the Board, 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 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 may take action to collect any Common Charges due from any Unit Owner which remains unpaid ninety (90) days from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339 of the Real Property Law or otherwise. During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges.

No Unit Owner shall be liable for any Common Charges, which accrue against the Unit Owner's Unit subsequent to a sale, transfer or other conveyance of the Unit by the Unit Owner in accordance with these By-Laws and the Declaration. A purchaser of a Unit shall be liable for the payment of all future Common Charges assessed against

the Unit as well as unpaid Common Charges assessed against the Unit at the time of the purchase. However, where a holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquiree of title, its successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquiree. In such event, the unpaid balance of Common Charges will be charged to all other Unit Owners as a Common Expense. The term "institutional mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Declarant to a purchaser of a Unit or in which the Declarant participates with one of the above.

Section 3. Purpose of Common Charges. The Common Charges shall be used to pay for the Common Expenses of the Condominium including but not limited to repair and maintenance of the General Common Elements, including all sewer and drainage pipes for the Building; insurance; common utilities; labor; common water and sewer charges; legal and accounting; services and supplies; management fees; contingencies; reserve fund and any other expenses that are Common Expenses of the Condominium.

Section 4. Foreclosures of Liens for Unpaid Common Charges. The Board shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board shall have the power to hold, lease, mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit. In either event the Unit Owner shall be liable for all costs of suit, including reasonable attorneys' fees.

Section 5. Statement of Common Charges. Upon the written request of any Unit Owner or their mortgagee, the Board 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 gas and electricity, consumed and individually metered in a Unit shall be an expense of each individual Unit Owner.

Section 7. Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account," into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all Units. Disbursements from said account shall be for the general need of the operation including, but not limited to, wages, repairs, betterments, maintenance

and other operating expenses of the Common Elements and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Units.

Section 8. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purpose.

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 Common Expenses of the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the General Common Elements and other expenses for, 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 A 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 may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the General Common Elements 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.

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 pursuant to the provisions of Article III, Section 10 of these By-Laws.

The Sponsor or its designee shall be responsible for the Common Charges assessed against each Unit owned by it until such Unit it sold to a bona fide purchaser.

ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board. 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, Limited Common Elements and the Units in the Building in the Condominium (except land, foundations, excavation and other items normally excluded from coverage) including

fixtures, to the extent they are part of the Common Elements of the Condominium, building service equipment and supplies, and other common personal property belonging to the Condominium. In addition, any fixtures, equipment or other property within the Units which are to be financed by a mortgage (regardless of whether or not such property is part of the Common Elements, but not including wall, ceiling or floor decoration, furniture, furnishings or other personal property supplied or installed by the Unit Owners), contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building, exclusive of land, foundation, excavation and other items normally excluded from coverage. Each of such policies shall be in favor of the Condominium, and shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee as defined below, hereinafter set forth; and such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee as defined below, and that the net proceeds thereof, if $40,000 or less, shall be payable to the Board of Managers, and if more than $40,000 shall be payable to the Insurance Trustee. Each Unit Owner and each Unit Owner's mortgagee, if any, shall be beneficiaries of the policy in the percentage of common ownership applicable to said Unit.

The fire insurance will commence with the Closing of Title to the first Unit in an amount as required by the mortgagee of such Unit and such amount will be increased upon the Closing of Title to all Units. Until the first meeting of the Board of Managers following the first Unit Owners meeting, such amount shall be at least in the sum as provided for in the estimated first year budget contained in the Offering Plan upon completion of the Building.

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 then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the Common Elements appurtenant thereto for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

All policies must also provide for the following: recognition of any, Insurance Trust Agreement; a waiver of the right of subrogation against Unit Owners individually;

that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Unit Owners collectively; and that the policy is primary in the event the Unit Owner has other insurance covering the same loss. All policies shall include the standard form of a "Special Condominium Endorsement" or its equivalent. All policies shall include an "Agreed Amount Endorsement" and, if available, an "Inflation Guard Endorsement".

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering the Common Elements, each Member and Officer of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall be a minimum of $1,000,000 covering all claims for bodily injury, deaths and property damage arising out of one occurrence in connection with the operation, maintenance or use of the Common Elements, and legal liability arising out of lawsuits related to employment contracts of the Condominium. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Condominium and to each holder of a first mortgage on any Unit in the Condominium which in listed as a scheduled holder of a first mortgage in the insurance policy. Such coverage may also include protection against such other risks as are customarily covered with respect to condominiums similar in construction, location and use, including, but not limited to, host liquor liability, employers liability insurance, contractual and all-written contract insurance, and comprehensive automobile liability insurance. Such public liability insurance shall commence on the closing of title to the first Unit.

In addition to the above, blanket fidelity bonds shall be required to be maintained by the Condominium for all officers, directors and employees of the Condominium and all other persons handling or responsible for, funds of or administered by the Condominium. In the event a management agent has the responsibility for handling or administering funds of the Condominium, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Condominium. Such fidelity bonds shall name the Condominium as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Condominium or the management agent, as the case may be, at any given time during the term of each bond. In no event may the aggregate amount of such bonds be less than a sum equal to three (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 ten (10) days' prior written notice to the Condominium or Insurance

Trustee. Such bonds shall also provide that, if applicable, the Federal National Mortgage Association ("FNMA") and servicers on behalf of FNMA, shall also receive such notice of cancellation or modification.

Unit Owners shall be required to carry separate Condominium Unit insurance for their own benefit. Such policies must contain waivers of subrogation and further provide that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

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 $50,000 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 Buildings (including any damaged Units, 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 proceed of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

ARTICLE VIII. HOUSE RULES

Section 1. General. In addition to the other provisions of these By-Laws, the following house rules and regulations together with such additional rules and regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Units and the conduct of all residents thereof:

(a) All Units shall be used for residential purposes only. All rentals, other than rentals by the Sponsor, must be subject to local zoning ordinances and must comply with the requirements contained in these By-Laws under Article XI, Section 2.

(b) Owners, members of their families, their employees, guests and their pets, if permitted, shall not use or permit the use of the premises 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 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, if omitted, would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which the Unit forms apart, the Unit Owner being expressly responsible for the damages and liabilities that the failure to do so may engender.

(e) 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) Unit Owners are not permitted to make any alterations to any part of the General Common Elements nor may any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. In addition, no alteration or removal of an interior wall of a Unit may be made without the prior

written approval of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed structural addition, alteration or improvement. No Unit Owner shall make any structural addition, alteration or improvement in or to any Unit or any Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, 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 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 Unit or Limited Common Element for its exclusive use shall be completed by the Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

These provisions shall not apply to Units owned by the Sponsor or its designee until such Units shall have been initially conveyed by the Sponsor or such designee.

(g) No resident of the Condominium shall post any signs, advertisement, or posters of any kind in or on the Common Elements (General or Limited) or

their Units including "For Sale" and "For Rent" signs except as authorized and approved by the Board of Managers.

(h) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out of a Unit or on any balcony or exposed on any part of the Common Elements. The General Common Elements and Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials. No rugs or mops shall be shaken or hung from or on any of the doors, windows, or balconies, nor shall a Unit Owner sweep or throw or permit to be swept or thrown therefrom any dirt or other substance.

(i) No Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Unit.

(j) 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.

(k) 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.

(l) No animals shall be kept or harbored in the Condominium or any Unit except that each Unit Owner may keep up to two (2) domestic dogs or household cats; two (2) domestic birds and domestic fish. Fish tanks and/or aquariums shall not exceed one-hundred (100) gallons. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium. The Board of Managers may require the permanent removal of any animal kept in a Unit that is not in compliance with the above as well as any animal causing or creating a nuisance or unreasonable disturbance or noise upon three (3) days written notice from the Board of Managers. In no event shall any pet be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash. All Unit Owners shall be responsible for picking up and disposing of their pets' waste and responsible and liable for any damage caused by their pets to any Common Elements of the Condominium and shall comply with the local and municipal rules and regulations regarding pets.

(m) No television or radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior Unit 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.

(n) Any Unit Owner who sells their Unit shall notify the Board of Managers, providing the name and address of the new Unit Owner, within thirty (30) days of the execution of the Purchase Agreement of the sale of the Unit for the new Purchaser.

(o) All Unit Owners who mortgage or refinance their Unit shall be required to provide the Board of Managers with the name and address of the mortgagee within thirty (30) days of the issuance of the mortgage.

(p) The Board of Managers shall, at the request of the mortgagee of the Unit, report any delinquent assessments due from the Owner of such Unit.

(q) Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner, the Unit Owner's permitted lessees and occupants of Units, their respective family members and guests and such other person for whose conduct the Unit Owner is legally responsible.

(r) No Unit Owner shall make or permit any disturbing noises in any Unit or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners.

(s) No Unit Owner nor any of the Unit Owner's agents, servants, employees, licensees, or visitors shall at any time bring into or keep in their Unit or any storage area any flammable, combustible or explosive fluid, material, chemical or substance, except for normal household use.

(t) The agents of the Board of Managers or the managing agent, if any, and any contractor or workman authorized by the Board of Mangers or the managing agent, may enter any Unit at any reasonable hour of the day for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insect or other pest, provided that such right will be exercised in such a manner as will not unreasonably interfere with the residential use of the Units.

(u) If any key or keys are entrusted by a Unit Owner or occupant or by the Unit Owner's agent, servant, employees, licensee or visitor to any employee of the Board of Managers, whether for any Unit or an automobile or other type of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner or occupant, and the Board of Managers shall not be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting therefrom or connected therewith.

(v) The Board of Mangers or the managing agent may retain a pass-key to each Unit. The Unit Owner shall not alter any lock on any door leading to their Unit without the written consent of the Board of Managers or the managing agent. If such consent is given, the Board of Managers or the managing agent shall be provided with a key.

(w) No Unit Owner shall install or permit to be installed any window mounted air conditioning unit in their Unit.

(x) Any and all curtains, blinds or shades hung on an exterior window must have a white colored backing facing such window.

(y) Planting of fruits or vegetables is absolutely prohibited in or on any Common Element and/or Limited Common Element.

(z) 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) All Unit Owners shall keep their thermostats at a minimum of sixty (60°) degrees Fahrenheit to prevent freezing of pipes. Any 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.

(bb) The entrances, passages, public halls, elevators (if applicable), 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.

(cc) No article (including, but not limited to, bicycles, garbage cans, bottles or mats) may be placed in any of the passages, elevators (if applicable), public halls, vestibules, corridors or stairways of the Condominium, nor may any fire exit be obstructed in any manner.

(dd) Neither occupants nor their guests are permitted to play in, exercise or use for any unintended purposes, the entrances, passages, public halls, elevators (if applicable), vestibules, corridors and stairways of the Condominium.

(ee) No public hall or public elevator or vestibule, if applicable, of the Condominium is permitted to be decorated or furnished by any Unit Owner in any manner.

(ff) 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 Unit, unless otherwise required by law, except such as will have been approved in writing by the Board of Managers.

(gg) No construction or repair work or other installation involving noise is permitted to be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or unless such work is performed by the Sponsor.

(hh) Water closets and other water apparatus and utility closets are not permitted to be used for any purpose other than those for which they were designed, nor are any sweepings, rubbish, rags or any other article permitted to be thrown into the same. Any damage resulting from misuse of any water closets or other apparatus in a Unit will be repaired and paid for by the Unit Owner of such Unit.

(ii) No Unit Owner is permitted to send any employee of the Condominium or of the managing agent thereof out of the Building on any private business.

(jj) 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.

(kk) Except as permitted under the Declaration and By-Laws, 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.

(ll) Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees will not cause or permit any unusual or objectionable odors to be produced upon or to emanate from their Units or any public portions of the Building.

(mm) Nothing may be done or kept in any Unit or in the General or Limited Common Elements, which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Board of Managers. No Unit Owner will permit anything to be done or kept in such Unit Owner's Unit or in the General or Limited Common Elements which may result in the cancellation of insurance on the Building or which would be in violation of any law. No waste will be permitted in the General or Limited Common Elements.

(nn) No group tour or exhibition of any Unit or its contents will be conducted, nor will any auction sale or other sale of contents be permitted to be held in any Unit, without the prior consent of the Board or the managing agent.

(oo) In the event that any Unit is used for home occupation purposes, which may be permitted by Law and the By-Laws, in no event will any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(pp) There will be no barbecuing permitted in the Units, in or on their Limited Common Elements, or the General Common Elements.

Section 2. Violations of Rules and Regulations.

(a) Upon receipt, by the President of the Board of Managers or by the managing agent, of a signed written complaint alleging violation of any of the House Rules 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, or in the President's absence, the Vice President together with a minimum of two (2) other Members of the Board, without a formal meeting of the Board, shall make a determination as to the validity of the complaint. Any Unit Owner accused of a violation of the House Rules 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 or regulation the Unit Owner has violated and a description of the manner in which the Unit Owner violated the rule or regulation.

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 shall be directed to send written notice to the violator. If the violation is not corrected or eliminated within a period of three (3) days from the date of receipt of such notice, another notice will be sent levying a fine of up to five hundred ($500) dollars upon the violator; such fine is to be considered as an additional Common Charge 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 after imposition of a fine the violation is not corrected or eliminated, the Board of Managers may assess additional fines of up to five hundred ($500) dollars each after serving written notice upon the violator as provided for above. 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.

Section 3. 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 five hundred ($500) dollar fine(s) levied upon the violator. Fines may be levied against a Unit Owner's tenant, and the Unit Owner shall be jointly and severally liable with his tenant for the payment of same.

In the event the Condominium 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 4. Board of Managers Right to Change Rules and Regulations. The Board of Managers reserves the right to rescind, alter, waive or add, as to one or more or all occupants, 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 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 or other occupant will operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

Section 5. Sponsor. The above provisions shall not apply to the Sponsor unless required: (a) to comply with applicable laws or regulations, or (b) to remedy any notice of violation.

Section 6. Smoking Policy. In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the following smoking policy has adopted for the Building (the "Smoking Policy"):

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, basement, corridors, hallways, stairwells, elevators, playroom, garage, garage ramp, walkways; and (ii) within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

For the purposes of this Smoking Policy, the term "smoking" includes, but is not limited to, inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe or any other form of lighted object or device which contains tobacco, including the use of electronic cigarettes or any similar device that delivers vapor for inhalation (including any refill, cartridge or other component of an electronic cigarette or similar device), or

any other items or materials that may be smoked, whether such substance is a legal substance or an illegal substance. This Smoking Policy applies to all unit owners, tenants, subtenants, occupants and residents of the Building, and to any guests, agents, licensees and invitees of a Unit Owner. It is the Unit Owner's responsibility to ensure that its tenants, subtenants, occupants, residents, guests, agents, licensees and invitees comply with this Smoking Policy.

Smoking is PERMITTED within individual apartments and on the terraces, balconies, patios and yards attached to individual apartments (except within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units). However, if there are reported and substantiated incidents of infiltration of smoke/smoke odors into common areas of the Building (including, but not limited to, hallways) and/or other apartments in the Building, it will be the offending Unit Owner's responsibility, at its sole cost and expense, to abate the nuisance.

Any Unit Owner who sells, leases, or subleases its apartment must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation. This fine shall be in addition to any other violation fine permitted in these By-Laws.

The Board will advise Unit Owners of any changes to the Smoking Policy.

ARTICLE IX. DEFAULT

In the event a Unit Owner does not pay any sums, charges or assessments required to be paid when due, as determined by the Board of Managers, the Board of Managers, acting in behalf of the Board shall notify the Unit Owner and the mortgagee, if any, of such Unit. If such sum, charge or assessment shall remain unpaid for ninety (90) days after the giving of such notice, the Board may foreclose the lien encumbering the Unit as a result of the non-payment of the required monies as set forth in the Declaration (subject to the lien of any first mortgage), in the same manner as the foreclosure of a mortgage. In the event the owner of a Unit does not pay the Common Charge assessment required to be paid by him on its due date, the Board of Managers may collect said fees and take such action as is provided in Article VI, Section 2 of these By-Laws and said Unit Owner shall be liable for the Condominium's reasonable costs and a reasonable attorney's fee incurred by it incident to the collection or enforcement of such lien.

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 Unit Owner shall be liable for the reasonable costs and reasonable attorney's fee incurred by it incident to the collection of the delinquent Common Charges

ARTICLE X. AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number and Common Interest and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the validity or priority of the Unit Owners' interest and/or the validity, interest, rights and priorities of holders of a mortgage encumbering a Unit or Units.

Notwithstanding any provision contained herein to the contrary, 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 or any Unsold Unit, as long as the Sponsor owns an Unsold Unit in the Condominium unless Sponsor has given its prior written consent thereto. This provision is not subject to amendment.

ARTICLE XI. SELLING, MORTGAGING AND LEASING UNITS

Section 1. Selling and Leasing Units. Any Unit may be conveyed or leased, 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 their Unit unless and until all unpaid Common Charges 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, or by the Grantee. Notwithstanding the above any Unit Owner who wishes to enter into a lease for the Unit Owner's Unit shall be required to provide the Board of Managers of the Condominium with a copy of the lease prior to its execution. All leases must comply with all the requirements contained in Section 2 below. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium. Further, a 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 of any Unit in violation of this section shall be voidable at the election of the Board of Managers.

The provisions of this section shall not apply to the acquisition or sale of a Unit by a first 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.

Whenever the term "Unit" is referred to in this section, it shall include the Unit, the Unit Owners undivided interest in the Common Elements and the Unit Owners interest in any Units acquired by the Board of Managers.

Section 2. Leasing Requirements. Except as noted in Sections 4, 5 and 6 every lease on every Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

(a) the lease must be in writing;
(b) the lease must be for the entire Unit;
(c) the lease must be for a minimum and maximum of twelve (12) months. Renewals shall be for a one (1) year term and are subject to review by the Board of Managers of the Condominium;
(d) the Unit must be covered by adequate renters insurance for the duration of the lease and any subsequent extensions. A copy of such policy shall be forwarded to the Board of Managers prior to a tenant taking occupancy of a Unit.
(e) 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;
(f) 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 lease, must be furnished to the managing agent or if no managing agent to a Member of the Board of Managers of the Condominium;
(g) 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;
(h) the Unit cannot be used as a motel or hotel or otherwise for transient tenants;
(i) it is expressly prohibited to use the Unit in connection with any reservation service for temporary and/or short-term occupancy.
(j) 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 order to carry out the provisions of this Article XI and pursuant to the provisions of Article Fourteenth of the Declaration of Condominium each Unit Owner shall upon becoming a Unit Owner grant or be deemed to have granted 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 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 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 rules, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Managers of the Condominium may file for eviction.

Section 3. Tenant Bound by Declaration. By becoming a tenant, each tenant agrees to be bound by the Declaration, By-Laws and the other rules and regulations of the Condominium and recognizes and accepts the right and the power of the Board of Managers of the Condominium to evict the tenant for any violation by the tenant of the above, and the other rules and regulations of the Condominium.

Section 4. Lenders. To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Units in the Condominium, only subsections (b), (d), (e), (f), (g) and (h) of Section 2 of this Article XI 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.

Section 5. Sponsor. The terms of Sections 2, 3 and 4 of this Article XI shall not be applicable to the Sponsor, its successors or assigns.

Section 6. Waiver of Partition Rights. The Unit Owners waive all of their voting rights concerning partition respecting any Unit acquired by the Board of Managers in accordance with this Article.

Section 7. Real Property Law Section 339-kk. Pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York, any non-occupying 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 this provision of the By-Laws.

Section 8. Gifts, etc. Any Unit Owner may convey or transfer their Unit by gift during their lifetime or devise their Unit by will or pass the same by intestacy, without restriction.

ARTICLE XII. 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 $40,000 and to the Board of Managers if the award is $40,000 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 unrestricted Common Elements, to the Unit Owners pro rata according to the respective Common Interest appurtenant to the Units owned by such Unit Owners.

(b) so much of the award as is applicable to Irrevocably Restricted Common Elements to the Unit Owner having general use of such Common Element.

In such eminent domain or condemnation proceeding the Board shall request that the award shall set forth the amount allocated to unrestricted Common Elements and to each Irrevocably Restricted Common Element. In the event the award does not set forth such allocation then the question of such allocation shall be submitted to the arbitration in accordance with the Arbitration Statutes of the State of New York.

ARTICLE XIII. SPONSOR RIGHTS

Section 1. Sales. The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sales offices in and about the Condominium, including any model Units located within the Condominium Buildings 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, to utilize the Common Elements, and without limitation, to do any and all things necessary to incident to the sale of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

Section 2. Signs. The Sponsor shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to construct and sell the Units. Incident to the rights and privileges provided for herein, the officers, employees, agents, contractors, guests and invitees of the Sponsor, its successors and assigns, shall have the right of ingress and egress to and throughout the Common Elements of the Condominium. This Article XIII 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 XIV. MISCELLANEOUS

Section 1. Insurance. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in their Unit which will increase the insurance rates on their 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 a Unit, shall notify the Condominium through the management agent, if any, or the President of the Board of Managers of the Condominium and the President of the Board of Directors of the Unit Owners Association in the event there is no management agent, of the name and address of his 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 assessments due from the Unit Owners of such Unit.

Section 5. Examination of Books and Records. Every Unit Owner or his representative and mortgagee shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board but not more often than once a month.

Section 6. 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 7. Compliance with Article 9-B. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or of the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

ESCROW AGREEMENT

AGREEMENT made this ___ day of _____, 2021, between Sanford 147 Development LLC, with an address at 133-47 Sanford Avenue, Suite C1E, Flushing, New York 11355 SPONSOR") as Sponsor of the offering plan for Polaris Condominium and Moritt Hock Hamroff LLP with an address at 1407 Broadway, 39th Floor, New York, New York 10018 ("ESCROW AGENT") as ESCROW AGENT.

WHEREAS, Sanford 147 Development LLC is the SPONSOR of an Offering Plan to develop a Condominium for the premises located at 32-58 105th Street, East Elmhurst, New York 11368, which premises are known as Polaris Condominium; and

WHEREAS, MORITT HOCK & HAMROFF LLP, 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. ESCROW AGENT shall establish an escrow account for the purpose of holding the Deposit made by purchasers or subscribers. The escrow account has been opened with Popular Bank, 85 Broad Street New York New York 10004, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "MORITT HOCK & HAMROFF LLP IOLA/FBO POLARIS CONDOMINIUM" ("Escrow Account"). The account number is TBD.

1.2 ESCROW AGENT has designated the following MHH partners to serve as signatory: Anthony J. Ficara, Esq., Ted A. Berkowitz, Esq., Gary C. Hisiger, Esq., and Robert M. Finkel, Esq. All designated signatories are admitted to practice law in the State of New York.

All signatories on the Escrow Account have an address of 1407 Broadway, 39th Floor, New York, New York 10018, and a telephone number of (212) 239-2000.

1.3 ESCROW AGENT and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4 Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing

1.5 The Escrow Account is an IOLA account 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 placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of "Moritt Hock & Hamroff LLP", as ESCROW AGENT, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to 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 the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 ESCROW AGENT is hereby obligated to send a notice of all Deposits received by ESCROW AGENT to a purchaser within ten (10) business days of receipt of same. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the purchaser does not receive notice within fifteen (15) business days after tender of the Deposit, the purchaser may cancel the subscription purchase agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty StreetNew 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 the Deposit and requisite notice was timely mailed to the purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of defaulting purchaser to SPONSOR 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 shall not relieve SPONSOR or ESCROW AGENT of any obligation to a purchaser as set forth in GBL §§ 352-3(2-b) and 352-h.

3.2 ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in (a) pursuant to terms and conditions set forth in the purchase agreement and this Agreement, upon closing of title to the [shares/unit/membership interest/fractional interest]; 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 of competent

jurisdiction; or (d) 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 (e) 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 (f) 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 (g) 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 (h) 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 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or a purchaser to release the Deposit, then Escrow Agent must give both the purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both purchaser and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either a purchaser or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the Clerk of the county where the [unit/building] is located and shall give written notice to both SPONSOR and purchaser of such deposit.

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

3.4.1 Purchaser, if purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT

5.1 ESCROW AGENT shall maintain the Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT, and the purchasers, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL§§ 352(e)(2-b) and 352(h).

5.3 ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

6. RESPONSIBILITIES OF SPONSOR

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the [unit/shares/membership interest/fractional interest] to a designated attorney who is a member of or employed by ESCROW AGENT, within two (2) business days of tender of the Deposit by a purchaser, along with the form of tender of deposit attached hereto as Exhibit "A" to this Escrow Agreement, executed by Sponsor.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

6.3 SPONSOR shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each purchaser and deliver such form to ESCROW AGENT together with the Deposit and purchase agreement.

7. TERMINATION OF AGREEMENT

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law.

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to purchaser of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the purchase agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION

Prior to release of the Deposit, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ENTIRE AGREEMENT

This Agreement, read together with GBL §§ 352-e(2-b) and 352-(h)and the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

14. NOTICES

14.1 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:	Moritt Hock Hamroff LLP 1407 Broadway, 39th Floor New York, New York 10018
IF TO SPONSOR:	Sanford 147 Development LLC 133-47 Sanford Avenue, Suite C1 E, Flushing, New York 11355 Attn: Steven Li

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.

15. CAPTIONS AND HEADINGS

15.1 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:

MORITT HOCK & HAMROFF LLP

By: _____

SPONSOR:

Sanford 147 Development LLC

By: _____

PURCHASER

By: _____

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"

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO 13 NYCRR 20.4 (b)

Date: September 24, 2020

State of New York
Department of Law
28 Liberty Street
New York, NY 10271

Re: Polaris Condominium
32-58 105th Street
East Elmhurst, New York 11369

Gentlepeople:

We are the Sponsor and the principals of Sponsor of the Condominium Offering Plan for the above-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 they may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan, does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

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

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

Sanford 147 Development LLC

By: _____
Steven Li, Member

SPONSOR'S PRINCIPAL:

_____
Steven Li

_____
Wei Zheng

This document was signed in my presence, by way of live video conference which allowed for direct interaction between us in accordance with New York State Executive Order No. 202.7, issued March 19, 2020 and as further provided by New York State Executive Order No. 202.14 issued April 7, 2020, and as may be extended from time to time.

Sworn to before me this
24th day of September, 2020.

_____
Notary Public

JODI ZIMMERMAN
Notary Public, State of New York
No. 02ZI6183698
Qualified in Nassau County
Commission Expires 05/04/2024

SPONSOR'S ENGINEER OR ARCHITECT CERTIFICATION
PURSUANT TO 13 NYCRR 20.4 (c)

Date: September 8, 2021

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

RE: POLARIS CONDOMINIUM
32-58 105th Street
East Elmhurst, New York, 11373

Gentlepeople:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me/our firm to prepare a report describing the construction of the property (the "Report"). I/We examined the building plans and specifications that were prepared by Tan Architect P.C. dated 07/31/2018 and I/we prepared the Report dated 09/08/2021, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am/We are a registered architect/licensed engineer in the State in which the property is located.

I/We understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

I/We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I/We certify that the Report:

(i) sets forth in narrative form the description of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I/we examined;

(ii) in my/our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description of the property as it will exist upon completion of construction,

provided that construction is in accordance with the plans and specifications that I/we examined;

(iii) does not omit any material fact;

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

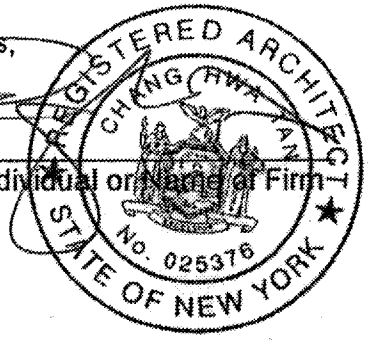
(v) does not contain any fraud, deception, concealment, or suppression;

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

(vii) does not contain any representation or statement which is false, where 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.

I/we further certify that I am/we are not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Report 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,



Signature of Individual or Name of Firm

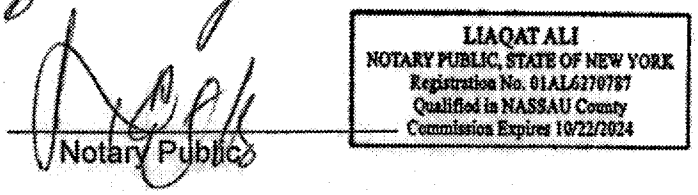
By: _____

Signature of Individual if prepared by Firm

_____

Title or Position if prepared by Firm

Sworn to before me this
08 day of Sept, 2021



Notary Public

CERTIFICATION OF ADEQUACY OF OPERATING BUDGET
PURSUANT TO 13 NYCRR 20.4 (d)

Date: February 25 , 2021

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

RE: **Polaris Condominium**
32-58 105 Street
East Elmhurst NY 11369

Gentlepeople:

The Sponsor of the Condominium Offering Plan for the captioned property retained me/our firm to review Schedule B and B-1 containing projections of income and expenses for the first year of condominium operation. My/or our experience in this field includes:12 years of experience in this field and we manage approximately 20 number of properties. 217 Grand St, NY NY 10013 / 18 East Broadway NY NY 10002 / 1 East Broadway NY NY 10002 / 4235 Main St., Flushing NY 11355 / 849 57th St., Brooklyn NY 11223 / 139 Centre St., NY NY 10013 / 749 61st St., Brooklyn NY 11234 / 77 Bowery NY NY 10002 / 75 East Broadway NY NY 10002

I/we understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the Regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B and B-1.

I/we have reviewed the Schedule B and B-1 Schedule and investigated the facts set forth in the Schedule \and the facts underlying it with due diligence in order to form a basis for this certification. I/We also have relied on my/our experience in managing residential buildings.

I/we certify that the projections in Schedule B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I/we certify that the Schedule B and B-1:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

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

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

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

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

I/we further certify that I am/we are not owned or controlled by the Sponsor. I/we understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the 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,

By: _____

Gary Chong, President
G Buddy Inc.

Sworn to before me this
5th day of February 2021

_____
Notary Public

JANETTE SHI
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SH6298789
Qualified in Kings County
My Commission Expires 2/17/2022

CERTIFICATION OF ADEQUACY OF COMMON CHARGES PAYABLE BY NON-RESIDENTIAL UNIT OWNERS PURSUANT TO 13 NYCRR 20.4(e)

Date: October 14 , 2020

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

Re: **Polaris Condominium**
32-58 105th Street,
East Elmhurst NY 11369

Ladies and Gentlemen:

The sponsor of the condominium offering plan for the captioned property retained me/our firm to review or prepare Schedule B which includes projections of common charges payable by the owners of the Non-Residential Units. My/or our experience in this field include:
12 years of experience in this field, and we manage approximately 20 properties. 217 Grand St, NY, New York 10013 / 18 East Broadway NY, New York 10002 / 1 East Broadway NY, New York 10002 / 4235 Main St., Flushing, New York 11355 / 849 57th St., Brooklyn, New York 11223 / 139 Centre St., NY New York 10013 / 749 61st St., Brooklyn, New York 11234 / 125 Canal St., NY, New York 10013.

I/we understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to the Non-Residential Units listed in Schedule B.

I/we have reviewed Schedule B as it impacts upon the Non-Residential Units and investigated the facts underlying it with due diligence in order to form a basis for this Certification. I/We also have relied on my/our experience in managing residential buildings.

I/we certify that the projections in Schedule B for common charges payable by the 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 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 of particular common areas.

I/we certify that 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 for the Non-Residential Units for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis

upon which to found their judgment concerning the common charges payable by the owners of the 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) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

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

I/we further certify that I am/we are not owned or controlled by the sponsor. I/We understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the 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/We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

By: _____

Chun Hing Gary Chong
President, G Buddy Inc.

Sworn to before me this
15th day of Oct, 2020.

_____
Notary Public

LINJUE HUA
STATE OF NEW YORK
NOTARY PUBLIC
Qualified in Kings County
01HU6301981
MY COMMISSION EXPIRES

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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 M

THIS RESTRICTIVE DECLARATION ("Restrictive Declaration"), entered into as of the ____ day of _____, 202__, by _____, having its principal office at _____ ("Owner").

WHEREAS, Owner holds title to certain real property located in the Borough of Queens in the City and State of New York, known as and by the street address 32-58 105th Street, 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.

[OWNER]

By: _____
Title: Authorized Signatory

STATE OF NEW YORK)
) SS:
)

COUNTY OF _____,

On this _____ day of _____, 202___ , 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