THESE CONDOMINIUM UNITS MAY ONLY BE USED AS PERMITTED BY LOCAL ZONING WHICH PERMITS MEDICAL, COMMUNITY FACILITY AND GARAGE USE. SEE SECTION I FOR DETAILS.

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

825 39TH STREET COMMERCIAL CONDOMINIUM

Located at
825 39th Street
Brooklyn, New York 11232

12 Community Facility Units	$18,804,819
1 Garage Unit (not being offered for sale)	-0-
TOTAL OFFERING	**$18,804,819**

SPONSOR and SELLING AGENT

823 39th Street Brooklyn, LLC
34-28 Collins Place
Flushing, New York 11354

SPONSOR'S ATTORNEYS

CERTILMAN BALIN ADLER & HYMAN, LLP
90 Merrick Avenue, 9th Floor
East Meadow, New York 11554

THE DATE OF ACCEPTANCE FOR FILING OF THE PLAN IS JUNE 14,2021. THE OFFERING PLAN MAY NOT BE USED AFTER JUNE 13, 2022 UNLESS AMENDED OR EXTENDED.

BECAUSE THE SPONSOR HAS RETAINED THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS 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 FACTOR NO. 1, AT PAGE iii.

PURCHASERS FOR THEIR OWN USE OF A UNIT MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS OFFERING PLAN. SEE SPECIAL RISK FACTOR NO. 1, AT PAGE iii.

SEE PAGE iii FOR SPECIAL RISKS TO PURCHASERS.

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

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SPECIAL RISKS

1. Sponsor will endeavor in good faith to sell the Community Facility Units in the Condominium. However, Sponsor is retaining the unconditional right to rent rather than sell the Community Facility Units. Because Sponsor is retaining the unconditional right to rent rather than sell the Community Facility Units, this Plan may result in the creation of a Condominium in which a majority of the Community Facility Units are not owned by Community Facility Unit Owners who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell Community Facility Units, there is no commitment to sell more Community Facility Units than the fifteen (15%) percent necessary to declare the Plan effective and Community Facility Unit Owners unrelated to the Sponsor may never gain effective control and management of the Condominium. The use of the term Unit shall refer to both the Community Facility Units and the Garage Unit, unless otherwise indicated.

The Garage Unit is not currently being offered for sale and will be retained by the Sponsor or an affiliated entity of the Sponsor. In the event the Sponsor intends to offer the Garage Unit for sale at a later date the Sponsor will amend the Offering Plan to disclose said fact.

As a result of the above, Purchasers for their use may never gain control of the Board of Managers under the terms of this Offering Plan. Purchasers should further note that Purchasers who purchase for their own use and the Sponsor, may have inherent conflicts on how the Condominium should be managed. See Section I of the Offering Plan.

2. The affairs of the Condominium shall be governed by a Board of Managers. The First Board of Managers shall consist of three (3) members (the "Members") to be designated by the Sponsor, its successor, designee or assignee ("Sponsor") and who shall hold office and exercise all powers of the Board of Managers until the First Annual Meeting of the Unit Owners. Irrespective of whether they are affiliates of Sponsor, Board Members have a fiduciary duty to manage in the best interests of the Condominium and not in the interests of Sponsor. The First Annual Meeting shall be held within thirty (30) days of the sale of the last Community Facility Unit. At the First Annual Meeting the number of Members which shall constitute the whole Board shall be three (3). As long as the Sponsor retains at least one (1) Unit in the Condominium the number of Members of the Board of Managers may not be increased or decreased without the consent of the Sponsor. Until succeeded by the Members elected at the First Annual Meeting of Unit Owners, Members need not be Unit Owners; thereafter all Members shall be Unit Owners or officers, directors, stockholders, partners or members of Unit Owners or representatives of the Sponsor. The Members shall be designated and/or elected at the First Annual Meeting of Unit Owners. At the First Annual Meeting of Unit Owners called pursuant to Section 9 of Article II of the By-Laws a total of three (3) Members shall be elected or designated as follows. The Garage Unit Owner shall designate one (1) Member to the Board of

Managers and shall be referred to as the Garage Member. The Community Facility Unit Owners shall elect two (2) Members to the Board of Managers and shall be referred to as the Community Facility Members. Each Community Facility Unit Owner shall be entitled to cast the number of votes equal to their Community Facility Unit's Community Facility Interest for the election of the Community Facility Unit Members. The Sponsor will be entitled to designate the two (2) Community Facility Members of the Board of Managers as long as Sponsor retains ownership of one (1) or more Community Facility Units in the Condominium ("Sponsor Control Period"). As a result, Unit Owners may never gain control of the Board of Managers. Purchasers should note that during the period of time the Sponsor retains a majority of the Board of Managers, the Unit Owners individually will not be able to enforce Sponsor's obligations. Such obligations may, however, be enforced by the Board of Managers if the Sponsor controlled Board agrees to such enforcement. 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. See Section XVII.

3. The First Annual Meeting of the Board of Managers will not be held until all of the Community Facility Units ("CFU"s) have been sold. In view of the fact the Sponsor has reserved the unconditional right to rent CFUs and therefore may never sell all of the CFUs, the First Annual Meeting may never occur and the Sponsor may indefinitely control the Board. See Section XVII.

4. The Board of Mangers determines the expenditures and fiscal actions of the Condominium. During the period Sponsor retains a majority of the seats on the Board of Managers, the Board of Managers will maintain the same level of services as disclosed in Schedule B of the Offering Plan. During this period, the Sponsor controlled Board of Managers will have control of maintenance, facilities, and services to be provided to the Condominium and will determine the Common Charges to be paid by all Unit Owners, including those paid by the Sponsor. During this period, the Sponsor controlled Board of Managers will also have control over the enforcement of the Sponsor's obligations and will also have the right to control all decisions including but not limited to the determination of Common Expenses, management of the Condominium, the hiring and termination of employees of the Condominium, the placing of easements on the property and making improvements to the Common Elements. Notwithstanding the above, the Board of Managers has a fiduciary duty to the Unit Owners to enforce Sponsor's obligations. Sponsor's intentional refusal to allow the Board of Managers to pursue litigation against the Sponsor entity may constitute a breach of fiduciary duty to the Board of Managers. In addition, the Unit Owners may commence a lawsuit in the nature of a derivative action. In the event a Sponsor-controlled Board does not undertake the enforcement of the Sponsor' s obligations, the Unit Owners may have to independently raise funds to pursue such enforcement and any other causes of action against the Sponsor. At no time may a Sponsor controlled Board of Managers exercise veto power over expenses described in Schedule B or over

expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, (iii) to remedy any work order by an insurer or (iv) necessary for the preservation or safety of the Building or for the safety of occupants of the Building or required to avoid the suspension of any necessary service to the Building. See Section XVIII of the Offering Plan and Schedule B.

5. Pursuant to existing law and regulation, the Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent of the Units in the Building being offered for sale. In view of the fact the Garage Unit is not being offered for sale the calculation would be based upon the sale of fifteen (15%) percent of the Community Facility Units (12 Community Facility Units x 15%=2 Community Facility Units). Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to commence Closings with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Community Facility Unit.

Purchasers should note that in the current real estate market, some banks and other lenders are imposing various restrictions on loans. Such restrictions may include requiring that a certain percentage (such as 50% or 70%) of the Units in a building be sold before the lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum.

Even after the Closing of Condominium Units commence, some lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements. See Section XIII.

6. All Deposits received from Purchaser will be deposited into an escrow account of the law firm of Certilman Balin Adler & Hyman, LLP (the "Escrow Agent") located at 90 Merrick Avenue, 9th Floor, East Meadow, New York 11554, as described in Section XII of the Offering Plan. The escrow account is an IOLA account consistent with Section 487 of the Judiciary Law of the State of New York. The maximum deposit insurance amount will be $250,000. If an individual makes a deposit in excess of said amount for the purchase of a Residential Unit, it is a special risk of this offer that such Deposit will not be federally insured in excess of said amount. Purchasers should further note that in the event a Purchaser has an account at Valley National Bank the funds in Purchaser's account are factored into the maximum insured amount of $250,000. See Section XII.

7. The projections for the first year of operation of the Condominium contained in the budget are only estimates. Actual expenses may vary from the amounts shown. Purchasers should further note that premiums for insurance have been extremely volatile and have increased substantially in recent years. Sponsor cannot predict whether or not the insurance rates will continue to increase or stabilize. Sponsor makes no representation that the premium costs for the insurance reflected in the

proposed first year budget will be applicable at the time of the first Closing of a Unit in the Condominium. See Section VI, Schedule B, the proposed first year budget and the footnotes immediately following thereto.

8. Purchasers will be required to obtain insurance covering their own contents, improvements and betterments at their sole cost and expense, including without limitation, loss of rents coverage and water damage. The Board of Managers will not provide any of the foregoing with respect to a Unit Owner's Unit. See Section XIX of the Offering Plan and Article VIII, Section 4 of the By-Laws.

9. 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 the actual Closing, for reimbursement and defrayal of Sponsor's carrying costs and other charges. See Section XVI of the Offering Plan.

10. The Purchase Agreement is not conditioned upon a Purchaser securing mortgage financing. Obtaining a mortgage shall be the sole risk and responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's Deposit in the event a Purchaser is unable to obtain a mortgage. 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 a Unit as a result of Purchaser's inability to obtain a mortgage Sponsor will have the right to retain the Deposit plus interest and the cost of any custom work ordered or Sponsor performed work within the Unit, as liquidated damages. See Section XII.

11. Purchasers should note that although all funds received by Sponsor for any upgrades or extras to a Unit will initially be placed in the Escrow Account, 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 for upgrades or extras except if the Offering Plan is abandoned. In such an event, the Purchaser would be entitled to a full refund of any upgrades or extras paid to Sponsor. See Section XII.

12. No bond or other security has been posted to secure Sponsor's obligations under the Offering Plan. See Section XVII.

13. Sponsor shall have the right for as long as the Condominium exists to enter into a license agreement or to lease those portions of the General Common Elements and Community Facility Units' General Limited Common Elements that do not

contain any mechanical equipment or other facilities utilized by the Condominium or any other Unit, including but not limited to the roof, interior and exterior portions of the Building to the extent necessary to implement the business of the lease and to retain the income therefrom. Sponsor and any tenant of a license or lease for a portion of the General Common Element or Community Facility Units' General Limited Common Elements being leased or subject to a license agreement shall have the easements provided for in the Declaration of Condominium to install, replace, repair, and maintain all equipment and improvements required under the terms of the lease or license agreement. As a result, the other Unit Owners will not benefit from the income produced from the lease or license and will not be able to utilize the areas of the General Common Elements or Community Facility Units' General Limited Common Elements that are leased or licensed by the Sponsor. The type of leases and/or licenses would include but not be limited to leases for cablevision companies, cell and land line phone companies, billboard leases and other signage. The Declaration of Condominium contains easements permitting the Sponsor and the lessees or licensees under the leases and licenses to install, maintain, repair and replace all equipment, improvements and facilities within the General Common Elements or Community Facility Units' General Limited Common Elements required pursuant to the business operation of the lease and/or license. See Section XVII.

14. In the event Sponsor is unable to convey title to a Purchaser's Community Facility Unit twelve (12) months after the proposed date of delivery set forth in their Purchase Agreement a Purchaser shall have the option to cancel the Purchase Agreement and have the Deposit 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 ten (10) days after the twelve (12) month period of the proposed date of delivery set forth in the Purchase Agreement. Purchaser's failure to so notify Sponsor of Purchaser's intent to cancel the Purchase Agreement due to Sponsor being unable to convey title to the Purchaser's Community Facility Unit within the twelve (12) month period shall be deemed a waiver of said provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. The above date is subject to Force Majeure. "Force Majeure" shall mean unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, pandemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor. In the event of a delay due to Force Majeure the above time frames shall be tolled for the length of the period during which such performance was excused, and such tolling shall not entitle Purchaser to any credit, offset, or reduction in Purchase Price or to be relieved of any other obligation under the Purchase Agreement. However, none of Purchaser's rights under the applicable regulations promulgated by the Attorney General, Article 23 of the General Business Law or under the Plan shall be abridged by virtue of Force Majeure except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency, or by executive order. Purchasers are specifically advised that the timing of the closing of title to the Unit may be significantly delayed in the event that

Sponsor exercises its tolling rights under the foregoing Force Majeure provision. The Attorney General recommends that Purchasers consult with their attorney as to: (i) whether there exists a final decision or order by a court of competent jurisdiction or any governmental agency, or executive order that impacts the timing of Purchaser's obligations under the Purchase Agreement; and (ii) any risks associated with executing a Purchase Agreement containing the foregoing Force Majeure provision prior to executing the Purchase Agreement. See Paragraph 5 of the Purchase Agreement in Part II of the Plan.

15. The Sponsor anticipates that the Closing of the first Community Facility Unit will occur by January 1, 2022. Purchasers will be offered a right of rescission if: (i) the actual date of Closing of Title to the first Community Facility Unit or (ii) the projected date of Closing of Title to the first Community Facility Unit occurs later than December 31, 2022. However, if the Plan is amended to provide for a later projected date of the Closing of Title to the first Community Facility Unit, Purchasers will be entitled to an offer of rescission if the Closing of Title to the first Community Facility Unit occurs more than twelve (12) months beyond the amended projected date of the Closing of Title to the first Community Facility Unit. If the Closing of Title to the first Community Facility Unit occurs before December 31, 2022, the Sponsor may schedule the Closings of Title to other Community Facility Units significantly later than the date of the Closing of Title to the first Community Facility Unit. Unless a Purchaser's Purchase Agreement contains an outside Closing Date, the Sponsor is not obligated to schedule a Closing within any specified time frame or to ensure that the Closing of Title to the Community Facility Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A COMMUNITY FACILITY UNIT. See Section XII.

16. Purchasers are advised that in New York, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB)". A TCO is intended to indicate that the property is safe for occupancy but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the Building Department. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a FCO covering the entire building within two years from the date of issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the Building Department will issue the FCO within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building and shall exercise

best efforts to obtain the FCO within such two-year period while keeping the TCO current. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

17. The approximate square foot area of each Unit is measured horizontally on each of one or more floors from the outermost extent of exterior walls of the Building to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from, egress stairs, and other mechanical equipment spaces or any Common Elements excluding common corridors, to the opposite outermost extent of exterior walls of the Building, as the case may be. Columns, mechanical pipes, shafts, shaft ways, chases, chase ways, conduits and private convenience stairways in all Units are not deducted from the measurement of each Unit. When a Unit shares a wall with a common corridor, the area shall be measured to the finished face of the corridor wall on the corridor side of the wall. Areas on the common corridor side of Unit's entry doors shall be included in the Unit area up to the extents of the architectural millwork frame of the door. Terraces, balconies, and other area exterior to the building envelope and complying with parapet and fencing height restrictions set forth in the NYC Zoning resolution, are not subject to inclusion in floor area calculations. The Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.

As is often the case in the New York commercial real estate market, the rentable or saleable square foot areas for each Unit as set forth on Schedule A exceeds the usable or actual floor area. Please refer to Exhibit B to the Declaration contained as Schedule H in Part II of the Offering Plan for further details regarding the square footage of each Unit and the Limited Common Elements appurtenant thereto.

18. The Purchase Agreement provides that in the event Purchaser violates, repudiates, or fails to perform any of the terms of the Purchase Agreement, or fails to make any payment in a timely fashion, which default remains uncured for thirty (30) days after written notice of such default from Sponsor, Sponsor may, at its option, retain all or any part of the monies paid on account of the Purchase Agreement plus the cost of any extras or upgrades ordered by Purchaser and either paid for or installed by Sponsor, as liquidated damages.

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE SUCH DEFAULT WITHIN SUCH THIRTY (30) DAY PERIOD.

19. Purchasers should note that pursuant to the terms of the Offering Plan as long as the Sponsor retains control of the Board of Managers, the Board of Managers retains the right to delay the commencement of the collection of Common Charges. During any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders. Upon the commencement of the collection of Common Charges, there will be no assessment of Unit Owners for prior expenses of the budget during the period Sponsor was paying the Common Expenses of the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided

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

20. Purchasers should note that the Unit Owners shall indemnify and hold harmless each of the Managers of the Board of Managers of the Condominium against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provision of the Declaration or of the By-Laws. It is intended that the Members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the original Board of Managers, who may be affiliated with or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. Notwithstanding, in the event the Board of Managers contracts with the Sponsor or any affiliated entities in bad faith, it may be deemed as 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 Members of the Board of Managers shall be limited to such proportion of the total liability thereunder as the Unit Owner's 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 a Member on behalf of the Condominium, shall provide that the Members of the Board of Managers, or the managing agent, or the Member, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners). See Article III, Section 13 of the By-Laws of the Condominium.

21. Purchasers are advised that in connection with the purchase of a Unit from the Sponsor, Purchasers are required to deposit at Closing of Title to the Unit an amount equal to two (2) months of Common Charges to the Condominium's working capital fund. This deposit is non-refundable.

22. The Owner of the Garage Unit will be obligated to pay a share of the cost of all Common Expenses, including insurance and maintenance and operation, of the General Common Elements, General Community Facility Units' Limited Common Elements, and other Common Expenses reflected in Schedule B based on the percentage of Common Interest in the Building allocated to Garage Unit even though the Garage Unit Owner may not be entitled to use certain parts of the Condominium. As a result, the Percentage of Common Interest to the Garage Unit has been adjusted accordingly. In addition, as provided for in Section 339-m of The Real Property Law of the State of New York, the Board of Managers may also make allocations and assessments of Common Charges to a Unit 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 a Unit Owner such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XIII of the By-Laws. See Schedule B and Section XX of the Offering Plan.

23. The property that abuts the Condominium located at 833 39th Street, Brooklyn, New York ("the Abutting Property") is being developed by the Sponsor as a hotel and will initially be owned by the Sponsor or an affiliated owner of the Sponsor (the "Abutting Property Owner"). A portion of the Garage Unit is located directly under the Abutting Property. The Abutting Property will not be a part of the Condominium. Notwithstanding, the Abutting Property may have certain lines, wires, pipes, conduits, cable television, sewers and drainage lines and any other utility, structural or mechanical equipment that is located in or on the Condominium Property and which services the Abutting Property. The Abutting Property Owner will enter into a maintenance agreement with the Condominium to maintain and repair such facilities. As a result, the Abutting Property Owner shall have an easement in, through and across the Condominium for the purpose of any maintenance, repair or replacement to any lines, wires, pipes, conduits, cable television, sewers, and drainage lines and any other structural or mechanical equipment that maybe located in or on the Condominium Property and which services the Abutting Property. The Abutting Property Owner shall also have an easement in, through and across the Condominium for the purposes of any maintenance, repair or replacement to the Abutting Property that may be required for such purpose and pursuant to the maintenance agreement between the Abutting Property Owner and the Condominium. See Sections I and XIX of the Offering Plan.

24. Prospective purchasers should be aware that the taxes projected for the initial budget year are temporarily and artificially low solely as a result of the property being assessed for the first six months of the initial budget year as a building in the course of construction. See Footnote 4 to Schedule A.

25. In view of the fact the Condominium Units are not zoned for residential use, the Condominium will not qualify as a tax-exempt organization under Section 528 of the Internal Revenue Code. As a result, the Condominium may be deemed a taxable entity and accordingly may be taxed on any excess of income over expenses, including any interest earned on reserve and other invested funds. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charge or assessment. See Section XXI of the Offering Plan.

26. The Sponsor will correct any defects in the construction of the Common Elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material substantially at variance with this Offering Plan as may be changed by Sponsor from time to time provided and on condition that Sponsor is notified of or becomes aware of such defect(s) within twelve (12) months of the completion of the affected Common Area which is evidenced by the issuance of a temporary or permanent Certificate of Occupancy. In no event will Sponsor be liable for consequential damages (whether based on negligence, breach of contract, warranty, or

otherwise), it being intended that Sponsor's sole obligations under the Plan will be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), subject to the terms and conditions (and within the time limits) set forth in this paragraph. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications. See Section XVI of the Offering Plan.

27. Purchasers should note that until the expiration of the Sponsor Control Period, the Board of Managers may not, without the Sponsor's prior written consent, utilize Condominium funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals. See Section XVII of the Offering Plan.

28. New York City Local Law Eleven (NYC LL11 / 98): is applicable to this Building and requires that the Condominium must comply with the requirements of New York City Local Law Eleven with regards to inspection of exterior walls and appurtenances of buildings greater than six stories in height. The Condominium will be responsible for arranging future inspections and shall be conducted at least once every five (5) years from the issuance of a final Certificate of Occupancy. The inspections are required to be done by a qualified architect or engineer. The inspection would indicate whether or not the building is Safe (No problems and in good condition), SWARMP (Safe with a Repair and Maintenance Program) or Unsafe (Problems or defects threatening public safety). All costs associated with the required report and any repairs shall be a Condominium General Common Expense. The current anticipated cost for an engineer's inspection is between $2,000 to $3,000. Sponsor does not make any representation as to the cost of such an inspection at such time as the required inspection is done. Purchasers should refer to the Description of Property Report contained in Schedule G in Part II of the Offering Plan.

825 39th Street Commercial Condominium

A PLAN OF CONDOMINIUM OWNERSHIP

I. INTRODUCTION

This is an Offering Plan (the "Plan") for the sale of twelve (12) Community Facility Condominium Units (the " Community Facility Units"). The Condominium will also include one (1) Garage Unit (the “Garage Unit”) that is not currently being offered for sale. The use of the term Unit(s) shall include the Community Facility Units and the Garage Unit, unless otherwise indicated. The Condominium will be located in a Building located at 825 39th Street, Brooklyn, New York and will be known as 825 39th Street Commercial Condominium. The purpose of the Plan is to set forth all the 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 Unit Owners.

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

The Sponsor of the Plan is 823 39th Street Brooklyn, LLC a New York limited liability company with an address at 34-28 Collins Place, Flushing, New York 11354. Sponsor acquired title by a deed dated August 7, 2013 which deed was recorded in the Clerk's Office.

The Sponsor with this Offering Plan is offering for sale the Condominium Units (the "Units") located in a Building under construction containing eight (8) stories containing the Community Facility Units and the Garage Unit located on a New York City level below (“the Building”). See Schedule F for a detailed description of the Units. The land and all improvements to be erected thereon are hereinafter referred to as the "Condominium". As of the date of this Offering Plan, all Units offered in the Plan are vacant.

Permitted uses of Community Facility Units under applicable zoning include health care, educational, religious, and not-for-profit institutions.

The property that abuts the Condominium located at 833 39th Street, Brooklyn, New York (“the Abutting Property”) is being developed by the Sponsor as a hotel and will initially be owned by the Sponsor or an affiliated owner of the Sponsor (the “Abutting Property Owner”). A portion of the Garage Unit is located directly under the Abutting

Property. The Abutting Property will not be a part of the Condominium. Notwithstanding, the Abutting Property may have certain lines, wires, pipes, conduits, cable television, sewers and drainage lines and any other utility, structural or mechanical equipment that is located in or on the Condominium Property and which services the Abutting Property. The Abutting Property Owner will enter into a maintenance agreement with the Condominium to maintain and repair such facilities. As a result, the Abutting Property Owner shall have an easement in, through and across the Condominium for the purpose of any maintenance, repair or replacement to any lines, wires, pipes, conduits, cable television, sewers, and drainage lines and any other structural or mechanical equipment that maybe located in or on the Condominium Property and which services the Abutting Property. The Abutting Property Owner shall also have an easement in, through and across the Condominium for the purposes of any maintenance, repair or replacement to the Abutting Property that may be required for such purpose and pursuant to the maintenance agreement between the Abutting Property Owner and the Condominium

As in the ownership of commercial real estate, the Purchaser of a Unit in the Condominium (the "Unit Owner") owns the Unit in fee simple absolute and is entitled to exclusive possession of the Unit. Each Purchaser will also own an undivided interest in and right to use the Common Elements. All Unit Owners will own in common all exterior walls, roofs and all of the land and improvements located outside of the Units.

The approximate square foot area of each Unit is measured horizontally on each of one or more floors from the outermost extent of exterior walls of the Building to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from, egress stairs, and other mechanical equipment spaces or any Common Elements excluding common corridors, to the opposite outermost extent of exterior walls of the Building, as the case may be. Columns, mechanical pipes, shafts, shaft ways, chases, chase ways, conduits and private convenience stairways in all Units are not deducted from the measurement of each Unit. When a Unit shares a wall with a common corridor, the area shall be measured to the finished face of the corridor wall on the corridor side of the wall. Areas on the common corridor side of Unit’s entry doors shall be included in the Unit area up to the extents of the architectural millwork frame of the door. Terraces, balconies, and other area exterior to the building envelope and complying with parapet and fencing height restrictions set forth in the NYC Zoning resolution, are not subject to inclusion in floor area calculations. The Sponsor reserves the right to make changes to the Community Facility Unit in accordance with the Offering Plan.

As is often the case in the New York commercial real estate market, the rentable or saleable square foot areas for each Unit as set forth on Schedule A exceeds the usable or actual floor area and may include each unit’s allocable portion of the Limited Common Elements appurtenant to such Units. Please refer to Exhibit B to the Declaration contained as Schedule H in Part II of the Offering Plan for further details regarding the square footage of each Unit and the Limited Common Elements appurtenant thereto.

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

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.

The Owner of the Garage Unit will be obligated to pay a share of the cost of all Common Expenses, including insurance and maintenance and operation, of the General Common Elements, General Community Facility Units' Limited Common Elements, and other Common Expenses reflected in Schedule B based on the percentage of Common Interest in the Building allocated to Garage Unit even though the Garage Unit Owner may not be entitled to use certain parts of the Condominium. As a result, the Percentage of Common Interest to the Garage Unit has been adjusted accordingly. In addition, as provided for in Section 339-m of The Real Property Law of the State of New York, the Board of Managers may also make allocations and assessments of Common Charges to a Unit 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 a Unit Owner such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XIII of the By-Laws.

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 Condominium is erected and all other land within the boundaries of the Property;

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

3. Any portion of the roof that services and/or benefits two (2) or more Units;

4. All drainage systems, sewers and/or storm sewer pipes, drywells or detention tanks or facilities that service and/or benefit two (2) or more Units;

5. Any plantings, landscaping, gates, fences, and garden walls for the common use and/or benefit of the entire Condominium;

6. All pedestrian walkways intended for the common use and/or benefit of the Condominium;

7. The equipment and facilities serving two (2) or more Units and all other apparatus, installations, systems equipment, and facilities in the Building (including pipes, wire, ducts, vents, cables, conduits, and lines) which will serve and/or benefit two (2) or more Units exclusively;

8. Stairs, stairways, and hallways located in the Building which service and/or benefit two (2) or more Units;

9. The parking booth located in the cellar;

10. The sprinkler/water meter room located in the cellar;

11. The bicycle parking located in the cellar;

12. The gas meter room located in the cellar;

13. The electric meter room located in the cellar;

14. The mechanical room located on the first floor; and

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

Certain portions of the Common Elements are irrevocably restricted in use to specified Unit Owners, subject to the right of the Board of Managers to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element and subject to the Rules and Regulations of the Board of Managers. 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 Limited Common Elements:

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

1. Individual Community Facility Unit's Limited Common Elements - The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of the owner of an individual Community Facility Unit and are herein sometimes collectively referred to as a "Individual Community Facility Unit's Limited Common Elements":

(a) The entrances to and exits from an individual Community Facility Unit;

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

(c) Any portion of the roof in the Building that contains the Community Facility Units that services and/or benefits an individual Community Facility Unit exclusively;

(d) The terrace appurtenant to Community Facility Unit CF-1-A for Community Facility Unit CF-1-A's exclusive use;

(e) All central and appurtenant installations that are not contained within an individual Community Facility Unit for services such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith that are not located in an Individual Community Facility Unit) and all other mechanical equipment spaces that are not located in an individual Community Facility Unit and which service and/or benefit an individual Community Facility Unit exclusively;

(f) Any heating, cooling or other mechanical system that are not located in an individual Community Facility Unit and that service and/or benefit an individual Community Facility Unit exclusively;

(g) Any intercom system that service and/or benefit an individual Community Facility Unit exclusively; and

(h) All other parts of the Condominium and all apparatus and installations existing in the Condominium for the exclusive use and/or benefit of an individual Community Facility Unit.

An individual Community Facility Unit's Limited Common Elements servicing an individual Community Facility Unit and any of the above facilities located exclusively in an individual Community Facility Unit shall be maintained repaired and replaced solely by the respective individual Community Facility Unit Owner at the Community Facility Unit Owner's sole cost and expense.

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

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

(b) The equipment and facilities serving only the Garage Unit if located outside the Garage Unit and all other apparatus, installations, systems equipment, and facilities in the Condominium (including

pipes, wire, ducts, vents, cables, conduits, and lines) which will serve and/or benefit the Garage Unit exclusively;

(c) Any portion of a roof in either Building that services and/or benefits the Garage Unit exclusively;

(d) All central and appurtenant installations that are not located in the Garage Unit for services such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables, and conduits used in connection therewith that are not located in the Garage Unit) and all other mechanical equipment spaces that service and/or the Garage Unit exclusively;

(e) All drainage systems, sewer and/or storm sewer pipes, drywells or detention tanks and facilities that service and/or benefit the Garage Unit exclusively;

(f) All mechanical equipment, refuse rooms, utility meters, storage areas, if applicable that service and/or benefit the Garage Unit exclusively;

(g) Any heating, cooling or other mechanical system that is not located in the Garage Unit and that service and/or benefit the Garage Unit exclusively;

(h) Any intercom system that service and/or benefit the Garage Unit exclusively;

(i) Any telephone and cable rooms, meter rooms, compactor rooms, refuse rooms, equipment rooms and any other mechanical rooms or areas that are not located in the Garage Unit and which service and/or benefit the Garage Unit exclusively;

(j) All flues, chimneys and vent caps that are not located in the Garage Unit and which service and/or benefit the Garage Unit exclusively;

(k) Any ladders for access to the top of any bulkhead on a roof that services and/or benefits the Garage Unit exclusively;

(l) Any compactor chute, compactor, and compactor room that service and/or benefit the Garage Unit exclusively; and

(m) All other parts of the Condominium and all apparatus and installations existing in the Condominium that are not located in the Garage Unit and are for the exclusive use and/or benefit of the Garage Unit.

The Garage Unit's Limited Common Elements servicing the Garage Unit and any of the above facilities that are located exclusively in and are a part of the Garage Unit shall be maintained repaired and replaced solely by the Garage Unit Owner at the Garage Unit Owner's sole cost and expense.

The repair, maintenance, upkeep, and replacement of the General Community Facility Units' Limited Common Elements shall be a Common Expense of the Condominium to be paid by all the Unit Owners. The Individual Community Facility Unit's and Garage Unit's Limited Common Elements shall be the responsibility of each Unit Owner having the benefit of such Limited Common Elements.

Sponsor will endeavor in good faith to market and sell the Community Facility Units in the Condominium however, Sponsor is retaining the unconditional right to rent rather than sell the Community Facility Units. Because Sponsor is retaining the unconditional right to rent rather than sell the Community Facility Units this Plan may result in the creation of a Condominium in which a majority of the Units are not owned by Unit Owners 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 Community Facility Units, there is no commitment to sell more Community Facility Units than the fifteen (15%) percent necessary to declare the plan effective and Unit Owners who are unaffiliated with the Sponsor 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 Units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell Units.

Sponsor has a mortgage encumbering the Property from The Berkshire Bank, 4 East 39th Street, New York, New York 10016 (the "Lender"). The mortgage does not provide for any minimum number or percentage of Units that must be under contract before the Offering Plan can be declared effective. The mortgage does not have any limitations or requirements that have been imposed by the Lender that require when the Sponsor may rent rather than sell under specified market conditions. The mortgage provides that each Unit and its appurtenant Common Interest will be released from the lien of the mortgage at each Closing upon the payment to the Lender of a release price.

A Unit Owner is required to pay monthly Common Charges assessed by the Board of Managers for the operation and maintenance of the Condominium pursuant to Sections 339(i) and (m) of the New York Condominium Act. Monthly Common Charges may commence with the Closing of Title to the first Community Facility Unit which is expected to be on or before January 1, 2022, however, see Section XX as to the right of the first Board of Managers to commence the collection of Common Charges at a subsequent date. Until title to a Unit has passed to a Purchaser, the Sponsor will pay such Common Charges and Special Assessments as are assessed by the Board of Managers on 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 associated with the Unit. As long as the Sponsor retains a majority of the Board of Managers, the Board of Managers may commence the collection of Common Charges upon the Closing of Title to the first Unit or at any subsequent date as in its sole discretion it may determine. Prior to the commencement of the collection of Common Charges, Sponsor shall be obligated to provide all the services disclosed in the first-year budget at its sole expense. See Article VI of Schedule I in Part II of the Plan.

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

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

The Community Facility Units may be used for any use permitted for Community Facility Use as is permitted by the zoning requirements of the City of New York. The Garage Unit may be used for the parking of automobiles etc. as is permitted by the zoning requirements of the City of New York. Community Facility Units can be sold by a Community Facility Unit Owner, provided that the Community Facility Unit Owner is not in arrears on the payment of Common Charges. As previously noted, the Garage Unit is not currently being offered for sale. In the event the Sponsor decides to offer the Garage Unit for sale in the future the Sponsor will amend the Offering Plan to disclose said offer of sale. No Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements.

Each Community Facility Unit Owner can sell their Community Facility Unit to whomever the Community Facility Unit Owner desires subject to applicable zoning requirements for Community Facility Units. Permitted uses of Community Facility Units under applicable zoning include health care, educational, religious, and not-for-profit institutions. All leases are required to contain a provision, subject to the approval of the Board of Managers that the leases are subject to the Declaration, By-Laws and Rules and Regulations of the Condominium.

The Units can be purchased for all cash or may be purchased partly for cash and partly by mortgage. The purchase of a Unit is not contingent on a Purchaser securing satisfactory mortgage financing.

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

See Section I of the Offering Plan.

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 and 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 are elected by the Unit Owners. See Schedule H, Article III in Part II of the Plan. For information concerning Sponsor's initial control of the Board of Managers, see Section XVIII.

Each Unit Owner, upon obtaining title, will automatically have the number of votes equal to the Unit's percentage of Common Interest for each Unit owned at all meetings of the Unit Owners.

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 payment on any other Unit. See Section XXII.

Fire and liability insurance covering the Common Elements are included with other items as part of Common Charges. Fire and liability insurance for the Purchaser's personal effects and the interior of the Unit is not included as part of the Common Charges of the Condominium and is required to be carried by the individual Purchaser and is subject to the Board of Manager's approval and acceptance of such insurance as to carrier, amount, and type of coverage. Individual Purchasers are urged to obtain insurance coverage for their contents, improvements and betterments against water damage, loss of rents and any other coverage such Purchaser may obtain, all of which are not included in the Condominium's Insurance. All insurance carriers must be admitted carriers domiciled in the State of New York. 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 XX. Each Unit Owner is responsible for the cost of the Unit Owner's own interior repairs and decoration in the Unit Owner's Unit after Closing.

The price of the Units will include all the fixtures detailed in the Description of Property Report contained in Part II of the Plan.

The prices for the Units are set forth in Schedule A. See Section V. THESE PRICES HAVE BEEN SET BY THE SPONSOR ALONE AND ARE NOT SUBJECT TO REVIEW OR 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 and at the office of the Sponsor or Selling Agent.

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

THE PURCHASE OF A CONDOMINIUM 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 AN AGREEMENT TO PURCHASE A CONDOMINIUM.

II. DEFINITIONS

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

1. "Annual Meeting" – The meeting of the Unit Owners of the Condominium held on a yearly basis or such other convenient date as the Board of Managers may designate subsequent to the First Annual Meeting.

2. "Abutting Property" – The property abutting the Condominium and located at 833 39th Street, Brooklyn, New York.

3. "Abutting Property Owner" – The owner of the Abutting Property.

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

5. "Board Member" or "Member" – Each individual representative elected, designated, or appointed to the Board of Managers. The members shall consist of the following:

   (a) "Community Facility Member"- The two (2) Board Members elected designated or appointed by the Community Facility Unit Owners representing the Community Facility Unit Owners.

   (b) "Garage Member"- The one (1) Board Member designated or appointed by the Garage Unit Owner representing the Garage Unit Owner.

6. "Building" - The building including the Units and Common Elements of the Condominium.

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

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

9. "Common Elements" - All portions of the Condominium, other than the Units. The Common Elements are divided as follows:

   (a) General Common Elements - Common Elements shared by all Unit Owners.

   (b) Garage Unit's Limited Common Elements - Common Elements for the exclusive use of the Garage Unit Owner and its tenants and

occupants.

(c) Community Facility Unit's Individual Limited Common Elements - Common Elements which are for the exclusive use of an individual Community Facility Unit Owner or Owners, its tenants and occupants.

(d) Community Facility Units' General Limited Common Elements - Common Elements which are for the exclusive use of the Community Facility Unit Owners, their tenants, and occupants.

10. "Common Expenses" - (a) Expenses incurred by all Unit Owners for the purpose of paying common 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; (b) Community Facility Units' General Limited Common Elements and (c) All sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration, or the By-Laws.

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

12. "Community Facility Area" – The area of the Condominium consisting of the Community Facility Units and Community Facility Unit's Limited Common Elements.

13. "Condominium" – 825 39th Street Commercial Condominium which includes the Unit Owners, the Units and the Common Elements.

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

15. "Condominium Association" – The unincorporated association of Unit Owners, which is governed by the Board of Managers.

16. "Condominium Documents" – The Declaration of Condominium, the By-Laws the As-Built Plans of the Units and the Condominium Unit Designation Map (as provided in the Condominium Act and Real Property Law Section 334-a), as same may be amended from time to time.

17. "Declaration of Condominium" - The instrument by which the Property is submitted to the provisions of the Condominium Act, and such instrument as from time to time may be amended, consistent with the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and of the By-Laws.

18. “Deposit” – The amount deposited by a Purchaser towards the Purchase Price of a Community Facility Unit upon execution of the Purchase Contract.

19. “Divider Wall” – The wall separating the Unit of one Owner from the Unit of an adjoining Unit Owner.

20. “Escrow Account” – The attorneys’ accounts where a Purchaser’s Deposit will be held as provided for in Section XI of the Offering Plan.

21. “Escrow Agent” – The attorneys or law firms overseeing the Escrow Accounts as provided for in Section XI of the Offering Plan.

22. “First Annual Meeting” – The date of the first annual meeting of the Unit Owners.

23. “First Board of Managers”- The initial Members of the Board of Managers consisting of Sponsor designated Members who shall hold office until the First Annual Meeting.

24. “Garage Area” – The area of the Condominium consisting of the Garage Unit and the Garage Unit’s Limited Common Elements.

25. “Grantee” – The person to whom an interest in real property is conveyed.

26. “Grantor” – The person conveying interest in real property.

27. “Lender” – The Berkshire Bank, 4 East 39th Street, New York, New York 10016, the lending institution providing funds to the Sponsor to be used towards the construction of the Condominium.

28. “Limited Common Elements” - A Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the Owners of such Unit or Units. Limited Common Elements may also be referred to as an Irrevocably Restricted Common Element.

29. “Loan” – The loan provided by the Lender which will be used towards the construction of the Condominium.

30. “Percentage of Common Interest”- The percentage of common interest each Unit has in the Condominium.

31. “Plan” – The Plan of Condominium Ownership of the Property pursuant to the Declaration and the By-Laws.

32. “Property” – The overall area of the Condominium.

33. "Purchaser" – The person(s) who have entered into a Purchase Contract to acquire a Community Facility Unit in the Condominium.

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

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

36. "Special Meeting" – A meeting held by the Unit Owners called pursuant to Article II, Section 10 of the By-Laws.

37. "Sponsor" – 823 39th Street Brooklyn, LLC a New York limited liability company and its successors, assigns and designees.

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

39. "Unit" – A Unit includes a Unit in the Condominium. The Units are further described as follows:

    (a) "Community Facility Unit" – One (1) of the twelve (12) Community Facility Units designated as a Community Facility Unit in Schedule B of the Declaration of Condominium to be used as Community Facility space as permitted pursuant to the zoning requirements of the City of New York.

    (b) "Garage Unit"- The Unit containing the Garage.

40. "Unit Owner" – A Unit Owner includes all the Unit Owners in the Condominium. Unit Owners are described as follows:

    (a) "Community Facility Unit Owner" – The Owner of a Community Facility Unit.

    (b) "Garage Unit Owner" – The Owner of the Garage Unit.

III. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Location and Acreage

The Condominium is located at 825 39th Street, Brooklyn, New York which lies on the border of the Sunset Park and Borough Park neighborhoods. The property covers approximately 7,500 square feet.

The Sponsor does not have any other project located adjacent to or within a one-block radius of the Condominium. Any change in the information regarding the projects by Sponsor that have been approved by the New York City Department of Buildings and which will be adjacent to or within a one-block radius of the Condominium while sales are continuing will be disclosed in an amendment to the Plan within thirty (30) days after the information becomes known to Sponsor.

Topographical Features

The site consists of generally level land.

Improvements General Description

The Building is in the process of being constructed and it is anticipated that the Closing of Title to the first Community Facility Unit will occur on or about January 1, 2022 subject to factors beyond Sponsor's control such as weather conditions, strikes, material shortages, force majeure, acts of God and sales conditions. The Condominium as proposed will contain eight (8) floors containing the Community Facility Units and the Garage Unit below grade.

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

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

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

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

Construction Data for Units, Common Elements and Limited Common Elements

The Building, the Units and Common Elements will be constructed in the manner set forth in the Building Plans filed with the City of New York, which Plans will not be changed so as to adversely affect the Unit Owners. For a detailed description of such data see the Description of Property Report in Part II of the Plan. Construction of the Building has commenced and Closing of Title to the first Unit is expected to take place on or about January 1, 2022, barring any unforeseen delays beyond the control of the Sponsor such as weather conditions, strikes, material shortages, acts of God and sales conditions.

Sponsor retains the right for as long as the Condominium exists to lease or license those portions of the Common Elements that do not contain any mechanical equipment or other facilities utilized by the Condominium or any other Unit, including but not limited to the roof, interior and exterior portions of the Building> As a result, the other Unit Owners will not benefit from the income produced from the lease or license and will not be able to utilize the areas of the Common Elements that are leased or licensed by the Sponsor. The type of leases or licenses would include but not be limited to leases for cablevision companies, cell and land line phone companies, billboard leases and other signage. The Declaration of Condominium contains easements permitting the Sponsor and the lessees or licensees under the leases and/or licenses to install, maintain, repair, and replace all equipment, improvements and facilities within the Common Elements required pursuant to the business operation of the lease and/or license.

Allocation of Common Interest

The Common Interest of the Condominium establishes the Unit Owners' percentage of ownership in the Common Elements and percentage of liability for the payment of Common Charges subject to the provisions of Section 339-m. See Part I of the Offering Plan. Each Unit Owner has the Percentage of Common Interest in the Condominium set forth on Schedule A. The Percentage of Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act, based on floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Residential Unit. The Owner of the Garage Unit will be obligated to pay a share of the cost of all Common Expenses, including insurance and maintenance and operation, of the General Common Elements, General Community Facility Units' Limited Common Elements, and other Common Expenses reflected in Schedule B based on the percentage of Common Interest in the Building allocated to Garage Unit even though the Garage Unit Owner may not be entitled to use certain parts of the Condominium. As a result, the Percentage of Common Interest to the Garage Unit has been adjusted accordingly. In addition, as provided for in Section 339-m of The Real Property Law of the State of New York, the Board of Managers may also make allocations and assessments of Common Charges to a Unit 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 a Unit Owner such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XIII of the By-Laws.

IV. LOCATION AND AREA INFORMATION

Location and Area Information

The Building will be located at 825 39th Street, Brooklyn, NY 11232.

Transportation

Major subway services are a mile south from 9 Avenue Subway Station including the D train. There are bus stops about 3 blocks in from the Condominium.

JFK International Airport is located approximately 15 miles from the Condominium.

Emergency Services:

The Property is located in the 72nd Police Precinct, the station being located at 830 4th Ave, Brooklyn, NY 11232. Approximately 1.3 miles from the Condominium.

The nearest fire house is Engine Co. No. 228, located at 436 39th St, Brooklyn, NY 11232. Approximately 0.6 miles from the Condominium.

Gas

Gas service will be provided by National Grid as described in the Description of Property Report in Part II of the Offering Plan.

Electric

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

Telephone

Each Unit Owner will be responsible for their own phone service.

Water and Sewage

Water supply and sewer servicing the Building will be provided by the City of New York as described in the Description of Property Report in Part II of the Offering Plan.

Refuse Removal

Refuse removal will be provided by the private garbage pickup company.

Snow Removal

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 and Religious Facilities

The Condominium's location in Brooklyn allows easy access to some of the best medical centers in the country. A number of excellent medical centers are close by, such as:

New York Presbyterian Brooklyn Methodist Hospital
59-23 16th Avenue, Brooklyn, New York

1.7 miles from the Condominium

Mount Sinai Hospital
3201 Kings Highway, Brooklyn, New York
5.3 miles from the Condominium

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

Parks and Recreation

The Condominium is in close proximity of the following parks:

Sunset Park
Approximately 0.5 miles from the Condominium

Shopping

In terms of grocery shopping, convenience stores and pharmacies, the Condominium is in the vicinity of:

Liberty View Industrial Plaza
Approximately 1.5 miles from the Condominium

V. SCHEDULE A
825 39TH STREET
825 39th Street
Brooklyn, New York 11232
OFFERING PRICES AND RELATED INFORMATION
PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION BEGINNING JANUARY 1, 2022 - DECEMBER 31, 2022

		(1)	(2)	(2)	(2)	(3)	(4)	(4)	(5)	(5)	(4) (5)	(4) (5)
UNIT NUMBER	**UNIT TYPE**	**OFFERING PRICE**	**APPROX. SQUARE FOOTAGE OF UNIT**	**APPROX. TERRACE SQUARE FOOTAGE**	**APPROX. TOTAL SQUARE FOOTAGE**	**PERCENTAGE OF COMMON INTEREST**	**PROJECTED ANNUAL COMMON CHARGES**	**PROJECTED MONTHLY COMMON CHARGES**	**PROJECTED ANNUAL REAL ESTATE TAX**	**PROJECTED MONTHLY REAL ESTATE TAX**	**PROJECTED TOTAL ANNUAL CARRYING CHARGES**	**PROJECTED TOTAL MONTHLY CARRYING CHARGES**
*P1, P2 & P3	Garage Unit	N/A	36,550	N/A	36,550	45.04%	$ 68,827.43	$ 5,735.62	$ 129,492.00	$ 10,791.00	$ 198,319.43	$ 16,526.62
CF-1-A	Community Facility	$ 1,961,960	1,444	2,208	3,652	4.77%	$ 7,289.23	$ 607.44	$ 21,985.00	$ 1,832.08	$ 29,274.23	$ 2,439.52
CF-2-A	Community Facility	$ 1,695,210	2,335	N/A	2,335	5.11%	$ 7,808.80	$ 650.73	$ 23,557.00	$ 1,963.08	$ 31,365.80	$ 2,613.81
CF-3-A	Community Facility	$ 2,575,122	3,547	N/A	3,547	7.75%	$ 11,843.09	$ 986.92	$ 35,780.00	$ 2,981.67	$ 47,623.09	$ 3,968.59
CF-4-A	Community Facility	$ 2,575,122	3,547	N/A	3,547	7.75%	$ 11,843.09	$ 986.92	$ 35,780.00	$ 2,981.67	$ 47,623.09	$ 3,968.59
CF-5-A	Community Facility	$ 2,575,122	3,547	N/A	3,547	7.75%	$ 11,843.09	$ 986.92	$ 35,780.00	$ 2,981.67	$ 47,623.09	$ 3,968.59
CF-6-A	Community Facility	$ 463,573	629	N/A	629	1.38%	$ 2,108.83	$ 175.74	$ 6,339.00	$ 528.25	$ 8,447.83	$ 703.99
CF-6-B	Community Facility	$ 674,355	915	N/A	915	2.00%	$ 3,056.28	$ 254.69	$ 9,230.00	$ 769.17	$ 12,286.28	$ 1,023.86
CF-6-C	Community Facility	$ 1,230,790	1,670	N/A	1,670	3.66%	$ 5,592.99	$ 466.08	$ 16,863.00	$ 1,405.25	$ 22,455.99	$ 1,871.33
CF-7-A	Community Facility	$ 2,614,139	3,547	N/A	3,547	7.75%	$ 11,843.09	$ 986.92	$ 35,780.00	$ 2,981.67	$ 47,623.09	$ 3,968.59
CF-8-A	Community Facility	$ 477,411	629	N/A	629	1.38%	$ 2,108.83	$ 175.74	$ 6,339.00	$ 528.25	$ 8,447.83	$ 703.99
CF-8-B	Community Facility	$ 694,485	915	N/A	915	2.00%	$ 3,056.28	$ 254.69	$ 9,230.00	$ 769.17	$ 12,286.28	$ 1,023.86
CF-8-C	Community Facility	$ 1,267,530	1,670	N/A	1,670	3.66%	$ 5,592.99	$ 466.08	$ 16,863.00	$ 1,405.25	$ 22,455.99	$ 1,871.33
Totals		**$ 18,804,819**	**60,945**	**2,208**	**63,153**	**100.00%**	**$ 152,814.00**	**$ 12,734.49**	**$ 383,018.00**	**$ 31,918.18**	**$ 535,832**	**$ 44,653**

*The terraces appurtenant to a Unit designated as a Limited Common Elements of a Unit. The square footage of the terrace is not included in the overall square footage reflected in the Unit square footage. The terrace cannot be enclosed and is not permitted to be used as a bedroom or living room.
**The Garage Unit is not currently being offered for sale. In the event the Sponsor offers the Garage Unit for sale, Sponsor will amend the Offering Plan.
N/A - Not Applicable

FOOTNOTES TO SCHEDULE A

1. The approximate square foot area of each Unit is measured horizontally on each of one or more floors from the outermost extent of exterior walls of the Building to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from, egress stairs, and other mechanical equipment spaces or any Common Elements excluding common corridors, to the opposite outermost extent of exterior walls of the Building, as the case may be. Columns, mechanical pipes, shafts, shaft ways, chases, chase ways, conduits and private convenience stairways in all Units are not deducted from the measurement of each Unit. When a Unit shares a wall with a common corridor, the area shall be measured to the finished face of the corridor wall on the corridor side of the wall. Areas on the common corridor side of Unit's entry doors shall be included in the Unit area up to the extents of the architectural millwork frame of the door. Terraces, balconies, and other area exterior to the building envelope and complying with parapet and fencing height restrictions set forth in the NYC Zoning resolution, are not subject to inclusion in floor area calculations. The Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.

The Limited Common Elements appurtenant to each Unit as indicated in Schedule G-4 of the Offering Plan, are part of the individual Unit.

As is often the case in the New York commercial real estate market, the rentable square foot areas for each Unit as set forth on Schedule A exceeds the usable floor area and includes each unit's allocable portion of the elevator banks and stairways which are Limited Common Elements appurtenant to such Units. Please refer to Exhibit B to the Declaration contained as Schedule H in Part II of the Offering Plan for further details regarding the square footage of each Unit and the Limited Common Elements appurtenant thereto.

For a detailed description of the Unit to be conveyed see Schedule H, Article Third in Part II of the Plan.

2. The percentage of Common Interest of each Unit in the Common Elements 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.

3. Common Charges have been estimated by the Sponsor and include fire and liability insurance for the Building and Common Elements, maintenance and operation of the Common Elements, common utilities and cleaning of the common areas and the interior of the Units. Common Charges do not include repair and

decoration to the inside of a Unit, fire and liability insurance for the Purchaser's personal effects and the interior of the Units.

Common Charges do not include the cost of maintaining, cleaning, or repairing the Units. Common Charges also do not include the cost of any mortgage payments to be made by a Purchaser who finances the purchase of a Unit.

As noted in Special Risk #27 the Owner of the Garage Unit will be obligated to pay a share of the cost of all Common Expenses, including insurance and maintenance and operation, of the General Common Elements, General Community Facility Units' Limited Common Elements, and other Common Expenses reflected in Schedule B based on the percentage of Common Interest in the Building allocated to Garage Unit even though the Garage Unit Owner may not be entitled to use certain parts of the Condominium. As a result, the Percentage of Common Interest to the Garage Unit has been adjusted accordingly.

4. Real Estate Tax estimates were provided to the Sponsor by the law firm of Korngold Powers LLP, Counselors at Law ("Real Estate Tax Counsel") with offices located at 60 East 42nd Street, Suite 4600, New York, New York 10165 based upon information provided to them by the Sponsor. A copy of their Opinion Letter is contained in Section XXII of the Offering Plan.

The assessed value of the Units is determined by the City of New York. Taxes may increase in subsequent years if the tax rates increase. The estimated monthly real estate taxes are based on an average of the estimated real estate taxes payable with respect to the Units for the first year of Condominium operation, and the estimated monthly real estate taxes for any particular month will be different depending on which tax year the month falls.

In view of the fact the projected real estate taxes for the first year of operation contained in Schedule A are based on an assessment of the Building before construction is complete real estate taxes may increase materially when the Building is reassessed after construction is complete.

The prices that are set in any condominium offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by the Sponsor, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The commercial Community Facility Units and Parking Garage Unit will be designated as tax class 4 property and will pay on the class 4 rate. The current 2020/2021 tax class 4 commercial tax rate has been set at $10.694 for each $100 of assessed valuation.

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year

and the next is phased in over a five-year period in equal installments. The five-year phase in does not apply to new construction or other increases due to physical improvements to the property. Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transition assessed valuation. It is likely there will be an increase in value for the 2022/2023 tax year as a result of the new construction which will be placed on the assessment roll immediately and not subject to the five-year phase in. In future years, any increases in assessed value will likely result in the taxable assessment being increased and based on a phased-in transition assessed value.

Purchasers should note that it is likely that there will not be an official apportionment of the assessment for the tax liability among the Units until such time as an official apportionment of the assessed value is made and becomes effective.

Based upon information provided to Tax Counsel (1) the total taxable assessed value of the Community Facility Units will be $1,610,514 for the first six months of the initial budget year (January 1, 2022 – July 30, 2022) and is estimated to be $3,000,000 for the final six months of the initial budget year (July 1, 2022 – December 31, 2022) and (2) the total taxable assessed value of the Garage Unit will be $802,257 for the first six months of the initial budget year (January 1, 2022 – June 30, 2022) and is estimated to be $1,500,000 for the final six months of the initial budget year (July 1, 2022 – December 31, 2022). For the first post construction tax year which commences on July 1, 2022 it is estimated the taxable assessed value of $3,000,000 for the Community Facility Units and $1,500,000 for the Garage Unit. The assessment practices of the New York City Department of Finance are notoriously inconsistent in assessing properties during the course of construction and it is possible that there may be a substantial deviation from these estimates in the assessed value for the 2022/2023 tax year. **Prospective purchasers should be aware that the taxes projected for the initial budget year are temporarily and artificially low solely as a result of the property being assessed for the first six months of the initial budget year as a building in the course of construction.**

Therefore, assuming the class 4 tax rate increases to $11.00 for each $100 of assessed valuation, the following are the projections of the real estate taxes for the initial budget year January 1, 2022 through December 31, 2022 and the first post construction tax year July 1, 2022 through June 30, 2023:

Community Facility Units

January 1, 2022 through June 30, 2022 (6 months of the 2021/2022 Tax Year)

Assessed Value	Tax Rate	Tax (6 months)
$1,610,514	11.0%	$88,578

July 1, 2022 through December 31, 2022 (6 months of the 2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax (6 months)
$3,000,000	11.0%	$165,000

July 1, 2022 through June 30, 2023 (2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax
$3,000,000	11.0%	$330,000

Garage Unit

January 1, 2022 through June 30, 2022 (6 months of the 2021/2022 Tax Year)

Assessed Value	Tax Rate	Tax (6 months)
$805,257	11.0%	$46,992

July 1, 2022 through December 31, 2022 (6 months of the 2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax (6 months)
$1,500,000	11.0%	$82,500

July 1, 2022 through June 30, 2023 (2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax
$1,500,000	11.0%	$165,000

Estimated Initial Community Facility Budget Year Real Estate Taxes	$253,578
Estimated Post Construction Community Facility Real Estate Taxes	$330,000
Estimated Initial Parking Unit Budget Year Real Estate Taxes	$129,492
Estimated Post Construction Parking Unit Real Estate Taxes	$165,000

Each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will their Unit be subject to, any lien arising from the non-payment of taxes on other Units or any other portion of the Building. In no event will the Sponsor, Sponsor's counsel or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their Purchase Agreement, in the event the amount of the taxes differ from those projected.

After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units.

In no event will the Sponsor, Sponsor's Tax counsel, or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind their Purchase Agreement, in the event the amount of the taxes differ from those projected.

5. Subject to increase or decrease as real estate taxes and Common Charges are increased or decreased.

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 the 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 to the lending institution.

VI. SCHEDULE B

825 39th STREET

PROJECTED BUDGET FOR FIRST YEAR OF OPERATION

January 1, 2022 to December 31, 2022

ESTIMATED INCOME

(1)	Common Charges	$152,814

EXPENSES

(2)	Payroll & Related Expenses	$ 52,328
(3)	Electricity	$ 31,337
(4)	Water and Sewer	$ 10,081
(5)	Maintenance Supplies	$ 2,400
(6)	Service Contracts	$ 21,076
(7)	Insurance	$ 12,000
(8)	Management Fees	$ 7,200
(9)	Professional Fees	$ 2,000
(10)	Other	$ 500
(11)	Reserve	$ 13,892
	TOTAL PROJECTED EXPENSES	**$152,814**

*In the event the actual first year budget differs from the actual commencement of the budget year by six (6) months or more, Sponsor will amend the Plan to include a revised budget. See explanatory footnotes. If the amended budget exceeds this budget by 25% 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. In addition, in the event the estimated commencement date of the first year of operation of the Condominium is delayed by twelve (12) months or more, Purchasers will be offered a right of rescission unless Purchaser enters into a Purchase Agreement subsequent to an amendment disclosing a revised estimated date of the first Closing. In such an event the Purchaser will be offered a right of rescission by an amendment to the Offering Plan if the estimated date of the Closing of the first Unit is delayed by twelve (12) months or more from the revised estimated date disclosed in the amendment.

FOOTNOTES TO SCHEDULE B

1. COMMON CHARGES

Based on estimated costs for the first year of operation expenses for ten (10) commercial units and one (1) parking garage.

2. PAYROLL AND RELATED EXPENSES

The staff consists of a porter and janitor, 8 hours a day, 7 days a week (non-union personnel). Annual wage will be $15.00 per hour. FICA employer at 7.65%; NYS Unemployment at 4.50%; Federal Unemployment at $420; Workers Compensation at 6.00%; and Disability Insurance at $300.

Sponsor reserves the right to modify the foregoing.

3. ELECTRICITY

Based on a report dated December 16, 2020 from ARK Engineering Consultant, P.C., 213-37 39th Avenue, Suite 298, Bayside, New York 11361 annual cost for electric of common usage, including a 3% inflation factor:

Projected Consumption	Average Cost	Projected Cost
Sprinkler System 10,000 KWH	$0.20/KWH	$ 2,725
Elevator 50,000 KWH	$0.20/KWH	$13,625
Miscellaneous Items 55,000 KWH	$0.20/KWH	$14,987

4. WATER & SEWER

Based on a report dated June 19, 2020 from ARK Engineering Consultant, P.C., 213-37 39th Avenue, Suite 298, Bayside, New York 11361 annual cost for water and sewer:

Projected Consumption	Average Cost	Projected Cost
Water & Sewer 97,587 cubic feet	$10.33/HCF	$10,081

5. MAINTENANCE SUPPLIES

The budget is annual expenses for regular repairs, maintenances, small tools, equipment, and janitorial supplies of common elements. Does not include repairs, painting, maintenance or supplies for individual Units, which are the responsibility of the individual unit owners.

Repairs	$ 600
Tools	$1,200
Supplies	$ 600

6. SERVICE CONTRACTS

Elevator maintenance based on a proposal from U Tek Elevator, 557 3rd Avenue, Brooklyn, New York 11214 for yearly maintenance $4,800 and inspection and testing $1,900.

Fire alarm maintenance and monitoring based on a proposal from DGA Security, 429 West 53rd Street, New York, New York 10019 for yearly maintenance $3,960 and monitoring $1,140.

Standpipe and sprinkler inspection based on a proposal from Chain Property Services Inc., 8725 18th Avenue, Floor 2, Brooklyn, New York 11214 in the amount of $1,800.

Yearly garbage pickup service based on a proposal from Action Environmental Services, 300 Frank W Burr Boulevard, Suite 39, Teaneck, New Jersey 07666 in the amount of $5,676.

Yearly telephone and internet based on 3 telephone lines service for elevators and fire alarm system in the amount of $1,800.

7. INSURANCE

Based on a proposal from OIS Oakmont Insurance Service LLC., 30-50 Whitestone Expressway, Suite 401, Flushing, NY 11354 for a yearly premium.

Building replacement $10,000,000, a deductible of $1,000 (limit, subject to occurrence). Includes elevator collision.

Boiler and machinery included, subject to building deductible.

Maintenance fees, actual loss, included (no deductible)

Liability, comprehensive form, included. Per occurrence $1,000,000, per aggregate $2,000,000.

Fire damage included, subject to building deductible.

Flood insurance included, subject to building deductible.

Officer's and Director's Liability – included

Fidelity Bond – included

The Condominium will have fire and casualty insurance at closing on either an agreed amount replacement cost policy or under a policy including at least an 80% co-insurance provision so that the insured does not become a co-insurer.

The insurance is adequate to replace the buildings if a total loss occurs and to avoid being co-insurer if there is a partial loss. The budget will include public liability insurance at closing.

The insurance coverage meets the requirements of any mortgage lender procured by the Sponsor. The fire, casualty and general liability insurance will be on terms that provide: that each Unit Owner is an additional insured party; that there will be no cancellation without notice to the Board of Managers; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro rata reduction if Unit Owners obtain additional coverage.

Purchasers should note that the initial insurance quote for the Condominium does not include rent insurance or auto liability. Said coverage may be available at extra cost.

Purchasers are advised to obtain additional insurance at their own cost to cover such risks as fire and casualty losses to the Unit's contents, replacements, addition, fixtures and improvements, and liability coverage for occurrences within the Unit.

8. MANAGEMENT FEES

Based on a proposal from G Buddy Inc., 8725 18th Avenue, Floor 2, Brooklyn, New York 11214 annual cost for management services including billing and receiving common charges, payment, keeping files and records and managing repairs and maintenance. The fee for the Managing Agent is commensurate with the prevailing cost for similar services in Kings County.

9. PROFESSIONAL FEES

Based on a proposal from Chan & Lee, CPAs LLP, 148A Madison Street, New York, New York 10002 for an annual certified financial statement and tax returns.

10. OTHER

This item is to provide a fund for permits, inspection, taxes, registration fees, violations and unanticipated expenses.

11. RESERVE

This item is to provide a fund for a reserve to offset future major capital improvement as building roof, pave, and façade. Sponsor anticipates that the amount will be sufficient to cover the cost of capital replacements within the first five (5) years after the first closing.

VII. SCHEDULE C

The projected energy costs for the Units are based on the projections provided by ARK Engineering Consultant, P.C., 213-37 39th Avenue, Suite 298, Bayside, New York 11361 as per the attached letter.

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

In view of the fact that these averages may include the use of energy by offices of varying need with different standards of each office, the amount of energy used by the Purchaser may vary substantially from what is attached. 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 utilities after the purchase of a Unit or in subsequent years.

ARK ENGINEERING CONSULTANT, PC
Innovative Solutions
213-37 39th Ave. Suite 298
Bayside, NY 11361
Phone/Fax: (347) 368-6148

December 16, 2020

823 39th Street Brooklyn, LLC
34-28 Collins Place
Flushing, NY 11354

Re: Addendum Energy Consumption Calculation for HVAC (Rev. 1)
825 39th St.
Brooklyn, NY 11232
(Ark # 20033)

Pursuant to your request for the energy consumption calculations of the revised HVAC systems.

Scope and Purpose

The following energy consumption calculations are based on CNY Engineering PC's Rev. 3 HVAC PAA3 mechanical plans (DWG No. M-103.3 – M-109.03 and EN-001.03) dated 11/18/2020. Based on these drawings and related supplemental information provided, the calculations are limited to the heating and cooling HVAC systems. The following estimations of utility usage has been based on the average of the maximum operating capacity of utilities. Estimates were rounded to the nearest dollar.

Summary of Estimated Expenses (First Year)

1. **HVAC Electric Consumption**

a. 1st Floor	$1,579
b. 2nd Floor	$5,015
c. 3rd Floor	$4,226
d. 4th Floor	$4,226
e. 5th Floor	$4,226
f. 6th Floor CF-A	$1,579
g. 6th Floor CF-B	$1,579
h. 6th Floor CF-C	$2,113
i. 7th Floor	$5,015
j. 8th Floor CF-A	$1,579
k. 8th Floor CF-B	$1,579
l. 8th Floor CF-C	$2,902
m. Misc. Electric Units	$14,550
n. Sprinkler System	$2,646
o. Elevator	$13,228

2. Sewer and Water		$10,081
	Total	**$76,123**

Estimated Cost of Electricity: The models labeled here are split units that provide cooling and heating (Fujitsu: AOU36RLAVM, AOU48RLAVM and AOU60RLAVM). The calculations include a 10% inflation factor and a 16% approximate taxes/surcharges.

1. First Floor Single Unit: AOU36RLAVM – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
5,970 KWH	@0.20/KWH	$1,579

2. Second Floor Two Units: AOU48RLAVM, AOU60RLAVM – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
18,958 KWH	@0.20/KWH	$5,015

3. Third Floor Two Units: AOU48RLAVM x 2 – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
15,976 KWH	@0.20/KWH	$4,226

4. Fourth Floor Two Units: AOU48RLAVM x 2 – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
15,976 KWH	@0.20/KWH	$4,226

5. Fifth Floor Two Units: AOU48RLAVM x 2 – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
15,976 KWH	@0.20/KWH	$4,226

6. Sixth Floor CF-A One Unit: AOU36RLAVM – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
5,970 KWH	@0.20/KWH	$1,579

7. Sixth Floor CF-B One Unit: AOU36RLAVM – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
5,970 KWH	@0.20/KWH	$1,579

8. Sixth Floor CF-C One Unit: AOU48RLAVM – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
7,988 KWH	@0.20/KWH	$2,113

9. Seventh Floor Two Units: AOU48RLAVM, AOU60RLAVM – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
18,958 KWH	@0.20/KWH	$5,015

10. Eighth Floor CF-A One Unit: AOU36RLAVM – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
5,970 KWH	@0.20/KWH	$1,579

11. Eighth Floor CF-B One Unit: AOU36RLAVM – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
5,970 KWH	@0.20/KWH	$1,579

12. Eighth Floor CF-C One Unit: AOU60RLAVM – KWH average cost based on Con Edison's report

Projected Consumption	Average Cost	Projected Cost
10,970 KWH	@0.20/KWH	$2,902

13. Estimated Cost of Miscellaneous Electricity

Projected Consumption	Average Cost	Projected Cost
55,000 KWH	@0.20/KWH	$14,550

*Based on 12 hours full load operation

14. Sprinkler System Electrical – assumption made from an average of systems

Load (KW)	Average Cost	Projected Cost
10,000	@0.20/KWH	$2,646

15. Elevator – assumption made from an average of units.

Projected Consumption	Average Cost	Projected Cost
50,000 KWH	@0.20/KWH	$13,228

Estimated Cost of Sewer and Water

1. Annual water use per day – 250 Gal – assumption of usage per floor

Projected Consumption	Average Cost	Projected Cost
97587 cu.ft.	@10.33HCF	$10,081

References

1. Electricity (Consolidated Edison Co.) rates were averaged based on Con Ed rates from December 1, 2020 @ $0.20 KWH (kilowatts per hour).
2. Water and sewer rates were combined at an average @ $10.33HCF

Remarks

The numbers shown in the report are estimated based on averages and some assumptions. These estimates could be lesser or greater than actual meter readings during occupied periods. These averages are also assumed based on units operating at maximum load. The projections reflect information that was provided in the mechanical engineer drawings.

Respectfully submitted and reviewed by:

ARK Engineering Consultant, PC

Richard Lee & George Lau, P.E.

CERTILMAN BALIN ATTORNEYS

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VIII. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

April 29, 2021

State of New York
Department of Law
28 Liberty Street, 21st Floor
New York, New York 10005

Re: **825 39th Street Commercial Condominium**

Gentlepeople:

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

Our experience includes the preparation of hundreds of Condominium Offering Plans and legal representation of numerous Condominium Boards of Managers in the State of New York for over forty (40) years.

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

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

Very truly yours,

CERTILMAN BALIN ADLER & HYMAN, LLP

By: _____
Richard Herzbach, Partner

IX. CHANGES IN PRICES OR UNITS

Sponsor will not make any adverse material change in the size nor adverse material change in the quality of the General Common Elements without the consent of all Purchasers and Unit Owners. Sponsor reserves the right to change the configuration of the General Common Elements and any Limited Common Elements without the consent of the Unit Owners so long as there is no material adverse change in usability of the Common Element or change in the Unit Owner's Common Interest.

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 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 the Unit or the fixtures or equipment contained therein or credits or allowances thereof; treatment of reduced and/or split Deposit; financing contingency; extension of period to secure financing; any and all other costs relating to the cost of acquiring title to the 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; 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.

The Sponsor reserves the right, so long as a Purchase Agreement has not been executed for a particular Unit, to change the size, layout, or interior material for such Unit. Changes in the layout of any Unsold Unit will not affect or change the common interest of any Unit to which title has been conveyed, or for which a Purchase Agreement has been executed, since the common interest of a Unit is determined by the relationship that the square footage contained in such Unit bears to that contained in all of the Units.

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.

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

Subsequent to the recording of the Declaration, the Sponsor has reserved the right, without the vote or consent of the Board of Managers to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon Units owned by the Sponsor or its designee ("Unsold Units"); (b) change the layout of, or number of rooms in, any Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, altering the boundary walls between any Unsold Units, or otherwise; and (c) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clause [b] their percentages of interest in the Common Elements; provided, however, that the percentage of interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto and, provided further, that the Sponsor or its designee shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising thereof. Any change in the number or size of Units will be made by duly filed amendment to this Plan and, when applicable, the Declaration.

The Declaration also permits the division or consolidation of any Unit or Units and common interest appurtenant thereto, including but not limited to a change in the number of rooms subject to the approval of the Board of Managers. No such division or consolidation may result in a different percentage of common interest for the total of the new Units other than existed for the original Units before division or consolidation. Any such change which will affect the structural integrity or aesthetics of the Building requires the prior written consent of the Board of Managers. No Unit Owner will be permitted to subdivide or consolidate a Unit if the Unit Owner is delinquent in their Common Charges. The repair, maintenance, and replacement of any Limited Common Element in any subdivided Unit will be the responsibility of the Unit Owner of the subdivided Unit. All expenses and any Common Charges associated with any newly created Limited Common Element of a subdivided Unit shall be the obligation of the Unit Owner of the subdivided Unit. An amendment to the Declaration may be filed by the new Unit Owner(s) without the consent of any other Unit Owner provided the percentage of common interest of all other existing Units is not affected thereby and provided such Unit Owner(s) secure the written consent of the Board of Managers which consent may not be unreasonably withheld.

X. INTERIM LEASES

The Sponsor will have the right to enter into an interim lease for a Community Facility Unit prior to the consummation of the Offering Plan. There are no rental protection laws that are applicable to interim leases. An uncured default under the Purchase Agreement will also be a default under the interim lease and an uncured

default under the interim lease will be a default under the Purchase Agreement. Before the Sponsor may utilize the default under the interim lease to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the interim lessee unless the interim lessee has previously vacated the unit. The interim lessee will have thirty (30) days to vacate the Unit after a default under the Purchase Agreement or pursuant to a right of rescission of the Purchase Agreement by the interim lessee.

XI. PROCEDURE TO PURCHASE

The Sponsor hereby offers for sale to the Community Facility Units in the Condominium in accordance with applicable municipal zoning regulations.

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 Community Facility 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 __ of the Offering Plan. Any such change will not affect the common interest of the Unit; however, some Purchasers may pay less or more or received different terms for the same type of Unit.

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

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

Agreement with the required Deposit Sponsor must either return a fully executed Purchase Agreement within thirty (30) days to the Purchaser or reject the Purchase Agreement and refund the Deposit monies. In the event the Sponsor does not act within said thirty (30) day period the Purchase Agreement will be deemed accepted by the Sponsor.

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

The Sponsor anticipates that Closing of the first Community Facility Unit will occur by January 1, 2022. Purchasers will be offered a right of rescission if: (i) the actual date of Closing of Title to the first Community Facility Unit; or (ii) the projected date of Closing of Title to the first Community Facility Unit occurs later than December 31, 2022, twelve (12) months after the projected date of the first Closing. If the Plan is amended to provide for a later projected date of the first Closing, Purchasers will be entitled to an offer of rescission if the first Closing occurs more than twelve (12) months beyond that amended, later date. Purchasers must advise the Sponsor no later than the date provided in an Amendment to the Offering Plan disclosing the later date but not less than fifteen (15) days from the date of the notice. However, if the first Community Facility Unit Closing occurs before December 31, 2022, the Sponsor may schedule the Closings of Title to other Community Facility Units significantly later than such date. Unless a Purchaser's Purchase Agreement contains an outside Closing Date, as provided below, the Sponsor is not obligated to schedule a Closing within any specified time frame or to ensure that Closing of Title to a Community Facility Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A COMMUNITY FACILITY UNIT.

In addition, each Purchase Agreement provides that in the event Sponsor is unable to convey title to a Purchaser's Community Facility 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 Deposit 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 of the proposed date of delivery set forth in the Purchase Agreement. Purchaser's failure to so notify Sponsor of Purchaser's intent to cancel a Purchaser's Purchase Agreement due to Sponsor being unable to convey title to the Purchaser's Community Facility Unit within the twelve (12) month period shall be deemed a waiver of said provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. In the event, Sponsor shall be unable to convey title to the Community Facility 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 Sponsor shall return all monies being held in escrow within thirty (30) days thereafter. The above dates are subject to conditions beyond the Sponsor's control which results or causes the performance of the Sponsor to be prevented, delayed or

hindered by an act of God and force majeure such as weather, fire, flood, epidemics, quarantine, acts of terrorism, shortage of energy, labor, equipment, facilities, materials or supplies, governmental restrictions, preemptions or approvals, strike, lockout, and any other reasons beyond the control of the Sponsor causing such prevention, delay or hinderance. In such an event the above time frames shall be tolled for the length of the period during which such performance was excused, and such tolling shall not entitle Purchaser to any credit, offset, or reduction in Purchase Price or to be relieved of any other obligation under the Purchase Agreement. However, none of Purchaser's rights under the applicable regulations promulgated by the Attorney General, Article 23 of the General Business Law or under the Plan shall be abridged by virtue of Force Majeure except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency, or by executive order. Purchasers are specifically advised that the timing of the closing of title to the Unit may be significantly delayed in the event that Sponsor exercises its tolling rights under the foregoing Force Majeure provision. The Attorney General recommends that Purchasers consult with their attorney as to: (i) whether there exists a final decision or order by a court of competent jurisdiction or any governmental agency, or executive order that impacts the timing of Purchaser's obligations under the Purchase Agreement; and (ii) any risks associated with executing a Purchase Agreement containing the foregoing Force Majeure provision prior to executing the Purchase Agreement. See Paragraph 5 of the Purchase Agreement in Part II of the Plan.

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 Community Facility Unit unless a Purchaser waives such thirty (30) day notice. A form for such waiver is contained as Schedule D- 4 to the Offering Plan.

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

The risk of loss or damage to a Community Facility Unit by fire or any other cause until the delivery of the deed or Purchaser takes actual possession of the Community Facility Unit pursuant to written agreement is assumed by the Sponsor. In the event a Purchaser takes actual possession prior to Closing, said Purchaser will assume the risk of losses not covered by insurance upon production of the policy by the Sponsor to the Purchaser which provides that actions of interim lessees are not covered under the then existing policy. If Purchaser is or becomes the occupant or tenant of the Community Facility Unit prior to Closing, then, as of the date of Purchaser's occupancy, Purchaser shall be responsible for any and all damage caused by any acts or omissions of Purchaser, or Purchaser's agents, employees, invitees, or family members. Interim lessees are advised to confer with an insurance advisor.

The risk of loss or damage to a Community Facility Unit by fire or any other cause until the delivery of the deed or Purchaser takes actual possession of the Community Facility Unit pursuant to written agreement is assumed by the Sponsor. In

the event of damage to a Community Facility Unit prior to delivery of the deed or a Purchaser taking occupancy, the Sponsor will notify the Purchaser within ten (10) days of the damage taking place to advise the Purchaser as to whether or not it will repair the damage from a casualty or other cause and, if to be repaired, the estimated time frame of the repair. In the event the Sponsor elects not to do the repair, Sponsor will return Purchaser's Deposit and any Extras within ten (10) days of the notice to the Purchaser. Subsequent to the Closing of Title to a Community Facility Unit or Purchaser taking occupancy the Purchaser assumes all risk of loss to the Community Facility Unit.

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

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

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

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

any such default. Time is of the essence for Purchaser to cure such default within such thirty (30) day period.

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

ESCROW AND TRUST FUND PROVISIONS

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

The Escrow Agent:

The law firm of Certilman Balin Adler and Hyman, LLP, with an address at 90 Merrick Avenue, 9th Floor, East Meadow, New York 11554, telephone number (516) 296-7000, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. The Escrow Agent has designated the following members of the firm to serve as signatories: Richard Herzbach, Howard M. Stein, David E. Herold, and Jodi S. Hoffman. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account:

The Escrow Agent has established the escrow account at Valley National Bank, 501 North Broadway, Jericho, New York 11753 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "825 39th Street Commercial Condominium IOLA Escrow Account" ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per Deposit. The maximum deposit insurance amount will be $250,000. Any Deposit in excess of $250,000 will not be insured. It is a special risk of this Offering Plan that if an individual makes a Deposit in excess of said amount for the purchase of a Residential Unit; the excess amount will not be federally insured. Purchasers should also note that if the Purchaser has any accounts in the Bank where the funds are being held, the funds in those accounts will count towards the $250,000 FDIC insurance limit. The Escrow Agent and all authorized signatories hereby will submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Contract or otherwise concerning the maintenance or release of the Deposit from escrow.

All Deposits received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Certilman Balin Adler and Hyman LLP, as Escrow Agent.

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

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

The Purchase Contract:

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

Notification to Purchaser:

Within five (5) business days after the Purchase Contract has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Contract and place the Deposit into the Escrow Account. Purchaser shall be required to complete the Tender of Escrow Agreement contained as Schedule D-1 in Part II of the Offering Plan upon execution of the Purchase Contract. Within ten (10) business days of the placing of the Deposit in the Escrow Account, the Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number of the account. Any Deposits made for Extras shall be initially deposited into the Escrow Account and released in accordance to the terms of a written agreement between Purchaser and Sponsor as provided in Paragraph 13 of the Purchase Contract.

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such Deposit within fifteen (15) business days after tender of the Deposit, Purchaser may cancel the Purchase Contract within ninety (90) days after tender of the Purchase Contract and Deposit to the Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

Release of Funds:

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

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

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

(a) pursuant to terms and conditions set forth in the Purchase Contract upon Closing of Title to the Residential 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 Residential Unit is located and shall give written notice to both parties of such Deposit.

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

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

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

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

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

Waiver Void:

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

General:

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

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

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

XII. FINANCING FOR QUALIFIED PURCHASERS

THIS PLAN DOES NOT CONTAIN ANY FINANCING ARRANGEMENTS FOR PURCHASERS. PROSPECTIVE PURCHASERS WHO ARE INTERESTED IN SUCH FINANCING SHOULD CONTACT LENDING INSTITUTIONS, SUCH AS MUTUAL SAVINGS BANKS AND COMMERCIAL BANKS, MANY OF WHICH HAVE ADVERTISED THAT THEY OFFER FINANCING TO PURCHASERS OF CONDOMINIUM UNITS.

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

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole risk and responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's Deposit in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at Closing regardless of the availability of financing. In the event a Purchaser does not Close Title to the Community Facility Unit as a result of their inability to obtain a mortgage, the Deposit plus the interest and cost of any custom work ordered or Sponsor performed work within the Community Facility Unit, will be retained by Sponsor as liquidated damages.

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 HIS APPLICATION FOR FINANCING IS NOT ACCEPTED.

The Closing of Title to a Residential 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. EFFECTIVE DATE OF THE PLAN

Sponsor's offer to sell the Community Facility Units is contingent upon the Plan being declared effective and no Closing to a Community Facility 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 15% in number of the Community Facility Units of the Building, offered under the Plan (15% x 12 Community Facility Units = (2) Community Facility Units). The Sponsor will declare the Offering Plan effective by filing an amendment to the Plan disclosing the Plan's effectiveness. Sponsor will not Close Title to the first Community Facility Unit until the Amendment disclosing the effectiveness of the Condominium has been accepted for filing by the Attorney General's Office. The Plan will not be declared effective based on Purchase Agreements:

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

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

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

Further, prior to the Plan being declared effective, the Sponsor has the option not to Close Title to the Community Facility Units and to abandon the Plan at any time if less than eighty (80%) percent in number of the Community Facility Units of the Building offered hereby are sold and title to any Community Facility Unit has not been conveyed (80% x 12 Community Facility Units = 10 Community Facility Units). In the event Sponsor exercises such option, it shall forthwith return to the Purchaser all monies paid with interest, if any, within twenty (20) days of the abandonment of the Plan. When Purchase Agreements for eighty (80%) percent of the Community Facility Units of the Building have been entered into the Sponsor must declare the Plan effective.

In the event all Purchase Agreements are either rescinded or terminated prior to the date of the first Community Facility Unit closing, regardless of whether the Condominium Declaration has been recorded, Sponsor must re-declare the Offering Plan effective, in accordance with 13 NYCRR §20.1(c)(6).

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) work orders of a mortgagee or violations that cannot be cured for less than one-half (½%) percent of the total amount of the offering, or (iii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half (½%) percent of the total offering, or (iv) the taking of any material portion of the property by condemnation or eminent domain. In the event Sponsor abandons the Plan after it has been accepted for filing and the Sponsor has accepted Purchase Agreements, the Sponsor shall promptly submit an amendment to the Office of the Attorney General together with a form RS-3 as promulgated by the Office of the Attorney General. If payments under Purchase Agreements have been received, the amount of such funds and the manner and time when these funds will be returned to Purchasers will be disclosed in the Amendment. The funds must be returned within five (5) days after the amendment abandoning the Offering Plan has been accepted for filing. If there are no outstanding Purchase Agreements, the Sponsor need not submit an amendment but shall submit a form RS-3 to the Office of the Attorney General which shall be served simultaneously by the Sponsor on all commercial or professional tenants, if any, in the manner specified by Section 20.1 (d) (1) of the Attorney General's Regulations.

XIV. TERMS OF SALE

After the Plan has been declared effective the Sponsor will fix a date for the Closing of Title to the Community Facility 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) overnight delivery, 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 Community Facility Units. Sponsor may permit Purchasers to waive the thirty (30) day provision by a written waiver or in the Purchase Agreement. A form for such waiver of the thirty (30) day notice is contained as Schedule D-2 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 Community Facility Unit will be conveyed to the Purchaser together with the Community Facility Unit's undivided interest in the Common Elements. The Closing of Title to the first Community Facility 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 Community Facility Unit Owner of a Bargain and Sale Deed with covenants against grantor's acts. A copy of the Deed is contained as Schedule F in Part II of the Offering Plan.

2. The payment of the Purchase Price in full subject to adjustments and other costs as provided for in the Purchase Agreement.

3. If so requested by the Purchaser, a title insurance company licensed to do business in New York State shall agree to insure that such Purchaser has marketable fee title in the Community Facility 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 have the right to obtain title insurance from any title company of their choice authorized to do business in the State of New York.

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

6. 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.

7. The Community Facility 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 to be released upon closing or any mortgage obtained by the Purchaser at the time of Closing representing a purchase money mortgage or mortgages taken by the Purchaser.

8. The Sponsor will give each Purchaser who 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 Community Facility Unit unless a Purchaser waives such thirty (30) days' notice. A form for such waiver is contained as Schedule D-2 in Part II of the Offering Plan or may be provided in the Purchase Agreement.

9. The filing of an amendment to the Offering Plan disclosing that the Plan has been declared effective and that the terms of this Section XV will be met.

10. The Purchaser shall execute an instrument in the form annexed to the Purchase Agreement designating the Board of Managers as Purchaser's attorneys-in-fact, coupled with an interest for the sole purpose of managing, selling, mortgaging, leasing, voting or otherwise dealing with any Community Facility Units acquired by the Board of Managers in accordance with any of the provisions of the By-Laws and 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 the Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Community Facility 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.

Title to the Community Facility Unit will be subject to the following:

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

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

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

4. All existing or future easements set forth in the By-Laws and Declaration of the Condominium as they are subsequently recorded including:

   (a) Easements in favor of the Owners of other Community Facility Units to use the pipes, wires, conduits, cable television, and public utility lines located in the Common Elements or in the Community Facility Unit itself servicing such other Community Facility 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 the Community Facility Unit and to the Common Elements to inspect, maintain or repair or to make repairs to the Community Facility Unit to prevent damage to the Common Elements or any other Community Facility Units, to make repairs to the Common Elements, to any wires, pipes, conduits or cable television system servicing any of the Community Facility Units or to make repairs to any other Community Facility Unit, regardless of the nature of the Common Elements.

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

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

   (e) Easements in favor of Community Facility Unit Owner(s) and/or their tenants to erect, maintain and replace one (1) or more signs on the property permitted by law and in compliance with the Rules

and Regulations of the Condominium for the purpose of advertising the operation of any business conducted therein.

(f) Easements in favor of any Community Facility Unit Owner(s) for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical liens and fixtures and equipment on the exterior walls, the roof and through the Common Elements of the Building, and in through under and over any Community Facility Unit and any Community Facility Unit(s) resulting from the subdivision and/or consolidation of a Community Facility Unit; (ii) through the Common Elements of the Building for access to the roof for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located on the roof, provided, however, that except in the case of an emergency, the right of access may be exercised only after prior notice to and consent of the Board of Managers and through any crawlspaces. A Community Facility Unit and any Community Facility Unit resulting from the subdivision and/or consolidation of a Community Facility Unit shall be subject to easements in favor of any other Community Facility Unit(s) and any Community Facility Unit resulting from the subdivision and/or consolidation of a Community Facility Unit for the installation, maintenance, repair and replacement of gas, electricity, heating, air-conditioning, ventilating and water and other mechanical lines and fixtures and equipment serving the Community Facility Unit and any Community Facility Unit resulting from the subdivision and/or consolidation of a Community Facility Unit. No Community Facility Unit Owner will be permitted to subdivide a Community Facility Unit if the Community Facility Unit Owner is delinquent in their Common Charges. The repair, maintenance, and replacement of any Limited Common Element in or servicing any subdivided Community Facility Unit will be the responsibility of the Community Facility Unit Owner of the subdivided Community Facility Unit. All expenses and any Common Charges associated with any newly created Limited Common Element of a subdivided Community Facility Unit shall be the obligation of the Community Facility Unit Owner of the subdivided Community Facility Unit.

(g) Any covenants, conditions, easements, and lease agreements that are currently of record.

(h) The following covenants and restrictions:

(i) Covenant and Restriction set forth in the deed recorded in CRFN 2013000340479.

(ii) Loading Berth Restrictive Declaration recorded in CRFN 2015000219936.

(iii) Parking Restrictive Declaration recorded in CRFN 2015000237115.

(iv) Meter Rooms Restrictive Declaration recorded in CRFN 2015000237116.

(v) Railroad Consent in Liber 851 Page 472 and Liber 2253 Page 530.

(i) Any additional declarations, covenants, restrictions, reservations, exceptions, easements, and agreements which have been recorded or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of a Community Facility Unit for any use permitted by applicable law.

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 Community Facility Unit.

XV. CLOSING COSTS AND ADJUSTMENTS

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

1. Fee title insurance is available from Advantage Title, as agent for a title company authorized to do business in the State of New York, 201 Old Country Road, Melville, New York 11747, Attention: Kathy Randazzo (631) 424-6100. Sponsor has obtained its title insurance from Advantage Title. If a Purchaser elects to obtain fee title insurance and for mortgage title insurance, the Purchaser will pay the premium therefor which will vary depending upon the purchase price and whether or not a mortgage title policy is obtained simultaneously with the fee title policy. Title insurance rates are set by the New York Board of Title Underwriters and filed with the New York State Insurance Department. The Purchaser is free to obtain title insurance from any company of their choice without incurring a penalty.

2. Purchasers should anticipate additional fees for Endorsements to the Owner and Mortgage Title Insurance, as applicable, and fees for municipal and other searches. These fees can be estimated at approximately $957.

3. Fees for the recording of the mortgage, deed, power of attorney and any affidavit required in connection with the mortgage tax credit available under RPL §339-ee which total approximately $850.

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 Purchaser obtains a mortgage loan, Purchaser shall pay all closing costs associated with such loan, which may include, but need not be limited to, the following:

   (a) a fee and service charge for recording the mortgage;

   (b) a mortgage recording tax in the amount provided for by law;

   (c) to Sponsor, a sum equal to the full amount (but not in excess thereof) of the partial mortgage recording tax credit provided by Section 339-ee(2) of the New York Condominium Act, to the extent same is or becomes available, as a reimbursement for the mortgage recording taxes previously paid, if applicable. To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by contractual arrangement the Purchaser shall pay to Sponsor at the Closing for such Community Facility Unit the amount of any such credit, if applicable. If Purchaser's lender, that is providing a mortgage, assumes or consents to the assignment of a mortgage lien encumbering only such Purchaser's Community Facility Unit and as a result is entitled to an exemption of all or a portion of the mortgage tax which would have been available to the Purchasers, the Purchaser shall pay to Sponsor the amount of such exemption (the "Assignment Exemption"). In the event the credit under Section 339-ee(2) is not available and the Assignment Exemption is provided, the Sponsor, at its own discretion, may utilize the exemption to provide a discounted closing cost to the Purchaser upon which the Purchaser would be responsible for the legal fees in connection with obtaining such exemption and at no time would such fees exceed the amount of tax payable by Purchaser to the taxing authority had such an exemption not been made available.

There will be no mortgage closing costs if a Purchaser does not obtain a mortgage.

5. New York State Transfer Tax and New York City Real Property Transfer Taxes.

6. Working capital equal to two (2) months Common Charges to be paid to the Condominium. While Sponsor is in control of the Board of Managers, the working capital fund may be used to reduce the Common Charges of the Condominium.

7. Each Purchaser shall pay $3,750 to Sponsor's counsel, representing a fee for services in connection with preparing the Community Facility Unit Deed, the Community Facility 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.

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

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

As an example, a Purchaser of a Community Facility Unit in which the purchase price is $2,614,139, who procures a first mortgage in the amount of $2,091,311 and who has a Percentage of Common Interest of 7.75% will pay the following approximated Closing Costs:

Owners Policy and Endorsements:	
Fee Title Insurance	$ 9,901
Loan Policy and Endorsements:	
Mortgage Insurance	$ 2,023
TIRSA-8.1 Environmental Lien	$ 50
Waiver of Arbitration`	$ 50
TIRSA-4 Condominium	$ 50
Miscellaneous Charges:	
Municipals	$ 495
Bankruptcy Search	$ 100
Patriot Search	$ 100
Escrow Service Fee	$ 50
Estimated Sales Tax	$ 62

State and Local Taxes:	
Mortgage Tax	$ 58,556
New York State Transfer Tax	$ 16,994
New York City Transfer Tax	$ 68,621
Recording Fees:	
Mortgage Recording (up to 25 pgs. + $5 per Additional page)	$ 250
Deed Recording Fee (up to 3 pgs. + $5 per Additional page)	$ 400
Condominium POC	$ 100
Assignment	$ 100
Additional Expenses	
Condominium Working Capital	$ 1,940
Pro-Rata Insurance	$ 930
Sponsor Attorney Fees for Preparation of Deed, Power of Attorney and other Closing:	$ 3,750
Water Tap Fee	$ 1,000
Sewer Tap Fee	$ 1,000
Survey Fee	$ 1,000
Fee for completion of any lender's Mortgage questionnaire	$ 150
TOTAL:	**$167,672**

If a Closing takes place, at the request of Purchaser, at any location other than Sponsor or Sponsor's attorney's office, Purchaser shall pay to Sponsor's attorney a travel fee in the sum of $1,000.

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 $750. 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 $1,000.

In the event the Purchase Agreement is assigned with the consent of the Sponsor, Purchaser shall pay a $1,000 assignment fee to Sponsor's Closing Attorney.

In the event the Purchase Agreement is cancelled and/or released Purchaser shall pay a $1,000 cancellation and/or release fee to Sponsor's Attorney for each cancellation or release prepared by Sponsor's attorney.

In the event the Community Facility Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Community Facility 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 Community Facility 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 Community Facility Unit. Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the unsold Community Facility Units for such six (6) month period and may collect at each Closing the estimated amount of taxes attributable to such Community Facility Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable. After the Community Facility Units are separately assessed, the funder of the escrow account and the Community Facility Unit Owner will be reimbursed for any overpayment of taxes or assessed for an underpayment. The initial post-closing amendment will state the amount of the real estate tax escrow.

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

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

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

The Sponsor anticipates that the only items which will be apportioned at the Closing of Title to the Community Facility Units will be real estate taxes and sewer charges, if any, and Common Charges, if they have been declared by the Board of

Managers. The adjustments will be made as of 11:59 P.M. on the day preceding the Closing Date. In the event there are any other items which are to be apportioned at closing, said items will be adjusted at the Closing. The Sponsor will advise the Purchaser of the Closing Date by giving Purchaser written notice at least thirty (30) days prior to the Closing Date.

XVI. 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 Sponsor controls the Board, it is within Sponsor's sole power to enforce the obligations of the Sponsor pertaining to the Common Elements. Sponsor is obligated to perform the following:

1. Sponsor will endeavor in good faith to market and sell the Community Facility Units in the Condominium. Notwithstanding, Sponsor retains the unconditional right to rent rather than sell the Community Facility Units. Because Sponsor is retaining the unconditional right to rent rather than sell Community Facility Units, this Plan may result in the creation of a Condominium in which a majority of the Community Facility Units are not owned by purchasers or investors unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell Community Facility Units, there is no commitment to sell more Community Facility Units than the fifteen (15%) percent necessary to declare the plan effective and Purchasers unrelated to the Sponsor may never gain effective control and management of the Condominium. The Loan disclosed in Paragraph 8 of this Section XVII does not have any limitations or requirements that provide when Sponsor may rent rather than sell under specified market conditions.

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

3. Any 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 Community Facility 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 municipality on Community Facility Units, whether built or unbuilt, 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 Community Facility Unit, as are assessed by the Board of Managers of the Condominium, the municipality, and any utility company. 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 Community Facility Units, Sponsor's assets, and rental income. Sponsor presently has the resources to fund such obligations.

5. The risk of loss or damage to a Community Facility Unit by fire or any other cause until the delivery of the deed or Purchaser takes actual possession of the Community Facility Unit pursuant to written agreement is assumed by the Sponsor. In the event a Purchaser takes actual possession prior to Closing, said Purchaser will assume the risk of losses not covered by insurance upon production of the policy by the Sponsor to the Purchaser which provides that actions of interim lessees are not covered under the then existing policy. If Purchaser is or becomes the occupant or tenant of the Community Facility Unit prior to Closing, then, as of the date of Purchaser's occupancy, Purchaser shall be responsible for any and all damage caused by any acts or omissions of Purchaser, or Purchaser's agents, employees, invitees, or family members. Interim lessees are advised to confer with an insurance advisor.

   In the event of damage to a Community Facility Unit prior to delivery of the deed or a Purchaser taking occupancy the Sponsor will notify the Purchaser within ten (10) days of the damage taking place to advise the Purchaser as to whether or not it will repair the damage from a casualty or other cause and if to be repaired the estimated time frame of the repair. In the event the Sponsor elects not to do the repair, Sponsor will return Purchaser's Deposit and any Extras within ten (10) days of the notice to the Purchaser. Subsequent to the Closing of Title to a Community Facility Unit or Purchaser taking occupancy, the Purchaser assumes all risk of loss to the Community Facility Unit.

6. Sponsor will initially procure fire and casualty insurance for the Condominium as set forth in the budget. In the event there is insufficient funds in the Condominium to pay for such insurance, Sponsor may lend the Condominium such funds and will be repaid out of subsequent Common Charges collected. No Board or Community Facility Unit Owner approval is required to make such loan. In the alternative Sponsor can collect the pro-rata cost of insurance for the first year of operation from each Community Facility Unit based on the Community Facility Unit's percentage of common interest.

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

8. Sponsor has received a Loan from the Lender, The Berkshire Bank, 4 East 39th Street, New York, New York 10016 which will enable Sponsor to construct the Condominium. The Sponsor will be obligated to pay off and otherwise comply with the terms of any mortgage on Sponsor's interest in the Units in the Condominium. After the recording of the Declaration and before the Closing of Title to the first Unit, any mortgage will be satisfied, or released, or subdivided, extended, and consolidated with the individual permanent mortgages which will be placed on the Units of those Purchasers obtaining a mortgage. Any mortgage tax savings as a result of any assignment of a mortgage or pursuant to law shall inure to the benefit of the Sponsor. Sponsor may, but is not obligated, to request that a Purchaser's lender take an assignment of Sponsor's mortgage loan for the purpose of obtaining the mortgage tax credit. 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. The Sponsor's Loan provides that each Unit will be released from the lien of the Loan at each Closing upon the payment to the lender of a release price. The Loan will not have any limitations or requirements that provide when Sponsor may rent rather than sell.

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

10. 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 Community Facility 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.

11. 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 any renovation and/or improvement to a Community Facility Unit or the Common Elements and sale and rental of Community Facility 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 Community Facility Units and signs located on the Common Elements, in its efforts to market the Community Facility Units in the Condominium for sale and rental. Sponsor will be obligated to repair any damage to the Common Elements and Community Facility Units caused as a result of its use of the easements, licenses, rights, and privileges of a right-of-way for any renovation and/or improvement to a Community Facility Unit or the Common Elements of the Condominium.

12. The acceptance of a deed by a Purchaser will be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan and the Purchaser accepts the Community Facility Unit in its "As-Is" condition as of the date of Closing of Title to the Community Facility Unit subject to any obligations of Sponsor that survive closing, including, without limitation, any Pre-Inspection Statement. Notwithstanding, Sponsor has the obligation to construct the Building in accordance with applicable law, codes, regulations and in a manner consistent or comparable with construction standards customary in the particular trade and in accordance with the plans and specifications. Sponsor will not be responsible for correcting any defects in the operation of any appliances, equipment, or fixtures with respect to which assignable warranties or other undertakings are assigned to the Board of Managers or Community Facility Unit Owners.

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

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

In no event will Sponsor be responsible for any condition in the Building as may be applicable resulting from (i) normal wear and tear or natural deterioration or from the normal movement, settlement and/or shrinkage of the Building and/or Building materials; (ii) defects of an immaterial nature, such as, without limitation, partial or total loss of any trees, shrubs, bushes or other landscape improvements that may abut the Building, nail pops, protruding dry wall fastenings, ridging on gypsum board, lumber shrinkage, door or window sticking, door warpage including, without limitation, warpage of the main entrance door within reasonable tolerances of doors of similar size and weight, scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel or porcelain surfaces; bathroom finish grouting; adjustment of doors; walls not square; electrical plates not straight; 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) immaterial deviations in the level of ceilings, and imperfections in ceiling finishes; (v) imperfections in painting finishes; (vi) immaterial 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 that are immaterial or other immaterial 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; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, water closets; kitchen cabinets, back splashes and countertops; vanity tops and cabinets; all tile or natural stone floors and walls; saddles; all appliances;

woodwork, millwork and doors; mirrors and after the Community Facility Unit Closing, paint touch-ups, repair of dented appliances, or replacement of light bulbs; (xiv) cracks or variations in tone or color of natural stone or variations in tone or color of vanity tops or variations in veining of any natural stone surfaces; (xv) leaching or color variation in color mortar and colored brick, and dimensional variations in brick joints, and mortar droppings on bricks; (xvi) ponding and/or controlled drainage on the roof surface; (xvii) cracks in pressure-treated lumber used or intended for use outside the Building; (xviii) cracks or discoloration in concrete and/or paving; (xix) discoloration to hardware and plumbing finishes; (xx) stains, runs, lumps, shags or imperfections in weave in fabric panels; (xxi) scratched, dirty or cracked lenses in light fixtures; or (xxii) terrace or balcony tiles not laid flat, or color variation in tiles or mortar, or stained tiles; (xxiii) subsequent to the Community Facility Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, unless stated on the pre-inspection statement, or (xxiv) salting or color variation in exterior colored mortar and deep colored brick; (xxv) remove mold from the Building or any Community Facility Unit therein, unless such mold conditions are caused by faulty construction practices or workmanship or violate applicable law, or (xxvi) or normal water penetration in frameless shower doors. Sponsor will be obligated to repair only abnormally chipped stone, Formica, and porcelain surfaces, which repair will be made by filling the stone or Formica or refinishing the porcelain, but Sponsor will not be obligated to replace such stone, Formica, or porcelain surfaces. THE ITEMS AND CONDITIONS DESCRIBED IN THIS PARAGRAPH ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED CONDOMINIUM OR COMMUNITY FACILITY UNIT. PURCHASERS WHO PURCHASE A COMMUNITY FACILITY UNIT IN THE CONDOMINIUM OR IN ANY OTHER NEWLY CONSTRUCTED CONDOMINIUM MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR COMMUNITY FACILITY UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING OR COMMUNITY FACILITY UNIT. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF THESE ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE BOARD OF MANAGERS THEREOF. IF PURCHASERS OR ANY BOARD OF MANAGERS DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR.

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

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of (i) any immaterial variations from the plans and specifications or the description of any portion of the Building or a Community Facility Unit set forth in the Plan or (ii) immaterial variations from the Plans and Specifications or the description of any portion of the Building or a Community Facility Unit set forth in the Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such variations are of substantially Equal or Better Quality than as set forth in the Plans and Specifications or description in this Plan as solely determined by Sponsor's architect. Any such variation affecting the Building or a Community Facility Unit which is material will be disclosed in a duly filed amendment to the Plan. Notwithstanding the above, the Sponsor is obligated to construct the Building in accordance with all applicable codes and filed plans and specifications. Any conflict between the Offering Plan and the Sponsor's obligation to construct the Building in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

All personal property located within the Community Facility Unit on the date the Purchase Agreement is executed or that is located within a Limited Common Element for the exclusive use of the Community Facility Unit on the date the Declaration is filed, that is owned by the Sponsor or anyone else, will be included in the conveyance to Purchaser of their Community Facility Unit unless specifically accepted in the Plan or Purchase Agreement.

13. 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 Community Facility Unit Owner's purchase agreement is submitted with this Offering Plan as Schedule D in Part II of the Offering Plan.

14. 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.

15. No bond or other security has been posted to secure Sponsor's obligations. Sponsor has the financial resources to complete the Condominium and its obligations under the Plan.

16. The Sponsor reserves the right to lease any unsold Community Facility Units before or after the Declaration has been recorded.

17. Sponsor retains the right for as long as the Condominium exists to lease those portions of the Common Elements that do not contain any mechanical equipment or other facilities utilized by the Condominium or any other Community Facility Unit, including but not limited to the roof, interior and exterior portions of the Building and the cellar to the extent necessary to implement the business of the lease and to retain the income thereof. As a result, the other Community Facility Unit Owners will not benefit from the income produced from the lease and will not be able to utilize the areas of the Common Elements that are leased by the Sponsor. The type of leases would include but not be limited to leases for storage, cablevision companies, cell and land line phone companies, billboard leases and other signage. The Declaration of Condominium contains easements permitting the Sponsor and the lessees under the leases to install, maintain, repair, and replace all equipment, improvements and facilities within the Common Elements required pursuant to the business operation of the lease.

18. Sponsor reserves the right but not the obligation to make structural and non-structural changes and to reconfigure the location of Limited Common Elements within the Building except for Limited Common Elements appurtenant to a Community Facility Unit that is subject to a Purchase Agreement without the consent of the Purchasers of the Community Facility Unit. The cost of the structural changes to the Limited Common Elements agreed to by a Purchaser of a Community Facility Unit shall be paid by the Purchaser of such Community Facility Unit to which the Limited Common Element is appurtenant to.

19. Sponsor is obligated to build and complete the Condominium in accordance with the building plans and specifications set forth herein. Sponsor reserves the right to substitute equipment of materials and make modifications of layout or design provided that Sponsor may not substitute equipment or materials of lesser quality or design or change the size, location of Units or 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.

XVII. CONTROL BY THE SPONSOR

The affairs of the Condominium shall be governed by a Board of Managers. The First Board of Managers shall consist of three (3) members (the "Members") to be designated by the Sponsor, its successor, designee, or assignee ("Sponsor") and who shall hold office and exercise all powers of the Board of Managers until the First Annual Meeting of the Unit Owners. The First Board of Managers shall consist of Alex Lu, Chaofan Lin and Brian Kwong, who are all business associates of the Sponsor. The First Annual Meeting shall be held within thirty (30) days of the sale of the last Community Facility Unit. The First Annual Meeting of the Board of Managers will not be held until all of the Community Facility Units ("CFU"s) have been sold. In view of the fact the Sponsor has reserved the unconditional right to rent CFUs and therefore may never sell all of the CFUs, the First Annual Meeting may never occur, and the Sponsor may indefinitely control the Board. At the First Annual Meeting the number of Members which shall constitute the whole Board shall be three (3). As long as the Sponsor retains at least one (1) Unit in the Condominium the number of Members of the Board of Managers may not be increased or decreased without the consent of the Sponsor. At the First Annual Meeting of Unit Owners called pursuant to Section 9 of Article II of the By-Laws a total of three (3) Members shall be elected or designated as follows. The Garage Unit Owner shall designate one (1) Member to the Board of Managers and shall be referred to as the Garage Member. The Community Facility Unit Owners shall elect two (2) Members to the Board of Managers and shall be referred to as the Community Facility Members. Each Community Facility Unit Owner shall be entitled to cast the number of votes equal to their Community Facility Unit's Community Facility Interest for the election of the Community Facility Unit Members. The Sponsor will be entitled to designate the two (2) Community Facility Members of the Board of Managers as long as Sponsor retains ownership of one (1) or more Community Facility Units in the Condominium ("Sponsor Control Period"). As a result, Unit Owners may never gain control of the Board of Managers. Purchasers should note that during the period of time the Sponsor retains a majority of the Board of Managers, the Unit Owners individually will not be able to enforce Sponsor's obligations. Such obligations may, however, be enforced by the Board of Managers if the Sponsor controlled Board agrees to such enforcement. Purchasers individually, or as a group, may take legal or administrative action to enforce the Sponsor's obligations to the Condominium. However, they will be unable to do so in the name of the Condominium. In addition, the funds utilized for such actions will either have to be obtained by a Special Assessment of all Unit Owners excluding the Sponsor or obtained through independent funds of the Unit Owners.

The 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 Unit costing individually or in the aggregate more than $100,000 in any calendar year, the foregoing not to include budgeted 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; (iii) enter into any contracts not in existence on the date of the first Closing of Title to a Unit; or (iv) borrow money on behalf of the Condominium; or (v) reduce the services or maintenance set forth in Schedule B; (vi) 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 (vii) 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 (viii) utilize Condominium funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals.

During the period Sponsor retains majority control of the Board of Managers, the Board of Managers will have the right to determine certain expenditures and fiscal actions for the Condominium. 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 Section 339-jj), for capital improvements and the ability to enter into a contract with an attorney and fund legal fees if the Sponsor fails to comply with provisions in the offering. Sponsor may also own one Community Facility Unit for as long as Sponsor so desires.

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

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

(ii) to remedy any notice of violation; or

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

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

While Sponsor retains control of the Members of the Board of Managers, it will not use its control or veto power to reduce the level of services described in the Plan, prevent required capital repairs, prevent expenditures required to comply with applicable laws or regulations, remedy any notice of violation or to remedy any work order by an insurer or that are necessary for the preservation or safety of the Condominium or for the safety of occupants of the Condominium or required to avoid the suspension of any necessary service to the Condominium.

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

Common Charges, management of the Condominium and the use of the Units. The By-Laws provide that the Condominium shall be governed by the Board of Managers, but that the Board of Managers shall have the right to designate Committees or a Managing Agent to carry out such function.

XVIII. 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 H and I.

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 (the "Members") to be designated by the Sponsor, its successor, designee, or assignee ("Sponsor") and who shall hold office and exercise all powers of the Board of Managers until the First Annual Meeting of the Unit Owners. The First Board of Managers shall consist of Alex Lu, Chaofan Lin and Brian Kwong, who are all business associates of the Sponsor.

At the First Annual Meeting the number of Members which shall constitute the whole Board shall be three (3). As long as the Sponsor retains at least one (1) Unit in the Condominium the number of Members of the Board of Managers may not be increased or decreased without the consent of the Sponsor. Until succeeded by the Members elected at the First Annual Meeting of Unit Owners, Members need not be Unit Owners; thereafter all Members shall be Unit Owners or officers, directors, stockholders, partners or members of Unit Owners or representatives of the Sponsor. The Members shall be designated and/or elected at the First Annual Meeting of 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 as follows. The Garage Unit Owner shall designate one (1) Member to the Board of Managers and shall be referred to as the Garage Member. The Community Facility Unit Owners shall elect two (2) Members to the Board of Managers and shall be referred to as the Community Facility Members. Each Community Facility Unit Owner shall be entitled to cast the number of votes equal to their Community Facility Unit's Community Facility Interest for the election of the Community Facility Unit Members. The two (2) Community Facility Unit Members nominees receiving the highest number of votes shall be elected as the Community Facility Unit Members to the Board of Managers.

The term of office of each Member shall be fixed at one (1) year and shall be designated or elected as in the preceding paragraph at each Annual Meeting thereafter.

Any Unit Owner delinquent in the payment of Common Charges shall be ineligible to be elected to the Board of Managers and/or vote at any general, annual or Special Meeting.

Notwithstanding the foregoing, the Sponsor shall have the right to designate the Community Facility Members of the Board of Managers as long as Sponsor retains ownership of at least one (1) Community Facility Unit in the Condominium. At such time as the Sponsor no longer owns a Community Facility Unit the Sponsor may no longer designate the Community Facility Unit Member to the Board of Managers. Members of the Board of Managers designated by the Sponsor need not be Unit Owners or officers, directors, stockholders, or partners of Unit Owners.

It shall be the duty of an Officer of the Board of Managers 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 President or 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 Unit Owner in 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 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 in the Condominium are present in person or by proxy. See Article II, Section 10 of the By-Laws of the Condominium.

The foregoing time periods' and notice requirements shall not apply in the case of an emergency meeting, in which case the Board will endeavor to provide such notice as may be reasonably practicable under the circumstances.

Removal of Members of the Board of Managers

Members (other than Sponsor appointees) may be removed for cause by an affirmative vote of a majority of the Board of Managers. No Member, other than a Member of the First Board of Managers or a Member elected or designated by the Sponsor, shall continue to serve on the Board if, during the Member's term of office, the Member shall cease to be a Unit Owner or officer, director, stockholder, or partner of a Unit Owner. Any Member of the Board of Managers delinquent in the payment of Common Charges, Special Assessments, late fees, penalties and/or interest shall be suspended from the Board of Managers and have no voting rights until such time as all Common Charges, Special Assessments, late fees, penalties and/or interest are paid in full to the Condominium.

Powers and Duties of Board of Managers

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

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

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses. The Board of Managers may increase the monthly Common Charges or vote a special Common Charge assessment (“Special Assessment”) in excess of the monthly amount, if required, to meet any additional necessary Common Expenses. Said increases can only be assessed among the Unit Owners pro rata according to their respective Common Interest or the Board of Managers may also specially allocate and apportion expenses to one or more Units as a result of such Unit(s) receiving special benefits, or enjoying intensive or specific or actual use of utilities by a specific Unit Owner or where allocation based on percentage of Common Interest would otherwise be inequitable as permitted pursuant to Section 339-m of the Real Property Law of the State of New York;

2. To determine and impose penalties, late fees, and interest against Unit Owners delinquent in the payment of their Common Charges, Special Assessments (no matter how classified) and to revise the amount of such fees as the Board so determines from time to time;

3. To collect, use and expend the Common Charges and Special Assessments collected to maintain, care for, preserve, manage, and operate the General Common Elements and the General Community Facility Units’ Limited Common Elements;

4. To make all necessary repairs, maintenance, restorations or alterations to the General Common Elements and General Community Facility Units’ Limited Common Elements;

5. To make improvements, repairs, restore or alter the General Common Elements and General Community Facility Units’ Limited Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

6. To enter into and upon all areas of the Condominium Property to make all necessary repairs, maintenance, restoration and/or alterations to the General Common Elements or the General Community Facility Units’ Limited Common Elements;

7. To install sub-meters or other utilities, i.e., water, gas, etc., or to bring in a consultant to evaluate utility use, and to surcharge intensive users in accordance with their intensive use;

8. To enter into and upon all areas of the Condominium Property to install sub-meters or other utilities, i.e., water, gas, etc., or to bring in a consultant to evaluate utility use;

9. To enter into and upon the Units upon reasonable notice when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care, and preservation of the Property, including any inspection or repairs necessitated by mold. No prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Unit Owners, tenants, occupants, or other persons, or required to avoid the suspension of any necessary service to the Condominium. Any repairs to the Condominium Property required caused by and as the result of a Unit Owner, the Unit Owner's tenant, employee, contractor or otherwise will be at the sole expense of the applicable Unit Owner;

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

11. To insure and keep insured the General Common Elements and General Community Facility Units' Limited Common Elements in accordance with Article VII of the By-Laws;

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

13. To make reasonable Rules and Regulations applicable to all Units and all Unit Owners regarding the General Common Elements and to amend the same from time to time, and such Rules and Regulations and amendments shall be binding upon all the Unit Owners as it applies to the General Common Elements when the Board has approved them in writing. A copy of such Rules and Regulations and all amendments shall be delivered to each Unit Owner. Notwithstanding, no Rule or Regulation may be adopted that prevents an individual Community Facility Unit Owner, or Garage Unit Owner from engaging in the practice or operation of their business unless such practice is a violation of the law or applicable zoning. Further, the Board of Managers may not pass any Rule or Regulation which interferes with or affects the operation of an individual Community Facility Unit, or Garage Unit,

or any Limited Common Element, no matter how classified, without the respective Unit Owner's consent, unless it affects the General Common Elements or the structural integrity of a Building and/or is a violation of any municipal or state code or statute;

14. The Community Facility Members of the Board of Managers shall have the right to make reasonable Rules and Regulations applicable to the Community Facility Units and Community Facility Unit Owners regarding the General Community Facility Units' Limited Common Elements and to amend the same from time to time, and such Rules and Regulations and amendments shall be binding upon all the Community Facility Unit Owners as it applies solely to the General Community Facility Units' Limited Common Elements when the Community Facility Members of the Board have approved them in writing. A copy of such Rules and Regulations and all amendments shall be delivered to each Community Facility Unit Owner. Notwithstanding, no Rule or Regulation may be adopted that prevents an individual Community Facility Unit Owner from engaging in the practice or operation of their business unless such practice is a violation of the law or applicable zoning. Further, the Community Facility Members of the Board of Managers may not pass any Rule or Regulation which interferes with or affects the operation of an individual Community Facility Unit or any Individual Community Facility Units Limited Common Element without the respective Community Facility Unit Owner's consent, unless it affects the General Community Facility Units' Limited Common Elements or the structural integrity of a Building and/or is a violation of any municipal or state code or statute;

15. To employ and terminate the employment of employees and independent contractors and to retain a managing agent and to purchase supplies and equipment, to enter into contracts, and generally to have the power of management in connection with the matters hereinabove set forth;

16. To bring and defend actions by or against one or more than one Unit Owner and pertinent to the operation of the Condominium. The Board may, in its discretion, fund the cost of any such litigation out of the Common Charge assessments. The Board shall also have the right to engage in any litigation it deems necessary to carry out the provisions of the Declaration of Condominium the By-Laws and the Rules and Regulations adopted hereunder and may fund the cost of any such litigation out of the Common Charge assessments. Without limiting the foregoing, the Board may engage in litigation pertaining to the maintenance and operation of the Common Elements;

17. To acquire Units in foreclosure or as a result of abandonment and to take any and 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;

18. To grant or relocate utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and 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 materially impairs the ability of one or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted);

19. To make additions, alterations, repairs, or improvements to the General Common Elements of the Condominium;

20. To make additions, alterations, repairs, or improvements to the to the General Community Facility Units' Limited Common Elements of the Condominium with the consent of the Community Facility Unit Owners Members of the Board of Managers. All additions, alterations, repairs, or improvements to the Community Facility Units' Limited Common Elements shall be at the sole cost and expense of the Community Facility Units and shall be paid by each Community Facility Unit Owner paying its Community Facility Interest of said amount;

21. 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, 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 Owner of said Unit. Unit Owners will be required to pay the debt service on any loans as either part of their Common Charges or as a Special Assessment;

22. To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the General Community Facility Units' Limited Common Elements with the consent of the Community Facility Units Members of the Board of Managers, provided, however, no lien to secure repayment of any sum borrowed may be created on any Community Facility Unit or its appurtenant interest in the Common

Elements without the written consent of the Community Facility Unit Owner of said Community Facility Unit. The debt service of all monies borrowed on behalf of the operation, care, upkeep, and maintenance of the General Community Facility Units' Limited Common Elements will be at the sole cost and expense of the Community Facility Unit Owners and shall be paid by each Community Facility Unit Owner paying its Community Facility Interest of said amount;

23. To act as an agent of each Unit Owner who has given the Unit Owner's written authorization to complain or apply to the city real estate tax assessment agency board of review by filing a single complaint on behalf of all such Unit Owners pursuant to the applicable sections of the Real Property Tax Law. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and charge all such Unit Owners a pro rata share of expenses, disbursements, and legal fees due from all such Unit Owners, based upon the percentages of Common Interest of such Unit Owners, for which charges the Board of Managers shall have a lien pursuant to Article VI of the By-Laws;

24. To determine and impose penalties, late fees, and interest against Unit Owners delinquent in the payment of their Common Charges and/or Special Assessments in violation of the Rules and Regulations and to revise the amount of such fees as the Board of Managers so determines;

25. To enter into contracts, settlement agreements and/or other matters on behalf of the Condominium. Any contract, settlement agreement and/or other matters that solely affects the Community Facility Units shall require the written consent of the Community Facility Units Members of the Board of Managers and any contract, settlement agreement and/or other matters that solely affects the Garage Unit shall require the written consent of the Garage Unit Member of the Board of Managers; and

26. To create and utilize a reserve fund.

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 consist of at least three (3) Members, one of whom may be a Unit Owner, which, to the extent provided in said resolution or resolutions, shall advise the Board of Managers in the management of certain specifically identified business and affairs of the Condominium 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.

Notwithstanding anything to the contrary contained in the By-Laws, following the expiration of the Sponsor Control Period and so long as the Sponsor shall continue to own any Units, the Unit Owners and the Board of Managers may not, without the Sponsor's prior written consent: (i) make any addition, alteration or improvements to the General Common Elements costing individually or 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; or (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 the said Plan is declared effective or (v) borrow money on behalf of the Condominium; or (vi) reduce the services or maintenance set forth in the Condominium budget for the first year of operation; or (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%) percent from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a certified 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.

Notwithstanding anything to the contrary contained in the By-Laws, following the expiration of the Sponsor Control Period and so long as the Sponsor shall continue to own any Community Facility Units, the Community Facility Unit Owners and the Board of Managers may not, without the Sponsor's prior written consent: (i) make any addition, alteration or improvements to the Community Facility Units' General Limited Common Elements costing individually or cumulatively more than $25,000, the foregoing not to include necessary repairs and maintenance work; or (ii) borrow money on behalf of the General Community Facility Units' Limited Common Elements.

As long as the Sponsor owns one (1) or more Units in the Condominium the Unit Owners and the Board of Managers may not, without Sponsor's prior written consent, take any action which impairs Sponsor's sales or leasing program or continued use of the Condominium property in connection with such programs.

The above provisions that are contained in Article III, Sections 11(c) and !! (d) of the By-Laws do not apply if there is an increase in the budget or an assessment as a result of expenses required:

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

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

The provisions of Article III, Sections 11(c) and (d)of the By-Laws may not be amended without the written consent of Sponsor.

Liability of Board of Managers 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 the Member establishes (a) that the Member's acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that the Member personally gained in fact a financial profit or other advantage to which the Member was not legally entitled.

The Condominium, through the Unit Owners, shall defend and 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, without limitation, 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 the Board Member, their 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 of Managers or officer if a final non-appealable judgment establishes that the Members acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that the Member personally gained in fact a financial profit or the advantage to which he or she was not legally entitled.

The Unit Owners shall indemnify, defend 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). It is understood and permissible for the Members of the Board of Managers, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the Member of the Board of Managers shall be limited to

such proportion of the total liability thereunder as the Unit Owner's 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 a Member on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the Member, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners).

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

Officers

The Officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary, and a Treasurer. The Board of Managers may also choose one or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All Officers must be Members of the Board of Managers. Two or more offices may be held by the same person except for the President who may only hold the office of President.

The President shall be the Chief Executive Officer of the Condominium, shall preside at all meetings, shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect. The President may delegate obligations and responsibilities to other Officers.

The Vice President shall take the place of the President and perform the President's duties whenever the President is unable to do so.

The Secretary shall record all votes and the minutes of all proceedings in a book.

The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Repairs, Alterations, and Improvements to Common Elements

Except as hereinafter provided, all maintenance, repairs and replacement of the General Common Elements and General Community Facility Units' Limited Common Elements shall be contracted for by the Board of Managers and the cost thereof shall be a General Common Expense payable by all Unit Owners, except if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner.

All repairs, maintenance, upkeep 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 will serve or benefit exclusively an individual Unit shall be the responsibility and at the sole cost of the individual Unit Owner for such equipment services, etc.

All maintenance, repairs, upkeep and replacements to a Unit and an individual Unit's Limited Common Elements, whether structural or non-structural, ordinary, or extraordinary, will be made by the Unit Owner of the respective Unit at the Unit Owner's sole expense.

In the event that a Unit Owner fails to maintain, repair or replace their Unit or any Limited Common Element for an individual Unit Owner's exclusive use, which maintenance, repair or replacement is necessary to protect any of the General Common Elements, the General Community Facility Units' Limited Common Elements, any other portions of the Building or any other Unit, the Board of Managers shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge said Unit Owner for the cost of all such repairs and/or maintenance and/or replacement. In the event that the Board of Managers charges a Unit Owner for repairs, maintenance and/or replacement to their Unit or for repairs to any General Common Elements restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

The Board of Managers 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 the Board of Managers shall make or cause to be made such repairs or replacements at such Unit Owner's own expense. In the event that a Unit Owner fails to make such repairs, the Board of Managers shall have the right to make such 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. In the event that the Board of Managers charges a Unit Owner for such repairs 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 reasonable Attorneys' fees and costs of such suit or proceeding together with the maximum legal interest rate permitted on all sums due. This paragraph does not apply to Sponsor owned Units.

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, General Community Facility Units' Limited Common Elements or to remedy any condition which would result in damage to any other Unit or the General Common Elements, or Limited Common Elements (no matter how classified), or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons or required to avoid the suspension of any necessary service to the Condominium. This provision is not subject to amendment by the Unit Owners or Board of Managers. Notwithstanding the above no entry is permitted to a Sponsor owned Unit without the consent of the Sponsor.

All cleaning services and all costs and expenses associated therewith to an individual Unit and an individual Unit's Limited Common Elements shall be the sole obligation of each respective Unit Owner. All cleaning and maintaining of the General Common Elements and General Community Facility Units' Limited Common Elements shall be a Common Expense of the Condominium.

In the event that a Unit Owner fails to maintain or repair their Unit and/or individual Unit's Limited Common Elements and such maintenance or repair is necessary to protect the General Common Elements, the Community Facility Units' Limited Common Element or any other Unit, or individual Unit's Limited Common Elements, 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 verbal 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 the Unit Owner's Unit or for repairs to any individual Unit's Limited 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 reasonable Attorneys' fees and costs of such suit or proceeding together with the maximum legal interest rate permitted on all sums due. This paragraph of Section 12 of Article III does not apply to Sponsor owned Units.

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 75% or more of the Units are destroyed or substantially damaged and the Unit Owners do not duly and promptly resolve to proceed with repair or restoration by a vote of 75% or more in Common Interest of all Unit Owners), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any 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 machinery or equipment or contents or finishes 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 75% or more of the Units are destroyed or substantially damaged and the Unit Owners do not duly and promptly resolve to proceed with repair or restoration by a vote of 75% or more in Common Interest of all Unit Owners, 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 the 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 of 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 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.

If the proceeds of physical damage insurance or condemnation awards on account of a Taking are less than $100,000 and the loss is limited solely to a Community Facility Unit and/or an individual Community Facility Unit's Limited Common Elements, such proceeds shall be paid (i) entirely to the owner of the individual Community Facility Unit, if no part of the General Common Elements or General Community Facility Units' Limited Common Elements are part of the loss, or (ii) to the owner of the Community Facility Unit and the Board of Managers if the General Common Elements, General Community Facility Units' Limited Common Elements and/or the Community Facility Unit and/or the Community Facility Unit's Limited Common Elements are involved. In the latter case the net insurance proceeds, or condemnation awards shall be shared by the Community Facility Unit Owner and the Board of Managers in proportion to the cost of repairing and restoring the Community Facility Unit and/or an individual Community Facility Unit's Limited Common Elements and the General Common Elements and/or the General Community Facility Units' Limited Common Elements.

If the proceeds of physical damage insurance or condemnation awards on account of a Taking are less than $100,000 and the loss is limited solely to the Garage Unit and/or the Garage Unit's Limited Common Elements, such proceeds shall be paid (i) entirely to the owner of the Garage Unit, if no part of the General Common Elements are part of the loss, or (ii) to the owner of the Garage Unit and the Board of Managers if the General Common Elements and/or the Garage Unit and/or the Garage Unit's Limited Common Elements are involved. In the latter case the net insurance proceeds, or condemnation awards shall be shared by the Garage Unit Owner and the Board of Managers in proportion to the cost of repairing and restoring the Garage Unit and/or the Garage Unit's Limited Common Elements and the General Common Elements.

Notwithstanding the foregoing, if only an individual Community Facility Unit and/or an individual Community Facility Unit's Limited Common Elements is destroyed or damaged by fire or other casualty or taken in a Taking, the owner of the individual Community Facility Unit will alone make all arrangements for the prompt repair and restoration thereof, and if the net insurance proceeds or condemnation awards are insufficient to cover, or exceed, the cost, the Community Facility Unit Owner will bear the entire amount of the deficit or shall receive all of the excess.

Similarly, if only Garage Unit and/or the Garage Unit's Limited Common Elements is destroyed or damaged by fire or other casualty or taken in a Taking, the owner of the Garage Unit will alone make all arrangements for the prompt repair and restoration thereof, and if the net insurance proceeds or condemnation awards are insufficient to cover, or exceed, the cost, the Garage Unit Owner will bear the entire amount of the deficit or shall receive all of the excess.

Insurance

The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: fidelity insurance covering all officers, Board Members, employees and the managing agent or agents who handle funds of the Condominium; fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements, insuring the Building in the Condominium (but not including any Unit or the furniture, furnishings or other personal property supplied or installed by Unit Owners), together with all heating, air-conditioning and other service machinery, contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as interest may appear, in amounts reasonably determined by the Board of Managers. 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. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee, and that the net proceeds thereof, if $2,500,000 or less, shall be payable to the Board of Managers, and if more than $2,500,000 shall be payable to the Insurance Trustee.

The fire insurance will commence with the closing of title to the first Unit. Such Unit and such amount will be increased upon the closing of title to all Units and until the first meeting of the Board of Managers following the first Unit Owners meeting, such amount shall be at least in the sum provided for in the first-year budget of the Condominium. 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.

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 each Member 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 and for property damage arising out of one occurrence. Such public liability insurance shall commence on the closing of title to the first Unit.

Subject to Section 4 below, Unit Owners shall not be prohibited from carrying and are required to carry other insurance for their own benefit, including, without limitation, insurance to cover contents, improvements, betterments and fixtures within their Unit and any Limited Common Elements, if applicable and insurance for loss of rents, flood, water damage and/or sewer and drain backup provided that such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Unit Owner Insurance

Each Unit Owner is required to carry insurance covering their contents, fixtures, personal property and improvements and betterments (collectively “Contents”) and liability insurance covering their operation and extended to include the Board of Managers, Managing Agent, and other Unit Owners as additional insured’s. Such insurance is subject to the approval of the Board of Managers in advance of the purchase or use of a Unit, in the Board’s sole discretion. Such liability insurance shall be on a commercial general liability policy. The policy shall be extended to include personal liability and all coverages normally included under a comprehensive commercial general liability policy. The policy shall be extended to include any additional insureds including but not limited to the Board of Managers, Managing Agent, Sponsor, and any Mortgagees. If the Unit Owner has employees, the Unit Owner must carry workers compensation insurance. All such insurance must be provided by a carrier that is recognized as a licensed admitted carrier in the State of New York with a rating equal to a Best Rating Guide of AV or better. The Board reserves the right to alter or increase the coverage required hereunder at any time and from time to time. In addition to the foregoing, Unit Owners are instructed to carry coverage for loss of rents, water damage,

sewer and drain backup and such other coverage for their contents as they may determine to be in their best interests.

Reports to Unit Owners

It is the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

(a) a financial statement of the Condominium prepared by a certified public accountant or public accountant by a specific date; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided within four (4) months of the end of each fiscal year;

(b) prior notice of the annual Unit Owners meeting; and

(c) a copy of the proposed annual budget of the Condominium within thirty (30) days of the date set for adoption by the Board of Managers. While Sponsor is in control of the Board of Managers such budget will be certified in accordance with the regulations of the Department of Law.

The cost of such reports shall be a Condominium expense. In addition, during said period the Sponsor will be required to provide a Certification of Adequacy of the budget for the Condominium from a Managing Agent or other expert who is unaffiliated with the Sponsor.

Amendments

No amendment altering a Unit Owner's Percentage of Common Interest shall be made without the consent of all Unit Owners affected.

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

2. No amendment to the Declaration which solely affects the Community Facility Units may be adopted without the written consent of sixty-six and two-thirds (66⅔%) percent of the Community Facility Unit Owners.

3. No amendment to the Declaration which solely affects an individual Community Facility Unit may be adopted without the written consent of the respective Community Facility Unit Owner.

4. No amendment to the Declaration which solely affects the Garage Unit may be adopted without the written consent of the Garage Unit Owner.

5. No amendment shall add any parcel of land to or divest any parcel of land from the Condominium properties unless all of the Unit Owners and the first mortgagees, if any, of each of these same Unit Owners agree to such change on the instrument of amendment.

6. No amendment to the Declaration shall be passed that affects the business operation of Community Facility Unit without the written consent of the respective Community Facility Unit Owner.

7. No amendment to the Declaration shall be passed that affects the business operation of the Garage Unit without the written consent of the Garage Unit Owner.

8. The Board of Managers shall have the right to amend the Declaration without the vote or consent of the Unit Owners or the holders of any Unit mortgages and to execute and record in the New York City Register's Office such amendment as may be required to reflect (i) changes in the Declaration that are corrective in nature or (ii) to resolve or clarify any inconsistency or which is patently a mistake or a scrivener's error, or (iii) to make technical corrections.

9. No amendment, modification, addition, or deletion of, to or from the Declaration, the By-Laws or any Rules and Regulations shall be effective in any way against Sponsor or its successors, assigns or designees or against any Unsold Unit, as long as the -Sponsor owns an Unsold Unit in the Condominium unless the Sponsor its successor, assignee or designee has given its prior written consent thereto. This provision is not subject to amendment.

10. The Sponsor its successors, assignees, designees and purchasers shall have the right without vote or consent of the Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Register's Office of the City of New York and elsewhere, if required by law, an amendment or amendments to the Declaration (together with such other Condominium 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 Condominium Documents or the Offering Plan, or (v) to amend

Schedule B of the Declaration to consolidate or subdivide 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 percentage of common interest of the Units that were consolidated or subdivided, 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, to revise the number and description of rooms contained in a Unit and any other required information for a Unit or (viii) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies, or (ix) to make corrections that are patent errors, inconsistencies, scrivener's errors and technical errors, or (x) to effectuate all necessary changes to the Declaration..

C. There shall be a presumption subsequent to the recording of any amendment that the vote of the Unit Owners was made at a duly called meeting or given by delivery of resolutions and that the requisite voting percentage was obtained. Any amendment to the Declaration shall not take effect until it is recorded in the New York City Register's Office.

D. Irrespective of any other provision of the Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of condominium ownership be terminated.

With respect to any Material Change (defined below) the 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 (66-2/3%) percent of the Unit Owners in Common Interest for a Material Change (defined below); and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. Notwithstanding the above, the following shall be applicable to amendments to the By-Laws:

A. No amendment shall be passed which will affect or impair the validity of the Unit Owners' interest in a Unit.

B. No amendment, modification, addition, or deletion of, to or from the By-Laws or any Rules and Regulations shall impair, prejudice or be effective in any way against Sponsor or its successor, assignee or 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.

C. The Sponsor, as long as it retains a Unit in the Condominium shall have the right to amend the By-Laws without the consent of the Unit Owners or the Board of Managers to (a) make corrections that are patent errors, inconsistencies, scrivener's errors, technical errors, to conform to other documents, or (b) to reduce the Sponsor control period or (c) to comply with any Federal, State, or local law or regulation.

D. The Board of Managers shall have the right to amend the By-Laws without the consent of the Unit Owners to make corrections to the By-Laws that are patent errors, inconsistencies, scrivener's errors and/or technical errors.

E. No amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights, or priorities of a mortgage.

F. Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which solely affects all of the Community Facility Units or General Community Facility Units' Limited Common Elements may only be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of only the Community Facility Unit Owners. Notwithstanding, as long as the Sponsor, its successor, assignee, or designee retains at least one (1) Community Facility Unit, no amendment to the By-Laws which solely affects all of the Community Facility Units may be adopted without the written consent of Sponsor, its successor, assignee, or designee.

G. Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which solely affects the Garage Unit or Garage Unit's Limited Common Elements may only be adopted and enacted with the written consent of the Garage Unit Owner.

H. A change to any of the following would be considered as a "Material Change": voting rights; assessments (but not the imposition thereof), subordination of assessment liens; changing responsibility for maintenance and repairs; reallocation of interests in the General Common Elements other than in connection with a subdivision or combination; except as provided herein the convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project;

insurance; revisions to the leasing provisions of Units contained in Article XI; imposition of any restrictions on a Unit Owner's right to sell or transfer its Unit; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the By-Laws shall not be considered Material Changes if it is for the purpose of correcting technical errors, or for clarification only.

I. All non-material alterations, amendments or additions to the By-Laws may be enacted by a majority vote of the Board of Managers of the Condominium.

Units Acquired by the Board of Managers

All Units which are acquired by the Board of Managers, or its designee, shall be held by it on behalf of all Unit Owners whose respective interests shall be in proportion to the common interest to such Unit Owners and the votes appurtenant to such Units shall be cast by the Board of Managers or its designee at all meetings of the Unit Owners, except that the Board will not vote the votes appurtenant to such Units in any 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 80% of the Unit Owners in number and in common interest and the first mortgagees, if any, of these same Units agree to the withdrawal of this property from the provisions of such Article. The Sponsor or its nominee will not cast any of its votes for withdrawal, unless 80% of Unit Owners other than Sponsor so vote.

Covenant Against Partition of Common Elements

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

XIX. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

Sale or Lease of Units

Any Unit may be conveyed subject to local zoning ordinances, by its Unit Owner free of any restrictions except that no Unit Owner shall convey, mortgage, pledge, hypothecate or sell their Unit unless and until all unpaid Common Charges, Special Assessments and any other fees or charges owed the Condominium that have been

assessed against the Unit Owner's Unit Space owned 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.

Any Unit Owner may convey the Unit Owner's Unit and Percentage of Common Interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners free of any cost to the Board of Managers or the Unit Owners and upon such conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit.

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

Whenever the term "Unit" is referred to in this section, it shall include the Unit, the Unit Owners undivided Percentage of Common Interest in the Common Elements and the Unit Owners' interest in any Units acquired by the Board of Managers.

Every lease on every Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

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

(b) the lease must be in writing;

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

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

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

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

(h) within thirty (30) days of any renewal of a lease of a tenant, the name and

telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent to the Board of Managers of the Condominium; and

(i) the use of a Unit pursuant to a lease is subject to all municipal and zoning requirements of the City of New York or any other applicable municipality.

In order to carry out the provisions of this Section 4 of Article XI and pursuant to the provisions of Article Fifteenth of the Declaration of Condominium each Unit Owner shall upon becoming a Unit Owner grant an irrevocable power of attorney, to nominate, designate, constitute and appoint the Members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be leasing a Unit Owner's Condominium Unit 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 Rule and Regulation, and thirty (30) days from the date of the notice in which to cure the violation before the Board of Managers of the Condominium institutes any action against the tenant unless a shorter time period is required under the circumstances given the nature of the violation.

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

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

The Board of Managers of the Condominium shall give the tenant and the Unit Owner written notice of the nature of the violation of the Rule and Regulation, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Managers of the Condominium may file for eviction.

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

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

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

Restrictions on Occupancy and Use

The Community Facility Units may only be used for Community Facility Use as per the requirements of the applicable zoning code of the City of New York. The Garage Unit may only be used for the parking of automobiles and similar vehicles as per the applicable zoning code of the City of New York.

A Purchaser shall be responsible to acquire a building permit and amend the Certificate of Occupancy if he or she makes alterations to their Unit after the Purchaser Closes Title on a Unit.

In addition, a Purchaser shall be solely obligated to seek all necessary approvals or variances at their own cost and expense in the event the Community Facility Unit they are purchasing does not conform to existing zoning requirements of the City of New York.

Mortgage of Units by Unit Owners

A Unit Owner may mortgage their 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. Any Unit Owner may, upon the resale of their Unit, grant a purchase money mortgage to a Purchaser of the 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 Unit Owners annually. Based upon such budget and any modification thereof approved by the Board of Managers, the Unit Owners will be charged for the cost of the operation of the Condominium either in accordance with their interest in the Common Elements or pursuant to Section 339-m of the Real Property Law, the Board of Managers may specially allocate and apportion expenses to one or more Units as a result of such Unit(s) receiving special benefits, or enjoying intensive or specific or actual use of utilities by a specific Unit Owner or where allocation based on percentage of Common Interest would otherwise be inequitable. Any Special Assessments will be charged to the Unit Owners in the same manner. The charges assessed by the Board of Managers including penalties and late fees thereon ("Common Charges"), in addition to the cost of cleaning, repairing, and maintaining the General Common Elements, General Community Facility Units' Limited 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 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 G Buddy Inc., 2026 60th Street, Brooklyn, New York 11204. 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 cleaning, repair or maintenance of the General Common Elements, General Community Facility Units' Limited Common Elements, fire and other casualty insurance on the Building and the General Common Elements, General Community Facility Units' Limited Common Elements, public liability and property damage insurance, and legal and accounting expenses. The Common Charges do not include maintenance, repairs, or decoration of interior of the Units, Individual Community Facility Unit's Limited Common Elements, Garage Unit's Limited Common Elements, or portions thereof, payments required pursuant to the terms of Unit Owners' mortgages or real estate taxes covering the individual Units.

The Common Charges which may be collected monthly by the Board of Managers and other costs of maintenance of the Units are set forth on Schedule A. However, additional services which the Unit Owners may deem necessary or other factors can increase these charges.

As long as the Sponsor retains control of the Residential Board Members of the Board of Managers, the Board of Managers retains the right to delay the commencement of the collection of Common Charges. During any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders. Upon the commencement of the collection of Common Charges, there will be no assessment of Unit Owners for prior expenses of the budget during the period Sponsor was paying the Common Expenses of the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided for in the governing regulations. In the event Sponsor elects to delay collection of Condominium Common Charges, it will disclose such fact in the closing notice to Purchasers and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least 30 days prior to commencing collection of Common Charges and will disclose such fact in the following Amendment to the Offering Plan.

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 and as otherwise 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.

The Sponsor shall be liable for the Common Charges, Special Assessments, real estate taxes and individual utility costs of all unsold Units 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 Unit including but not limited to Common Charges, any Special Assessments, real estate taxes and all individual utility costs.

Liens for the Non-Payment of Common Charges

Under 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, penalties, late fees 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 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 future 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 the Unit Owner's 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 future Common Charges thereafter assessed, but not relieved of the Unit Owner's obligation to pay the Unit Owner's mortgage. However, a Unit Owner cannot 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.

As a condition to a resale, the Purchaser of a Unit shall be liable for the payment of unpaid Common Charges interest, penalties and late fees assessed against such Unit prior to the acquisition of such Unit by the Purchaser, except that a 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 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, unless a majority of the Members, other than Sponsor designated Members, decide otherwise as provided for in Article VI, Section 2 of the By-Laws.

Repairs, Alterations and Improvements to Units

Except as hereinafter provided, all maintenance, repairs and replacement of the General Common Elements and General Community Facility Units' Limited Common Elements shall be contracted for by the Board of Managers and the cost thereof shall be a General Common Expense payable by all Unit Owners, except if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner.

All repairs, maintenance, upkeep 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 will serve or benefit exclusively an individual Unit shall be the responsibility and at the sole cost of the individual Unit Owner for such equipment services, etc.

All maintenance, repairs, upkeep and replacements to a Unit and an individual Unit's Limited Common Elements, whether structural or non-structural, ordinary, or extraordinary, will be made by the Unit Owner of the respective Unit at the Unit Owner's sole expense.

In the event that a Unit Owner fails to maintain, repair or replace their Unit or any Limited Common Element for an individual Unit Owner's exclusive use, which maintenance, repair or replacement is necessary to protect any of the General Common Elements, the General Community Facility Units' Limited Common Elements, any other portions of the Building or any other Unit, the Board of Managers shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge said Unit Owner for the cost of all such repairs and/or maintenance and/or replacement. In the event that the Board of Managers charges a Unit Owner for repairs, maintenance and/or replacement to their Unit or for repairs to any General Common Elements restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

The Board of Managers 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 the Board of Managers shall make or cause to be made such repairs or replacements at such Unit Owner's own expense. In the event that a Unit Owner fails to make such repairs, the Board of Managers shall have the right to make such 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. In the event that the Board of Managers charges a Unit Owner for such repairs 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 reasonable Attorneys' fees and costs of such suit or proceeding together with the maximum legal interest rate permitted on all sums due. This paragraph does not apply to Sponsor owned Units.

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, General Community Facility Units' Limited Common Elements or to remedy any condition which would result in damage to any other Unit or the General Common Elements, or Limited Common Elements (no matter how classified), or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any

governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons or required to avoid the suspension of any necessary service to the Condominium. This provision is not subject to amendment by the Unit Owners or Board of Managers. Notwithstanding the above no entry is permitted to a Sponsor owned Unit without the consent of the Sponsor.

All cleaning services and all costs and expenses associated therewith to an individual Unit and an individual Unit's Limited Common Elements shall be the sole obligation of each respective Unit Owner. All cleaning and maintaining of the General Common Elements and General Community Facility Units' Limited Common Elements shall be a Common Expense of the Condominium.

In the event that a Unit Owner fails to maintain or repair their Unit and/or individual Unit's Limited Common Elements and such maintenance or repair is necessary to protect the General Common Elements, the Community Facility Units' Limited Common Element or any other Unit, or individual Unit's Limited Common Elements, 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 verbal 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 the Unit Owner's Unit or for repairs to any individual Unit's Limited 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 reasonable Attorneys' fees and costs of such suit or proceeding together with the maximum legal interest rate permitted on all sums due. This paragraph of Section 12 of Article III does not apply to Sponsor owned Units.

Insurance

Purchasers should refer to Section XIX of the Offering Plan and Article VII of the By-Laws for details regarding the insurance for the Condominium and the insurance required to be carried by each Unit Owner. .

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. In the event the Sponsor does not control the Board of Managers, the consent of the Sponsor is

required prior to the Board of Managers, its agents, employees, and contractors entering into any Sponsor owned Unit.

Compliance with Terms of Declaration, By-Laws and Rules and Regulations

Ownership of a Unit in the Condominium subjects the Unit Owner to compliance with the provisions of the Declaration and By-Laws as well as the Rules and Regulations contained in the By-Laws or established by the Condominium in accordance therewith. The Rules and Regulations set forth in the By-Laws can be found in Part II of the Plan Schedule I, Article IX of said By-Laws. The Board of Managers can institute legal actions to enforce compliance with the provisions of the Declaration and By-Laws as well as the Rules and Regulations established therewith.

The provision of the Declaration and By-Laws that requires written consent of the Board of Managers prior to a Unit Owner making an alteration that would impair the structural soundness of the Building does not apply to the Sponsor.

The provisions of the By-Laws which requires Members of the Board of Managers to be Unit Owners or officers, directors, stockholders, partners, or members of a Unit Owner will not apply to the first Board of Managers or any Sponsor designees to the Board of Managers.

No consent is required by the Board of Managers in the event the Sponsor subdivides or combines a Sponsor owned Unit or Units.

Easements

Every Unit Owner shall have an easement in common with the owners of other Units to maintain, use and have access to all pipes, sewers and/or drainage lines, wires, conduits, and public utility lines located in another Unit that services the respective Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, sewers and/or drainage lines, wires, conduits, and public utility lines servicing such other Units that are located in the respective Unit Owner's Unit.

The Board of Managers shall have a right of access to each Unit for the maintenance, repair, replacement or improvements to any pipes, sewers and/or drainage lines, wires, conduits, and public utility lines located in any Unit that is a General Common Element or which may cause damage to any other Unit or to the Unit Owners, tenants, or occupants of the Condominium. The cost of any required maintenance, repair, replacement and/or improvements to the General Common Elements shall be a Common Expense of the entire Condominium. The Board of Managers shall have a right of access in, through and over the Condominium property, for maintenance, repair, replacement, or improvement of the General Common Elements in furtherance of this paragraph.

The Board of Managers shall have a right of access in, through, under, over and across the Community Facility Area for the maintenance, repair, replacement, or improvements to the General Community Facility Units' Limited Common Elements. The cost of any required maintenance, repair, replacement and/or improvements to the General Community Facility Units' Limited Common Elements shall be a Common Expense of the overall Condominium. The Board of Managers shall have a right of access in, through and over the Condominium property, for maintenance, repair, replacement, or improvement of the General Community Facility Units' Limited Common Elements in furtherance of this paragraph.

The owner(s) of a Unit and any Units resulting from the subdivision and/or consolidation of a Unit shall have easements in, under, over and through all portions of the Condominium for the purpose of (i) the installation in the Unit Owner's Unit or Limited Common Element of the Unit and the maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical and/or utility lines and fixtures and equipment, no matter where located, servicing such Unit or Units; (ii) through the Common Elements of the Condominium, no matter how classified, for access to a roof for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment servicing such Unit or Units now or hereafter located on a roof, provided, however, that except in the case of an emergency, the right of access may be exercised only after prior notice to the Board of Managers.

The Units and any Units resulting from the subdivision or consolidation of a Unit shall be subject to easements in favor of any other Unit(s) and any Unit resulting from the subdivision or consolidation of a Unit for the installation in the Unit Owner's Unit or Limited Common Element of the Unit and for the maintenance, repair and replacement of gas, electricity, heating, air-conditioning, ventilation and water and other mechanical lines and fixtures and equipment serving a Unit and any Units resulting from the subdivision or consolidation of a Unit wherever located in the Condominium.

The owner of a Unit and any Unit resulting from the subdivision or consolidation of a Unit shall have the right at their sole cost and expense to install separate heating, cooling, water and/or other mechanical systems for a Unit and shall have an easement in, over, under and through the applicable portions of the Condominium for (i) the installation in a Unit or Limited Common Element of a Unit and for the maintenance, repair and replacement of the heating, cooling, water and/or other mechanical systems and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith no matter where located; (ii) for access to any equipment that services a Unit and which is located in any other area of the Condominium or any other Unit or Units or their respective Limited Common Elements and (iii) to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any rental or other business conducted in a Unit. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Condominium.

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

easement in any portion of the Condominium as the Board of Managers shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

The Sponsor, its successors, assigns, and designees, reserve the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements, no matter how classified, of the Condominium for the purpose of completing any construction, repair, sale and/or rental of Units and facilities in the Condominium and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements, no matter how classified, 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 or to facilitate the sale or rental of a Unit. The Sponsor, as the provisions may apply to the General Common Elements or to a Unit the Sponsor, its successors, assigns or designees may own, 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 Sponsor, as the provisions may apply to the General Common Elements or to a Unit the Sponsor, its successors, assigns or designees own 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 or any individual Unit or Units the Sponsor owns as the Sponsor 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 Sponsor's rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units, together with their interest in the Common Elements. Finally, the Sponsor, its successors, assigns, and designees reserve the right to continue to use the General Common Elements and any facilities, sales offices, model Units and signs located in or on the General Common Elements, in their efforts to sell and/or lease Units constructed in the Condominium and to complete any construction or repair of the Condominium. This paragraph shall not be amended without the consent of the Sponsor.

The Sponsor, its successors, assigns or designees, and any contractors, subcontractors, agents, and employees of the foregoing shall have an easement of access to and through a Unit for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair,

restoration, replacement, or change being performed or to be performed by or on behalf of Sponsor with respect to the Common Elements and/or the Units.

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.

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 a 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.

All Unit Owners, residents, guests, tenants, and anyone else needing access to a Unit shall have an easement of ingress and egress, in, through and over the Property of the Condominium, including the Common Elements regardless of how classified for access to their Unit, room in a Unit, office in a Unit or parking in a Unit.

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

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

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

The Abutting Property Owner shall have an easement in, through and across the Condominium for the purpose of any maintenance, repair or replacement to any lines, wires, pipes, conduits, cable television, sewers and drainage lines and any other mechanical equipment that maybe located in or on the Condominium Property and which services the Abutting Property.

The Abutting Property Owner shall have an easement in, through and across the Condominium for the purposes of any maintenance, repair or replacement to the Abutting Property that may be required for such purpose and pursuant to any maintenance agreement between the Abutting Property Owner and the Condominium.

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 all areas of the Condominium. This Paragraph may not be amended by the Unit Owners in the Condominium.

The Sponsor its successors, assigns and/or designees reserve the right to continue to use the Common Elements and any facilities, sales or construction offices, model Units and signs located on the Common Elements. This paragraph shall not be amended without the written consent of the Sponsor.

XX. REAL ESTATE TAXES

Real Estate Tax estimates were provided to the Sponsor by the law firm of, Korngold Powers LLP, Counselors at Law ("Real Estate Tax Counsel") with offices located at 60 East 42nd Street, Suite 4600, New York, New York 10165 based upon information provided to them by the Sponsor. A copy of their Opinion Letter is contained in Section XXIII of the Offering Plan.

The assessed value of the Units is determined by the City of New York. Taxes may increase in subsequent years if the tax rates increase. The estimated monthly real estate taxes are based on an average of the estimated real estate taxes payable with respect to the Residential Units for the first year of Condominium operation, and the estimated monthly real estate taxes for any particular month will be different depending on which tax year the month falls.

In view of the fact the projected real estate taxes for the first year of operation contained in Schedule A are based on an assessment of the Building before construction is complete real estate taxes may increase materially when the Building is reassessed after construction is complete.

The prices that are set in any condominium offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by the Sponsor, the new York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The Community Facility Units and Garage Unit will be designated as tax class 4 property and will pay on the class 4 rate. The current 2020/2021 tax class 4 commercial tax rate has been set at $10.694 for each $100 of assessed valuation.

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

construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transition assessed valuation. It is likely there will be an increase in value for the 2022/2023 tax year as a result of the new construction which will be placed on the assessment roll immediately and not subject to the five-year phase in. In future years, any increases in assessed value will likely result in the taxable assessment being increased and based on a phased-in transition assessed value.

Purchasers should note that it is likely that there will not be an official apportionment of the assessment for the tax liability among the Units until such time as an official apportionment of the assessed value is made and becomes effective.

Based upon information provided to Tax Counsel (1) the total taxable assessed value of the Community Facility Units will be $1,610,514 for the first six months of the initial budget year (January 1, 2022 – July 30, 2022) and is estimated to be $3,000,000 for the final six months of the initial budget year (July 1, 2022 – December 31, 2022) and (2) the total taxable assessed value of the Garage Unit will be $802,257 for the first six months of the initial budget year (January 1, 2022 – June 30, 2022) and is estimated to be $1,500,000 for the final six months of the initial budget year (July 1, 2022 – December 31, 2022). For the first post construction tax year which commences on July 1, 2022 it is estimated the taxable assessed value of $3,000,000 for the Community Facility Units and $1,500,000 for the Garage Unit. The assessment practices of the New York City Department of Finance are notoriously inconsistent in assessing properties during the course of construction and it is possible that there may be a substantial deviation from these estimates in the assessed value for the 2022/2023 tax year. **Prospective purchasers should be aware that the taxes projected for the initial budget year are temporarily and artificially low solely as a result of the property being assessed for the first six months of the initial budget year as a building in the course of construction.**

Therefore, assuming the class 4 tax rate increases to $11.00 for each $100 of assessed valuation, the following are the projections of the real estate taxes for the initial budget year January 1, 2022 through December 31, 2022 and the first post construction tax year July 1, 2022 through June 30, 2023:

<u>Community Facility Units</u>

January 1, 2022 through June 30, 2022 (6 months of the 2021/2022 Tax Year)

Assessed Value	Tax Rate	Tax (6 months)
$1,610,514	11.0%	$88,578

July 1, 2022 through December 31, 2022 (6 months of the 2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax (6 months)
$3,000,000	11.0%	$165,000

July 1, 2022 through June 30, 2023 (2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax
$3,000,000	11.0%	$330,000

Garage Unit

January 1, 2022 through June 30, 2022 (6 months of the 2021/2022 Tax Year)

Assessed Value	Tax Rate	Tax (6 months)
$805,257	11.0%	$46,992

July 1, 2022 through December 31, 2022 (6 months of the 2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax (6 months)
$1,500,000	11.0%	$82,500

July 1, 2022 through June 30, 2023 (2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax
$1,500,000	11.0%	$165,000

Estimated Initial Community Facility Budget Year Real Estate Taxes	$253,578
Estimated Post Construction Community Facility Real Estate Taxes	$330,000
Estimated Initial Parking Unit Budget Year Real Estate Taxes	$129,492
Estimated Post Construction Parking Unit Real Estate Taxes	$165,000

In no event shall Sponsor, the Selling Agent or counsel to the Sponsor, be liable if the actual assessed valuation for each Unit differs from the method employed by Sponsor or if the actual taxes differ from the estimated amount in Schedule A.

The Sponsor anticipates that the real estate tax rate will increase in future years. The estimates of projected real estate taxes in this Plan have been prepared by the Sponsor and cannot be construed as an assurance of the final tax cost but are merely estimates based upon information available to the Sponsor at this time.

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

The Sponsor has been advised by its counsel, Certilman Balin Adler & Hyman, LLP, that each Unit Owner owning a Unit for business purposes 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 the Unit Owner covering the Unit Owner's Unit, for the interest paid by the Unit Owner on any mortgage to a maximum of $1,000,000 in the aggregate, covering the Unit, Common Charges, and depreciation. See the Opinion of Counsel in Section XXIII.

Sponsor has been advised that pursuant to Section 528 of the Internal Revenue Code, certain Condominiums, substantially all of whose Units are used for residences, are afforded the opportunity to elect to be treated as tax exempt organizations. In view of the fact the Condominium Units are not zoned for residential use the Condominium will not qualify as a tax-exempt organization under Section 528. As a result, the Condominium may be deemed a taxable entity and accordingly may be taxed on any excess of income over expenses, including any interest earned on reserve and other invested funds. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charge or assessment.

No warranty or representation can be made that tax laws or the regulations issued thereunder, or any judicial interpretation thereof may not change so as to disallow the deductions in whole or in part. Under no circumstances will the Sponsor or counsel to the Sponsor or any person be liable if the United States Treasury Department or Department of Taxation and Finance of the State of New York fail to allow the income tax deductions by future changes of fact or law including statutes, regulations, rulings and judicial determinations.

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.

The Sponsor anticipates that the real estate tax rate will vary in future years rather than remain constant. The estimates of projected real estate taxes in this Offering Plan have been prepared by the Sponsor and cannot be construed as an assurance of the final tax costs but are merely estimates based upon information available to the Sponsor at this time. In no event will the Sponsor or Sponsor's Counsel be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind Purchaser's Purchase Agreement in the event the amount of the taxes differ from those projected.

CERTILMAN BALIN ATTORNEYS

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EAST MEADOW, NY 11554
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XXII. OPINION OF COUNSEL

April 29, 2021

823 39th Street Brooklyn, LLC
34-28 Collins Street
New York, New York 11232

Re: **825 39th Street Commercial Condominium**

Gentlepeople:

We have reviewed the above referenced Offering Plan (the "Plan") including the proposed Declaration which will create the Condominium, and By-Laws which will govern the operation of the Condominium. We also considered applicable sections of the Internal Revenue Code and the New York State Tax Law.

Under the Plan, a Purchaser of a Unit will acquire fee title with an appurtenant undivided interest in the Common Elements. The Purchaser's Unit will be separately taxed for real estate tax purposes. Each Purchaser may place a separate mortgage on the Unit Owner's Unit. The Units may only be used for non-residential use.

Based upon the foregoing and provided that the Plan becomes effective in accordance with its terms, and further assuming each Owner holds their Unit for use in a trade or business, it is our opinion that each Owner of a Unit will be entitled under present tax laws and regulations to deduct from the Unit Owner's gross income for Federal and New York State income tax purposes (a) real estate taxes assessed against the Unit Owner's Unit paid to the local taxing authorities; (b) interest paid by the Unit Owner on any mortgage indebtedness, to a maximum of $1,000,000 in the aggregate, covering the Unit Owner's Unit; and (c) the Common Charges paid by the Unit Owner to the Board of Managers as the Unit Owner's proportionate share of the cost of operating and maintaining the Property (exclusive of any amounts paid to acquire capital assets, make capital improvements, or amortize debts for such items); and (d) the Unit Owner's proportionate share of depreciation of the Unit and of any other capital assets.

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 Unit Owner's assessment for such purposes would add to the Unit Owner's tax basis. Although the Condominium described in the Plan may be deemed a taxable entity under

such Rulings, assuming that assessments for capital purposes, including reserves, are properly 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 to incidental investment income, such as interest earned on reserve funds deposited in bank accounts.

Pursuant to Section 528 of the Internal Revenue Code, certain Condominiums, substantially all of whose Units are used for residences, are afforded the opportunity to elect to be treated as tax exempt organizations. In view of the fact the Condominium Units are not zoned for residential use the Condominium will not qualify as a tax-exempt organization under Section 528. As a result, the Condominium may be deemed a taxable entity and accordingly will be taxed on any excess of income over expenses, including any interest earned on reserve and other invested funds. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charge or assessment.

No warranty or representation can be made that the United States Treasury Department or the Department of Taxation and Finance of the State of New York will allow the income tax deductions referred to herein if the tax laws or the regulations issued thereunder, or any judicial interpretation thereof change. Under no circumstances will the Sponsor or counsel to the Sponsor or any person be liable if the United States Treasury Department or Department of Taxation and Finance of the State of New York fail to allow the income tax deductions by future changes of fact or law including statutes, regulations, rulings, and judicial determinations.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan.

Very truly yours,

CERTILMAN BALIN ADLER & HYMAN, LLP

By:_____
Richard Herzbach, Partner

Korngold Powers LLP

COUNSELORS AT LAW
60 East 42nd Street
Suite 4600
New York, NY 10165
212.324.3398
komgoldpowers.com

January 26, 2021

823 39th Street Brooklyn LLC
34-28 Collins Place
Flushing, New York 11354

RE: 825 39th Street
Currently Block 908, Currently Lot 164
Borough of Brooklyn
City of New York

Dear Sir or Madam:

This letter is in response to your request for an opinion and projection of the estimated real estate tax assessments and taxes upon the completion of construction and creation of a condominium. You have requested our opinion concerning the real property tax assessment to be levied upon both the community facility unit and the garage parking unit to be constructed at the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period January 1, 2022 to December 31, 2022 as well as the first post construction tax year which will be the period July 1, 2022 through June 30, 2023. You have advised us that the project will consist of the construction of a Hotel (which you have advised us is on current lot 162), a parking garage and a medical community facility condominium. This letter estimates the taxes only for the community facility medical space and garage parking unit and does not make an estimate for any other space. Construction has commenced and you have advised us that you expect to complete construction by the end of this year. **This estimate has not considered the effect of the current Corona Virus pandemic on tax assessments, it is unknown how this will affect assessed values going forward and therefore was not factored into this estimate.**

In order to prepare this letter and the opinion set forth herein, we have been supplied with certain information upon which we have relied. This information includes your acquisition cost and the estimated construction costs. We have also been supplied with a square footage analysis of the project, a set of plans and an appraisal prepared by Butler Burgher Group LLC. With the exception of information that is on publicly accessible web sites maintained by agencies of the City of New York, the factual information contained in this letter is based entirely on information provided to us by you or your agents and we have made no independent investigation of such information. This opinion letter and projection of future real estate tax assessments and taxes is provided solely as an estimate of such assessments and taxes and we accept no liability in the

event the opinions expressed herein are not accurate. The projection of real estate taxes for years into the future is highly speculative and subject to change.

In predicting the future assessed value, we have given consideration to the following factors:

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is to assess at 45% of economic value.

2. The estimate of the cost of the construction.

3. The potential capitalized net income of the property if operated as a rental.

4. Tax Assessments of comparable properties.

Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The tentative assessment roll containing the tentative 2021/2022 assessed values was published on January 15, 2021. The tentative 2021/2022 assessment roll showed the following values for lot 164:

Actual Assessed Value	Transition Assessed Value	Tax Class
$2,563,200	$2,415,771	4

The prices that are set in any condominium offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by the sponsor, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The commercial community facility units and parking garage will be designated as tax class 4 property and will pay on the class 4 rate. The 2020/2021 tax class 4 commercial tax rate has been set at $10.694 for each $100 of assessed valuation. The 2021/2022 tax rate will be set later this year.

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

improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transition assessed valuation. We believe that there will be an increase in value for the 2022/2023 tax year as a result of the new construction which will be placed on the assessment roll immediately and not subject to the five year phase in. In future years, any increases in assessed value will likely result in the taxable assessment being increased and based on a phased-in transition assessed value.

We have been advised that in determining the assessed values for the individual units, since November 28, 2005 the revised procedures of the New York City Department of Finance calls for the locking-in of the common interest (elements) percentages (Unit Allocation Factor or UAF) extracted from the condominium declaration filed with the Department of Finance, Survey office and registered at the City Register. However due to the disparity in value and the use of different assessing methodology, it is anticipated that approximately 2/3 of the valuation will be assigned to the community facility unit and approximately 1/3 of the value will be assigned to the parking unit.

We caution you that it is likely that there will not be an official apportionment of the assessment for the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective. You should explain in your offering plan how taxes are to be allocated among unit owners prior to the apportionment of the tax lots which may be substantially different than the numbers set forth herein.

With respect to the community facility units, you have provided us with general common interest percentages. So for example, you have advised us that CF-8-C has 3.7% of the general common interests, and 53.27% of the general common interests are assigned to all of the community facility common interests. If the Department of Finance follows its own guidelines, 3.7% of 53.27% equals approximately 6.9% of the community facility's general common interest and therefore that unit will likely be assigned approximately 6.9% of the community facility taxes as we have estimated later in this letter. No guarantee is made herein that the Department of Finance will determine the real estate taxes in the same amount or percentage as we have estimated herein.

Predicated upon the foregoing, (1) it is our estimate that the total taxable assessed value of the community facility units will be $1,610,514 for the first six months of the initial budget year and will be $3,000,000 for the final six months of the initial budget year and (2) it is our estimate that the total taxable assessed value of the parking unit will be $802,257 for the first six months

of the initial budget year and will be $1,500,000 for the final six months of the initial budget year. For the first post construction tax year which commences on July 1, 2002 we estimate a taxable assessed value of $3,000,000 for the community facility units and $1,500,000 for the parking unit and we have utilized those numbers in estimating the real estate taxes for the initial budget year and the first post construction tax year. We caution you that we have found that the assessment practices of the New York City Department of Finance are notoriously inconsistent in assessing properties during and immediately after the course of construction and it is possible that there may be a substantial deviation from our estimate in the assessed value for the 2022/2023 tax year. **Prospective purchasers should be aware that the taxes projected for the initial budget year are temporarily and artificially low solely as a result of the property being assessed for the first six months of the initial budget year as a building in the course of construction.**

Therefore assuming the class 4 tax rate increases to $11.00 for each $100 of assessed valuation we make the following projections of the real estate taxes ***prior to any abatements or exemptions*** for the initial budget year January 1, 2022 through December 31, 2022 and the first post construction tax year July 1, 2022 through June 30, 2023:

Community Facility Units

January 1, 2022 through June 30, 2022 (6 Months of the 2021/2022 Tax Year)

Assessed Value	Tax Rate	Tax (6 Months)
$1,610,514	11.00%	$88,578

July 1, 2022 through December 31, 2022 (6 Months of the 2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax (6 Months)
$3,000,000	11.00%	$165,000

July 1, 2022 through June 30, 2023 (2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax
$3,000,000	11.00%	$330,000

Parking Unit

January 1, 2022 through June 30, 2022 (6 Months of the 2021/2022 Tax Year)

Assessed Value	Tax Rate	Tax (6 Months)
$805,257	11.00%	$46,992

July 1, 2022 through December 31, 2022 (6 Months of the 2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax (6 Months)
$1,500,000	11.00%	$82,500

July 1, 2022 through June 30, 2023 (2022/2023 Tax Year)

Assessed Value	Tax Rate	Tax
$1,500,000	11.00%	$165,000

Estimated Initial Community Facility Budget Year Real Estate Taxes	$253,578
Estimated Post Construction Community Facility Real Estate Taxes	$330,000
Estimated Initial Parking Unit Budget Year Real Estate Taxes	$129,492
Estimated Post Construction Parking Unit Real Estate Taxes	$165,000

Based upon our previous experience with such proceedings and with information you or your agents have furnished to us, we have issued the within letter which the specific understanding our opinion is merely an estimate and is not a guarantee of the amount of future real estate taxes. In no event will we, as Sponsor's real estate tax counsel, be liable to you or any unit purchaser for any reason, including, but not limited to, changes in the facts on which we have relied in issuing this opinion, changes in the applicable statutes, rules and regulations of the City of New York, or changes in the decisional laws or administrative agency rulings, or changes in the interpretations and policies on which we have relied which cause this opinion to be inaccurate.

Interested parties should be aware that the estimate of the real estate tax assessments and taxes for the initial and post construction years cover a period into the future. Neither we nor

any person can guarantee what the real estate taxes will be at any future date. The estimates set forth in this letter are merely our opinion. Changes in economics, law or policies of government agencies may radically change the opinions expressed herein.

Our firm has an extensive practice in real estate tax review matters and in tax exemption/ tax abatement applications, and the writer when a partner in his former firm represented the owners of approximately 3,000 buildings in the City of New York and filed applications for correction of the tax assessments and tax exemptions/tax abatements on these properties. The writer of this opinion has been engaged in such practice for a period in excess of 40 years. Additionally, the writer is the former chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a past director of both the New York State Builders Association and the Associated Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is currently a director and is a former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

The opinion expressed herein is that of the undersigned and does not purport to express the opinion of the New York City Department of Finance or any city or government agency. That Department's opinions may result in substantially different total taxes than the taxes estimated herein. This opinion letter is given as of the date hereof and we disclaim any obligation to you or any unit purchaser of any change which hereafter may be brought to our attention. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

KORNGOLD POWERS, LLP.

By: Paul J. Korngold

XXIII. RESERVE FUND

The Condominium budget includes a Reserve Fund line item to be used for future major capital improvements of the Condominium. In view of the fact the Condominium will be new construction it is not anticipated that there should be any major capital repairs or replacements during the first five (5) years of operation of the Condominium. If additional funds are required over and above said funds, it may be necessary to increase the Common Charges payable by the Unit Owners, collect a Special Assessment from each Unit Owner or borrow money.

During the period Sponsor is in control of the Board of Managers, the Reserve Fund will not be used to reduce the estimated Common Charges.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of the reserve fund.

Article VI, Section 3 of the By-Laws authorizes the establishment of a Reserve Fund.

XXIV. WORKING CAPITAL FUND

At Closing the Sponsor will collect an amount equal to two (2) month's 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. If any portion of the working capital funds are used during this period to pay for items in the budget set forth as Schedule B, such amounts will be repaid to such fund out of Common Charges collected. At such time as the Sponsor relinquishes control of the Board of Managers the working capital fund will be turned over to the Board.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of such funds.

XXV. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

The Sponsor has engaged the services of G Buddy Inc., (the "Agent"), located at 2026 60th Street, Brooklyn, New York 11204, to manage the Condominium. The term of the Management Agreement (the "Agreement") shall be for a period of one (1) year at an annual fee of $7,200.

The Managing Agent has been involved in the management of real estate since 2010. The company manages residential and commercial real estate in the New York City area. The Managing Agent's fee is at the prevailing rate for similar services in Kings

County. Purchasers should refer to Section XXVI, Identity of Parties, for a list of other properties managed by the Managing Agent.

The Property Manager shall furnish all those services, including, but not limited to, management of contractors providing services as follows:

Administrative Management

1. Conduct initial audit of all existing vendor contracts and provide modification or continuation recommendation to the Board of Managers.

2. Prepare and issue payments to service providers following approval by the Board of Managers.

3. Provide assistance to Officers and Members of the Board Members with regards to specific fiduciary duties.

4. Publish Board of Manager meetings, maintain attendance and respond to inquiries regarding property management issues.

5. Maintain property records, including Board of Managers meeting materials and respond to requests for copies by community residents.

6. Conduct timely preparation of annual audit, in coordination with the Board of Managers.

7. Monitoring and arrange all move in and out activity.

8. Provide bookkeeping services, including but not limited to preparation of:

   (a) Yearly budget.
   (b) Monthly financial reports.
   (c) Common Charges collection reports.
   (d) Bank reconciliation.

9. Provide 24/7 emergency contacts.

Property Maintenance

1. Establish and ensure proper procedures are followed for applying for required permits and securing licensed and insured vendors to conduct business on the property.

2. Maintain common areas of property, including maintenance and repairs.

3. Ensure all building facilities in clean and good condition.

4. Conduct routine property walk-through, identify violations and document areas for improvement.

5. Provide training and monitoring for all building staffs, on-site manager, doorman, janitor and building maintenance person.

6. To comply all NYC Fire & Building Code, schedule and monitoring all inspection which are included:

7. To comply with all NYC local laws.

The Managing Agent is not affiliated with the Sponsor and does not have any financial interest in the Property except for its management fees for managing the Condominium. A copy of the full Management Agreement is available upon request at the site.

XXVI. IDENTITY OF PARTIES

Sponsor and Selling Agent

The Sponsor is 823 39th Street Brooklyn, LLC, a New York limited liability company created on May 21, 2013, with a New York address at 34-28 Collins Place, New York, New York 11354. The Managing Member and sole principal of the Sponsor is Kuang Ming Kwok with a business address at 20343 Rimview Place, Walnut, California 91789. Kuang Ming Kwok has been involved in the wholesale food industry since 2006.

Neither the Sponsor nor its principal currently own ten (10%) percent or more of any units in any other condominium, cooperative or homeowner associations.

The Sponsor will also act as its own Selling Agent.

Managing Agent

The Managing Agent, G Buddy Inc., 2026 60th Street, Brooklyn, New York 11204, has been involved in the management of real estate since 2010. The company manages residential and commercial real estate in the New York City area, including the following:

54 Canal Street, New York, New York
16 East Broadway, New York, New York
446 Broadway, New York, New York
78 Ridge Street, New York, New York
185 Canal Street, New York, New York
125 Canal Street, New York, New York
126 and 128 Baxter Street, New York, New York
136-33 37th Avenue, Flushing, New York
31 Henry Street, New York, New York
217 Grand Street, New York, New York
1 East Broadway, New York, New York
337 East 62nd Street, New York, New York

859 60th Street, Brooklyn, New York
42-35 Main Street, Flushing, New York

Attorneys

Certilman Balin Adler & Hyman, LLP, 90 Merrick Avenue, 9th Floor, East Meadow, New York 11554, counsel of 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 Certilman Balin Adler & Hyman, LLP. The individual partner in said firm responsible for the preparation of the Offering Plan is Richard Herzbach, Esq.

Certilman Balin Adler & Hyman, LLP will also represent the Sponsor in connection with the individual Unit Closings and will act as the Escrow Agent as described in Section XII of the Offering Plan. Said firm 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.

Korngold Powers LLP, 60 East 42nd Street, Suite 4600, New York, New York 10165 prepared the real estate tax opinion. Said firm 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 for the opinion letter.

Architect

The architectural firm that prepared the report in Part II and which executed the Certification in Part II is Michael Kang PLLC, with offices located at 11 Broadway, Suite 410, New York, New York 10004. 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 architectural firm has had prior experience in the preparation of plans and specifications for other condominiums in the Metropolitan area.

XXVII. REPORTS TO UNIT OWNERS

As provided for in Article XIII, Section 5 of the By-Laws it is the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

(i) a financial statement of the Condominium prepared by a certified public accountant or public accountant; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided no later than four (4) months after the close of the fiscal year.

(ii) prior notice of the annual Unit Owners' meeting; and

(iii) a copy of the proposed annual budget of the Condominium within thirty (30) days of its date of adoption.

During the period Sponsor retains control of the Board of Managers of the Condominium, the Sponsor shall be required to provide certified financial statements for the Condominium. The cost of such reports shall be a Condominium expense. In addition, during said period the Sponsor will be required to provide a Certification of Adequacy of the budget for the Condominium from a Managing Agent or other expert who is unaffiliated with the Sponsor.

XXVIII. 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 (6) 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 Unit.

XXIX. GENERAL

Pending Litigation

As of the date of this Offering Plan, there is no litigation or administrative proceedings pending against the Condominium or the Sponsor or any other party which would affect their ability to perform their obligations relating to this offering, or which would in any way affect this offering.

Prior Offerings

This property has not been the subject of any prior public offerings.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that it will not discriminate against any person because of his or her race, creed, sex, sexual orientation, color, age, disability, marital status, national origin or ancestry in the sale of 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 Deposit made therewith with interest, if any. No person has been authorized to make any representation which is not expressly contained herein. This Plan may not be changed or modified orally.

General

The property that abuts the Condominium located at 833 39th Street, Brooklyn, New York ("the Abutting Property") is being developed by the Sponsor as a hotel and will initially be owned by the Sponsor or an affiliated owner of the Sponsor (the "Abutting Property Owner"). A portion of the Garage Unit is located directly under the Abutting Property. The Abutting Property will not be a part of the Condominium. Notwithstanding, the Abutting Property may have certain lines, wires, pipes, conduits, cable television, sewers and drainage lines and any other utility, structural or mechanical equipment that is located in or on the Condominium Property and which services the Abutting Property. The Abutting Property Owner will enter into a maintenance agreement with the Condominium to maintain and repair such facilities. As a result, the Abutting Property Owner shall have an easement in, through and across the Condominium for the purpose of any maintenance, repair or replacement to any lines, wires, pipes, conduits, cable television, sewers, and drainage lines and any other structural or mechanical equipment that maybe located in or on the Condominium Property and which services the Abutting Property. The Abutting Property Owner shall also have an easement in, through and across the Condominium for the purposes of any maintenance, repair or replacement to the Abutting Property that may be required for such purpose and pursuant to the maintenance agreement between the Abutting Property Owner and the Condominium.

XXX. SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION

Sponsor adopts the Description of Property set forth in Part II of the Plan. Sponsor has no knowledge of any material defects or need for major repairs except as set forth in the Description of Property Report set forth in Part II of the Plan. Purchasers should be aware that they may be living in an active construction site after they close on

their Unit. During this period of construction there may be dirt and debris and construction material on site, construction vehicular traffic, construction noises, unfinished areas of the Development and other inconveniences which are normal in a community undergoing construction. It is anticipated that construction of the Condominium will be complete by January 1, 2022 subject to circumstances beyond Sponsor's control such as weather conditions, labor strikes, material shortages, acts of God and sales conditions.

823 39th Street Brooklyn, LLC
Sponsor

Dated: June 14, 2021
East Meadow, New York

OFFERING STATEMENT

825 39TH STREET COMMERCIAL CONDOMINIUM

825 39th Street
Brooklyn, New York 11232

PART II

SCHEDULE D

PURCHASE AGREEMENT

NON-RESIDENTIAL PURCHASE AGREEMENT

Community Facility Unit No. _____ **Date** _____

Anticipated Closing Date: _____

Seller: 823 39th Street Brooklyn, LLC

Address: 34-28 Collins Street, Flushing, New York 11354

Purchaser(s): _____

Address: _____

Telephone Number(s): _____

E-Mail Address: _____

Purchaser's Attorney: _____

Attorney's Contact Information: _____

Phone:_____Fax: _____
E-mail:_____

Seller and Purchaser agree as follows:

1) **PURCHASE PRICE:**

Community Facility Unit	$_____
Builder upgrades, extras, options, custom or special work (collectively, "Extras")	$_____
	TOTAL $_____

PAYABLE AS FOLLOWS:

On the signing of this Purchase Agreement, __% of the Purchase Price ("Deposit")	$_____
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 $_____

All Deposits may be wired to:
Name of Account: Certilman Balin Adler & Hyman, LLC Escrow Account for 825 39th Street Commercial Condominium
Bank: Valley National Bank
ABA:
Account Number:

Any payment made by check is accepted subject to collection. If any check tendered is not honored, Purchaser shall deliver a certified check or bank cashier's check to Seller to replace 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 Deposit 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 CERTIFIED CHECK OR OFFICIAL BANK TELLER'S CHECK DRAWN 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 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 PURCHASER'S OBLIGATIONS HEREUNDER.

2) **DESCRIPTION OF UNIT** - Seller agrees, at its own cost and expense, to erect and complete, and Purchaser shall purchase from Seller, the condominium unit(s) known as Community Facility Unit No. _____ (the "Unit"), together with a _____ Percentage of Common Interest for the Unit in the Common Elements of the condominium ("Common Elements") known as 825 35th Street Commercial Condominium ("Condominium") and as described in the Declaration of Condominium recorded or to be recorded in the Office of the Register of the City of New York, built or to be built by Seller on property comprising the Condominium Map ("Property") filed or to be filed in the Office of the Register of the City of New York. 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 substantially in accordance with the plans as filed or to be filed with the Building Department of the City of New York, New York County. All dimensions are approximate and may vary from the floor plans.

3) **OFFERING PLAN** - Seller has exhibited and delivered to 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 herein. 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. 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. Any defined term set forth in this Purchase Agreement, which is not specifically defined herein, shall have the meaning ascribed to it in the Plan. Any conflict between the Offering Plan and the Purchase Agreement will be resolved according to the terms of the Offering Plan.

Purchaser shall deliver all documents to Seller and perform all acts required by Seller to carry out the provisions of the Plan, establish the Condominium and conform to all applicable laws and regulations. This Paragraph shall survive Closing and delivery of the deed.

4) **MORTGAGE FINANCING** - This Purchase Agreement is not conditioned upon Purchaser obtaining mortgage financing. In the event Purchaser is unable to obtain a mortgage, this Purchase Agreement shall remain in full force and effect and Purchaser shall have an ongoing obligation to consummate the transaction. If Purchaser does not consummate the transaction and close title to the Unit as a result of Purchaser's inability to obtain a mortgage, Purchaser will be in default under this Purchase Agreement and Seller may retain all monies as provided for in Paragraph 21 herein.

5) **CLOSING** – 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 this Purchase Agreement is an approximate date and Seller cannot make any guarantees that such date will be the actual Closing Date. Seller shall have the right to adjourn or accelerate such Closing Date as provided herein. The Closing shall take place at such time and place and on such date as Seller shall designate by prior written notice ("Notice for Closing") delivered in accordance with Paragraph 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 the execution and delivery of a waiver in the form set forth as Schedule D-4 to the Purchase Agreement in the Plan, annexed hereto and made a part hereof.

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 closing attorney, Certilman Balin Adler & Hyman, LLC (hereinafter

"Seller's Closing Attorney"). Purchaser shall pay to Seller's Closing Attorney a travel fee in the sum of $ 1,000. The Closing may not take place in any location other than the office of Seller's Closing Attorney without Seller's prior written consent.

In the event the Closing is adjourned, with or without Seller's consent, at the request of Purchaser, Purchaser's attorney, Purchaser's lender or the attorney for Purchaser's lender, within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Seller's Closing Attorney an adjournment fee in the sum of $ 1,000.

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 ("Notice of Cancellation") to the other no later than ten (10) days after expiration of such 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 this Purchase Agreement. Upon receipt of the Notice of Cancellation, Seller shall refund to Purchaser, subject to the escrow provisions as disclosed in Section XIII of the Plan and Paragraph 29 of this Purchase Agreement, all payments, other than Extras which (i) have been installed by Seller, (ii) not installed but paid for by Seller or (iii) not installed but which have been ordered by Seller and for which Seller is obligated to pay, unless the Plan has been abandoned by Seller. Thereafter, neither party shall have any further liability or obligation to the other in connection with this Purchase Agreement. In the event the Plan has been abandoned, Purchaser shall be entitled to a refund of all monies paid towards Extras. In the event Seller shall be unable to convey title to the Unit within twenty-four (24) months of the proposed date of delivery through no fault of Purchaser, this Purchase Agreement shall be deemed null and void and Seller shall return all monies being held in escrow within thirty (30) days thereafter. The above dates are subject to Force Majeure. "Force Majeure" shall mean unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, pandemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Seller. In the event of a delay due to Force Majeure the above time frames shall be tolled for the length of the period during which such performance was excused, and such tolling shall not entitle Purchaser to any credit, offset, or reduction in Purchase Price or to be relieved of any other obligation under the Purchase Agreement. However, none of Purchaser's rights under the applicable regulations promulgated by the Attorney General, Article 23 of the General Business Law or under the Plan shall be abridged by virtue of Force Majeure except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency, or by executive order. Purchaser is specifically advised that the timing of the closing of title to the Unit may be significantly delayed in the event that Seller exercises its tolling rights under the foregoing Force Majeure provision.

6) **CLOSING COSTS** - In addition to all other sums payable or reimbursable elsewhere under this Purchase Agreement, at Closing Purchaser shall 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 and 1402-b 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 the recording of all documents in connection with this transaction including, without limitation, any mortgage, the deed, power of attorney, affidavits required pursuant to Section 339-ee of the New York State Real Property Law and any mortgage releases, terminations and UCC-3s;
(i) a sum equal to the partial mortgage tax credit to which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller, if permitted;
(j) an initial non-reimbursable capital contribution equal to the equivalent of two (2) months Common Charges to the Condominium;
(k) a pro-rata reimbursement of the Condominium's current year's insurance premium;
(l) water tap fee of $1,000;
(m) sewer tap fee of $1,000;
(n) survey fee of $1,000;
(o) $150 fee for the completion of any lender's mortgage questionnaire;
(p) any other municipal and/or utility company fees applicable to the Unit;
(q) $3,750 to Seller's Closing Attorney for the preparation of the closing documents;
(r) $750 to Seller's Closing Attorney for the preparation of the New York City "ACRIS" transfer documents; if prepared by Seller's Closing Attorney;
(s) $ 1,000 adjournment fee in the event the Closing is adjourned within forty-eight (48) hours of the actual Closing Date;
(t) $1,000 assignment fee to Seller's Closing Attorney in the event the Purchase Agreement is assigned with the consent of the Seller; and
(u) $1,000 cancellation or release fee to Seller's Closing Attorney in the event

the Purchase Agreement for each cancellation and/or release if prepared by Seller's Closing Attorney;

(v) $1,000 travel fee to Seller's Closing Attorney if the Closing takes place at any location other than the office of the Seller or Seller's Closing Attorney.

Seller shall also be entitled to any other costs referenced in Section XV of the Plan if not specifically contained herein.

Purchaser shall also apportion with Seller as of the end of the day prior to Closing, and pay to Seller at Closing, the apportioned amount due for taxes, Condominium Common Charges, sewer use, water use, fuel oil (if any), electricity, gas and any other utility costs. Purchaser shall also pay the deposits required by Purchaser's lender to establish the estimated or escrow fund for future payments of taxes, Condominium Common Charges, sewer use and insurance premiums (if applicable). In the event the title company, with Seller's prior written consent, 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 the 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 each day beyond such originally scheduled or Seller adjourned Closing Date, to and including the date of actual Closing, for reimbursement and defrayal of Seller's carrying costs and other charges, which amount Purchaser acknowledges to be reasonable and proper.

Any errors or omissions in computing apportionments or any other sums payable under this Paragraph which are communicated to the other party within six (6) months after Closing shall be corrected and payment made to the proper party promptly after such communication. This Paragraph shall survive Closing and delivery of the deed.

7) **SEVERANCE OF MORTGAGE -** Purchaser shall use its best efforts to direct Purchaser's lender (i) to accept an assignment of the existing mortgage(s) encumbering the Property, as severed, to encumber only the Unit and its appurtenant percentage of Common Interest in the Common Elements, and (ii) to cooperate with Seller and Seller's existing lender as necessary to effectuate such assignment. If applicable, Purchaser shall execute at Closing the affidavit required pursuant to Section 255 of the Tax Law of the State of New York. It is agreed and understood that Seller shall receive, as a credit from Purchaser at Closing, a sum equal to the full mortgage tax credit which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller on the amount of Purchaser's mortgage. The foregoing credit shall be paid by Purchaser regardless of whether Purchaser's lender accepts the assignment of Seller's existing mortgage, as severed.

8) **MORTGAGE(S) -** All terms and provisions of this Purchase Agreement and all payments made hereunder are and shall be subject and subordinate to the lien of any acquisition, improvement, interim or building loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon, to the full extent thereof without the execution of any further documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the loan schedule of payments or accelerated thereunder by virtue of the lender's right to make advances before they become due in accordance with the schedule of payments. Seller shall satisfy all such mortgages or obtain a release of the Unit and its appurtenant percentage of Common Interest in the Common Elements from the liens of such mortgage(s) at or prior to Closing, unless Purchaser shall be required to take title subject to the existing mortgage(s), as severed and converted to Purchaser's individual mortgage encumbering the Unit.

9) **DEED AND ENCUMBRANCES UPON OWNERSHIP** - The deed to be given by Seller to Purchaser at Closing shall be a Bargain and Sale Deed with Covenants against Grantor's Acts, but subject, nevertheless, to the matters set forth in sub-paragraphs (a) through (f) below and any additional exceptions set forth in Section XIV of the Plan, as it may be amended, 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 transfer tax and New York 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 of the State of New York. Purchaser shall accept such title to the Unit subject to the liens, encumbrances and other matters set forth in this Purchase Agreement, as Advantage Title, 201 Old Country Road, Melville, New York 11747, Attention: Kathy Randazzo (the "Advantage Title") as agent for a title underwriter 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 other title insurance underwriter or abstract company, or Purchaser may decline to obtain any title insurance at all.

Purchaser shall be responsible for payment to the title company of the entire premium for Purchaser's title insurance and shall pay the applicable New York State transfer tax and New York City transfer tax and the Mansion Tax, if applicable. Purchaser shall also be responsible for payment to the title company for the entire premium of Purchaser's lender, if any, and all title charges relating to Purchaser's lender.

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 or the Common Elements for their intended purposes.

(c) Declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of the Unit or the Common Elements 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 Closing Attorney within thirty (30) days of Purchaser's attorney's receipt of a fully executed Purchase Agreement, a written notice setting forth each objection to title, if any (other than those specifically set forth herein subject to which the Unit is 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.

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 to the Plan ("Power of Attorney"), in favor of the Board of Managers of the Condominium relative to leasing and purchasing of units in the Condominium under certain circumstances and to foreclose upon units in the Condominium for which the payment of Common Charges is delinquent, and in favor of Seller relative to amending the Condominium documents to the extent provided for in the Plan. Purchaser further agrees to execute and pay for any recording fees in the event the form required to be used for a Power of Attorney is revised subsequent to the date of the Closing. This Paragraph shall survive Closing and 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 Advantage Title, or another title or abstract

company licensed to do business in the State of New York 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 reasonably required by said company and/or the depositing of money not to exceed the net Purchase Price due Seller after payment of Seller's closing expenses and mortgage release amount. The parties agree that 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 Purchaser at the time of Closing.

13) **EXTRA WORK AND EXTRA ITEMS ORDERED BY PURCHASER -** Any Extras 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 Extras shall not entitle Purchaser to cancel this Purchase Agreement even if Purchaser has already paid for such Extras. Purchaser's only right, in the event of Seller's failure to perform the work required to install or actually install such Extras, is to receive a credit at Closing equal to the total payments made to Seller for such Extras. All Extras must be ordered prior to commencement of construction and must not delay construction. In the event Purchaser orders Extras other than the standard Extras ordered 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. **All funds received by Seller for Extras will initially be placed in the Escrow Account (as set forth in Paragraph 29 herein). Such funds may be released from the Escrow Account as long as Seller uses the funds for such Extras.** As noted as a Special Risk in the Plan, in the event Purchaser is entitled to rescission, Purchaser will not receive a refund of any funds paid for Extras which (i) have been installed by Seller, (ii) not installed but paid for by Seller or (iii) not installed but which have been ordered by Seller and which Seller is obligated to pay unless the Plan has been abandoned. In the event the Plan is abandoned, Purchaser shall be entitled to a receive a refund of all funds paid to Seller for such Extras. Seller shall have no responsibility for any work, fixtures, appliances, equipment, or materials not ordered directly from Seller by Purchaser.

14) **OPTIONS AND COLOR SELECTIONS** - Any options offered by Seller to Purchaser with respect to colors, products, materials, design, features and similar matters shall be made by Purchaser in writing at Seller's office or the sales office, within ten (10) days after notification to Purchaser to select such options. If Purchaser fails to inform Seller of Purchaser's final selections choice within such ten (10) day period, Seller shall make the selection on Purchaser's behalf and Purchaser shall accept such selection. No claim or objection to Closing shall be made by Purchaser because of any selection made by Seller in the event Purchaser failed to give Seller timely notice of Purchaser's final selections.

15) **NO INSPECTIONS DURING CONSTRUCTION** - Purchaser acknowledges that unsupervised visits to the Property 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 Property and shall only have the right to visit the sales office. Any unauthorized visits to the Property by Purchaser are subject to a charge by Seller of $500.00 per visit, which Purchaser agrees to pay to Seller within ten (10) days of Seller's demand thereof.** Purchaser hereby releases and indemnifies, defends, and holds Seller harmless from and against all claims and liabilities incurred by Seller resulting from the presence of Purchaser or Purchaser's agents, licensees, 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-5 to the Plan, annexed hereto and made a part hereof.

16) **PURCHASERS' INTERFERENCE** - Purchaser acknowledges that it may not interfere with Seller's ability to construct or renovate the Unit or other unit(s) or facilities, including interference with work performed on the Property by Seller's staff, contractors or subcontractors in connection with the construction of the Unit or any other units, attempts to hire any of Seller's staff, contractors or subcontractors, and/or attempts to bring contractors, materialman, subcontractors or workers onto the Property for work to the Unit prior to Closing, unless otherwise agreed to in writing by Seller.

17) **POSSESSION OF THE UNIT PRIOR TO CLOSING** - Neither Purchaser nor anyone acting on Purchaser's behalf may enter or take possession of all or 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.

Seller will accept no liability whatsoever for any property belonging to 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 Seller, whatever its nature, shall constitute a waiver of this Paragraph.

18) **CHANGES BY SELLER -** In constructing 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 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) change the location and type of units to be constructed in the Condominium; (d) determine whether existing trees, shrubs and other plant life on the Property are to be moved or removed, (e) add or remove retaining walls on the Property where required by grade conditions; (f) determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, mailboxes; and (g) make any other changes required by the City of New York or any other municipal or governmental agency having jurisdiction over the Property.

19) **COMPLETION OF CONSTRUCTION; PURCHASER'S INSPECTION -** Purchaser shall accept title (without abatement or credit against the Purchase Price or provision for escrow) notwithstanding that construction or renovation of (a) minor details of the Unit or the Building, or (b) other unit(s) in the Condominium, or (c) the landscaped areas of the Property, or (d) other portions of the Common Elements have not been completed. Purchaser will inspect the Unit with a representative of 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. Purchaser agrees to accept the Pre-Title Inspection Statement wherein 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. 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 final Certificate of Occupancy for the Unit (or the Building) and, if available, a New York Board of Fire Underwriter's Certificate or equal for the Unit. Purchaser represents and agrees that Purchaser will not do anything within their Unit to prevent the extension or renewal of a temporary Certificate of Occupancy or the issuance of a final Certificate of Occupancy. Purchaser further acknowledges that Seller will have no liability nor responsibility to Purchaser or to make improvements to the Unit in the event Purchaser has made changes to the Unit that prevents the extension or renewal of a temporary Certificate of Occupancy or the issuance of a final Certificate of Occupancy by the Department of Buildings of the City of New York and Purchaser shall reimburse Seller within ten (10) days following demand therefore for any and all costs incurred by Seller with respect to same.

21) **UNIT PART OF DEVELOPMENT** - Purchaser acknowledges that they may be occupying an active construction site after Closing on the Unit. During the period of 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 is completed in accordance with the Plan. Accordingly, Purchaser agrees that such continuing construction shall not be deemed a nuisance or an interference with Purchaser's quiet enjoyment of the Unit after Closing. This Paragraph shall survive Closing and the delivery of the deed.

22) **PURCHASER'S DEFAULT** - If Purchaser fails to appear and close title in accordance with this Purchase Agreement on the date and at the time and place stated in the Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed 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 as per Paragraph 13 of this Purchase Agreement. Purchaser acknowledges said amount to be fair and reasonable. Notwithstanding the foregoing, in the event the Plan is abandoned pursuant to its terms, Purchaser shall be entitled to the return of all monies paid towards Extras.

Prior to such funds being released to Seller, Escrow Agent shall send a notice to Purchaser of Escrow Agent's intent to release the funds being held in escrow on behalf of Purchaser pursuant to the escrow regulations as set forth in Section XII of the Plan and Paragraph 29 of this Purchase Agreement.

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE SUCH DEFAULT WITHIN SUCH THIRTY (30) DAY PERIOD.

Upon cancellation of this Purchase Agreement for Purchaser's failure to timely cure any 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, at law or in equity 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 Deposit and any funds paid for Extras to Purchaser, together with written notice of cancellation, in the event of the occurrence of any of the following:

(a) any governmental authority imposes a ban on the construction or completion of the Building and/or the Unit 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 and/or the Building; 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, force majeure 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 and/or the Commercial Units of the Condominium, either presently in effect or as enacted or promulgated in the future, which create or impose requirements upon 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 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 Deposit. 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 the City Register of the City of New York by Purchaser or on behalf of Purchaser. 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 Purchaser shall cease and terminate and Seller shall have the right to retain, as liquidated damages, the Deposit and all amounts paid by Purchaser for Extras which have (i) been installed by Seller, (ii) not been installed, but paid for by Seller or (iii) have been ordered by Seller and for which Seller is obligated to pay pursuant to the provisions of Paragraph 22 of this Purchase Agreement. Seller shall have the right to assign this Purchase Agreement to a successor and/or designee of Seller.

26) **PROHIBITION AGAINST SIGNS ON THE UNIT** - Purchaser shall not place any sign on the Unit or Property until Seller has closed title to all of the Units in the Condominium without Seller's prior written consent. This Paragraph shall survive Closing and delivery of the deed.

27) **PROHIBITION AGAINST ADVERTISING OF THE UNIT FOR SALE** - From and after the date hereof through Closing, 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. Such action shall constitute a material breach of this Purchase Agreement entitling Seller to retain all monies paid on account of this Purchase Agreement, including, without limitation, the Deposit and any Extras, as liquidated damages.

28) **NO BROKER CONSULTED BY PURCHASER** – Purchaser represents that no broker other than Seller's broker, _____ ("Broker") brought about this sale, and Purchaser agrees to indemnify Seller against any and all claims brought by any broker other than Broker for brokerage commission based upon Purchaser's acts. Seller shall pay Broker pursuant to a separate agreement between Seller and Broker. In the event Purchaser is represented or has consulted with an outside broker (other than Broker),

Purchaser shall be responsible for any and all costs and commissions associated therewith, and Seller shall not be responsible for any co-broker commission. This Paragraph shall survive Closing and delivery of the deed.

29) **TRUST FUNDS/ESCROW PROVISIONS** - The Deposit and all other deposits or advances ("Deposit") made by Purchaser prior to Closing shall initially be held in a segregated escrow account held by Escrow Agent (as hereinafter defined) pursuant to the following:

(a) The law firm of Certilman Balin Adler & Hyman with an address at 90 Merrick Avenue, East Meadow, New York and telephone number (516) 296-7000, shall serve as an escrow agent ("Escrow Agent") for Seller and Purchaser. Escrow Agent has designated the members of the firm to serve as signatories. All designated signatories are admitted to practice law in the State of New York. Neither Escrow Agent nor its authorized signatories on the account are Seller, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(b) Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its courts for any cause of action arising out of this Purchase Agreement or otherwise concerning the maintenance or release of the Deposit from escrow.

(c) The Escrow Agent has established the escrow account at Valley National Bank at its branch located at 501 North Broadway, Jericho, New York 11753 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "825 39th Street Commercial Condominium IOLA Escrow Account" ("Escrow Account"). The Escrow Account is an IOLA account pursuant to Judiciary Law § 497. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per Deposit. Any Deposit in excess of $250,000 will not be insured.

(d) All monies received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments approved by Seller, and shall be made payable to or endorsed by Purchaser to the order of the Escrow Agent.

(e) Pursuant to Section 497 of the Judiciary Law of the State of New York, all interest earned on the IOLA account will be paid to the State of New York. No fees of any kind may be deducted from the Escrow Account, and Seller shall bear all costs associated with the maintenance of the Escrow Account.

(f) Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8BEN annexed hereto as

Schedule "D-5" as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

(g) Within five (5) business days after this Purchase Agreement has been tendered to Escrow Agent along with the Deposit, Escrow Agent shall sign this Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of placing the Deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Seller, confirming that the Deposit has been deposited. The notice shall provide the account number. Any Deposits made for Extras shall initially be deposited into the Escrow Account and released as long as Seller uses the funds for such work as per Paragraph 13 of this Purchase Agreement.

(h) Escrow Agent is obligated to send notice to Purchaser once the Deposit is placed in the Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, Purchaser may cancel this Purchase Agreement within ninety (90) days after tender of this 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, 21st Floor, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Office of the Attorney General of the State of New York 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 Purchaser.

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

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

(k) Escrow Agent shall release the Deposit if so directed:

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

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

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

If Escrow Agent is not directed to release the Deposit pursuant to paragraphs (i) through (iii) above, and Escrow Agent receives a request by either party to release the Deposit, then Escrow Agent must give both Purchaser and Seller 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 such thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both parties informing them of said release. If Escrow Agent receives a written notice from either party objecting to the release of the Deposit within such thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (i) through (iii) above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit with the clerk of the county where the Unit is located and shall give written notice to both parties of such deposit. Escrow Agent shall disburse Purchaser's deposit(s) escrowed under this Purchase Agreement within twenty (20) business days after the escrowed funds are permitted to be released in accordance with this Purchase Agreement.

Seller shall not object to the release of the Deposit to:

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

(ii) all purchasers after an amendment to the Plan 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.

(l) 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 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 this Purchase Agreement, the Plan, or any amendment thereto.

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

(n) 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).

(o) 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.

(p) No disbursement or need will be made by Escrow Agent until the Deposit has actually and finally cleared Escrow Agent's account.

(q) Escrow Agent shall only be responsible for monies actually received and cleared, and monies earned thereon, if any.

(r) Escrow Agent undertakes to perform only such duties as are expressly set forth in this Purchase Agreement and the Escrow Regulations as amended on November 14, 2012 promulgated by the Office of the Attorney General of the State of New York, and no implied duties or obligations shall be read into this Purchase Agreement against Escrow Agent.

(s) Seller agrees that Seller and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within five (5) business days of tender of the Deposit by Purchaser.

(t) Seller agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

(u) The following record keeping provisions shall apply:

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

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

(v) Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Seller from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

(w) Seller agrees to defend, indemnify and hold Escrow Agent harmless from and against any and all costs, claims, expenses, demands, causes of action, liability, judgments and damages incurred in connection with or arising out of Escrow Agent's responsibilities 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.

(x) Escrow Agent shall not be liable for Seller's failure to tender Purchasers' funds to Escrow Agent within five (5) business days, for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by Escrow Agent's willful misconduct or gross negligence.

(y) Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner or execution, or validity of any written instructions delivered to it, nor as to the identity, authority, or rights of any person executing the same.

(z) The duties of Escrow Agent shall be limited to the safekeeping of the Deposits and for disbursements of same in accordance with the written instructions described in this Purchase Agreement.

(aa) This Paragraph 29 shall remain in effect unless and until the following:

(i) Written notice given by Seller to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor escrow agent; or

(ii) The resignation of Escrow Agent upon giving notice to Seller of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor escrow agent; or

(iii) All units offered pursuant to the Plan have been sold and all sales transactions have been consummated.

(iv) Escrow Agent shall have no responsibility to verify qualifications of any successor escrow agent.

(bb) Upon termination of the duties of Escrow Agent as described in Sub-paragraph 29(aa) above, Escrow Agent shall deliver any and all funds held by it in the Escrow Account and any and all contracts or documents maintained by Escrow Agent to the new escrow agent designated in the duly filed amendment related thereto.

(cc) Upon delivery of all funds held by Escrow Agent to the successor escrow agent pursuant to sub-paragraph 29(bb) above, this Paragraph 29 shall be terminated, and Escrow Agent shall be released from all liability hereunder.

(dd) Upon Escrow Agent disbursing any Deposit of Purchaser in accordance with the provisions of this Paragraph 29, Escrow Agent's obligations shall terminate as regards to the Deposit, and Escrow Agent shall thereafter be released of all liability in connection with Purchaser.

(ee) In the event of a good faith disagreement about the interpretation of this Paragraph 29, or about the rights and obligations, or the propriety, of any action contemplated by Escrow Agent hereunder, Escrow Agent may, in its sole discretion, retain the Deposit and payments in escrow and file an action and deposit any applicable funds in a court of competent jurisdiction to resolve said disagreement. Escrow Agent shall be indemnified by Seller for all costs, including reasonable attorneys' fees or reasonable value of services rendered by Escrow Agent's litigation attorneys representing Escrow Agent pro se in connection with the aforesaid action. No such action shall be filed where Escrow Agent's required course of action is clearly dictated within this Paragraph 29.

(ff) Any provision of any contract or agreement, whether oral or in writing, by which Purchaser purports to waive or indemnify any obligation of Escrow Agent is absolutely void. The provisions of the regulations pertaining to escrow funds as amended on November 14, 2012 shall prevail over any conflicting or inconsistent provision in the Plan, an amendment to the Plan or in this Purchase Agreement.

(gg) This Paragraph 29 shall be construed in accordance with and governed by the laws of the State of New York without giving effect to its conflict of laws provisions.

30) **NOTICES** - Any notices, statements, certificates, requests or demands required or permitted to be given or delivered under this Purchase Agreement shall be in writing and may be sent by mail, nationally recognized 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) upon personal delivery actually being made, and

(b) upon receipt, first refusal of delivery or when returned as undeliverable if delivered by: (i) the United States Post Office with proper postage prepaid, if sent by regular mail, registered or certified mail return receipt requested or (ii) nationally recognized overnight courier service.

Notwithstanding the foregoing, any notice of default must be delivered only by nationally recognized overnight courier service, personal delivery, or certified mail return receipt requested. Notice given by an attorney for a party shall be deemed effective notice as if given by such party.

31) **PURCHASER GENERAL REPRESENTATIONS -** Purchaser represents that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties or statements, written or oral, of any nature, including, but not limited to, any of the above relating to the description or physical condition of the Building or the Unit or the Property, the size or the dimensions of the Unit or the rooms therein contained or any physical characteristics thereof, the services offered by the Condominium, the estimated Common Charges for the Unit or any other matter or estimate not set forth herein and/or in the Plan. Purchaser further represents that Purchaser has not relied on any verbal or written representations made by Broker or any other agent of Seller. Purchaser further acknowledges having had full opportunity to examine all documents and investigate all facts referred to and stated herein and/or in the Plan. Seller shall have no liability or responsibility to Purchaser and Purchaser shall not be relieved from Purchaser's obligations hereunder by reason of any inaccuracy or error in the layout or dimensions of the Unit so long as the layout and specifications as they may be changed or amended are in accordance with the provisions of the Plan. Seller cannot guarantee a firm completion and availability date for the Unit and agrees that the Seller shall not be obligated to make, provide or compensate for any accommodations or costs to Purchaser as a result of construction delays nor shall such delays serve to cancel, amend or diminish any of Purchaser's obligations hereunder.

32) **ACKNOWLEDGMENT THAT THERE ARE NO OTHER UNDERSTANDINGS** - All prior understandings and agreements are hereby superseded and merged into this Purchase Agreement, which alone contains the final and entire understanding and agreement between Seller and Purchaser. Neither Seller nor Purchaser shall be bound by any terms, conditions, statements, or representations, oral or written, not set forth in this Purchase Agreement or in the 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. 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 the Building 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 Deposit paid by Purchaser; however, Purchaser will not receive a refund of any funds paid for Extras which (i) have been installed by Seller, (ii) not installed, but paid for by Seller or (iii) have been ordered by Seller and for which Seller is obligated to pay unless the Plan has been abandoned. The parties shall thereafter be released from any further liability hereunder. In the event a Purchaser takes actual possession prior to Closing, said Purchaser will assume the risk of losses not covered by insurance upon production of the policy by the Sponsor to the Purchaser which provides that actions of interim lessees are not covered under the then existing policy. If Purchaser is or becomes the occupant or tenant of the Unit prior to Closing, then, as of the date of Purchaser's occupancy, Purchaser shall be responsible for any and all damage caused by any acts or omissions of Purchaser, or Purchaser's agents, employees, invitees or family members.

If any part of the Unit is damaged or destroyed by any casualty prior to Closing, 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 shall 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 sole cost and 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; 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.

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 any and all court fees, including, without limitation, reasonable attorney fees, should Purchaser bring an action against Seller in any court of proper jurisdiction (including, without limitation, small claims court) and be unsuccessful. Purchaser hereby agrees to waive the right to file a lis pendens if not filed within sixty (60) days of the cancellation of this Purchase Agreement. 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 of competent jurisdiction in Kings County and all motions in any such action shall be made in Kings 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 Purchaser under this Purchase Agreement.

37) **MISCELLANEOUS -**

(a) The start of any activity by Seller in connection with the Unit is not to be deemed a waiver of any of Seller's rights under this Purchase Agreement.

(b) The personal property referred to in this Purchase Agreement shall be deemed conveyed by the deed, and no part of the Purchase Price shall be deemed allocated to such personal property.

(c) The attorneys representing Seller, or any lender represent such parties only and not Purchaser. Purchaser may retain independent counsel, at Purchaser's sole cost and expense, in order to protect Purchaser's interest.

(d) Seller's employees, agents and representatives are not authorized to make any representations regarding economic benefits to be derived from the transaction contemplated by this Purchase Agreement. Purchaser is advised that economic benefits to be derived from this transaction may vary with individual circumstances and/or market conditions, and Purchaser should rely only upon Purchaser's own attorney, accountant, or other counsel if guidance in such matters is desired.

(e) Purchaser acknowledges that Seller has the right to lower and/or increase the price paid for a similar unit and/or change the terms applicable to similar units. As a result, Purchaser may pay more or less and may receive better or worse terms than another purchaser for a similar unit.

(f) The delivery of the deed for the Unit to Purchaser or Purchaser's representative at Closing shall be deemed to mean that all things required to be done by Seller under this Purchase Agreement have been done and that Purchaser shall not claim otherwise except as to those things, if any, which are specifically stated in this Purchase Agreement or in a separate writing signed by Seller or Seller's Closing Attorney on Seller's behalf, to survive or continue beyond Closing and delivery of the deed.

(g) The paragraph headings set forth in this Purchase Agreement are inserted solely for convenience of reference and in no way deemed to affect, amend, define, describe or limit the scope or intent of the provisions set forth in this Purchase Agreement.

(h) No provision of this Purchase Agreement may be changed, waived, discharged, or terminated orally, by telephone, or by any other means, except an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge, or termination is sought and then only to the extent set forth in such instrument.

(i) Any singular word or term herein shall also be read as in the plural whenever the sense of this Purchase Agreement may require it. The use of the masculine gender shall be deemed to refer to the feminine gender, or neuter, whenever the context so requires.

(j) All capitalized terms shall be given the definition contained in Part I of the Plan unless otherwise indicated

(k) 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.

(l) 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.

(m) This Purchase Agreement shall not be binding or effective until fully executed and delivered by Seller and Purchaser.

(n) Seller represents that its Federal Employer Identification Number is _____; and Purchaser represents that his/her/their social security number(s) is _____ and _____.

(o) Purchaser shall execute the Tender of Escrow form, as set forth in Schedule "D-2" of the Plan upon execution of this Purchase Agreement and shall execute the Release Form, as set forth in Schedule "D-3" of the Plan, at Closing.

(p) 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.

(q) The parties agree that this Purchase Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to its conflict of laws provisions.

38) **CERTIFICATES AND MANUFACTURERS' WARRANTIES LIABILITY OF SELLER FOR DEFECTS (ONE-YEAR PERIOD) -** At the Closing, Seller will deliver the certificates and warranties delivered to them and transferable to Purchaser, or to the Condominium, and it is further agreed that title will not close without Purchaser's consent until a temporary or final Certificate of Occupancy has been issued covering the Unit. Seller's liability pursuant to the manufacturers' warranties covering heating, electric, plumbing and roofing are limited solely to the extent that such warranties are delivered to Seller, transferable to Purchaser or to the Condominium and then only as against such manufacturer. Except as otherwise set forth in this Purchase Agreement and in the Plan, Purchaser is purchasing the Unit "As Is". The provisions of this Paragraph 38 shall survive the Closing and the delivery of the deed.

39) **NOTICES TO PURCHASER - YOU, AS THE PURCHASER OF THE UNIT, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.**

WHEN SIGNED BY SELLER AND PURCHASER, THIS PURCHASE AGREEMENT SHALL 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 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.

SELLER:

823 39th Street Brooklyn, LLC

By: _____
Name:
Title:

PURCHASER:

_____

_____

Agreed to as to Paragraph 29 by Escrow Agent:

_____

By: _____

_____
Print Name and Title

SCHEDULE D-1

TENDER OF ESCROW FORM

TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of $_____, for Unit ____ at 825 39th Street Commercial Condominium located at 825 39th Street, Brooklyn, 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) _____
_____

By: _____
Purchaser

By: _____
Purchaser

RECEIPT

The SPONSOR/SELLING AGENT of the above-named property hereby acknowledges receipt of the above escrow deposit.

By: _____
_____
Title or Position

Date of Receipt: _____

SCHEDULE D-2

FORM TO RELEASE ESCROW FUNDS

FORM FOR THE RELEASE OF ESCROW FUNDS

Date

Certilman Balin Adler & Hyman, LLP
90 Merrick Avenue – 9th Floor
East Meadow, New York 11554

Re: **825 39TH STREET COMMERCIAL CONDOMINIUM**
Purchaser:
Community Facility Unit #:

Dear Sirs:

You have been holding in a trust account my/our Deposit for the above-referenced Community Facility Unit in the amount of $_____. I/we acknowledge that a Closing has taken place this date. Accordingly, Certilman Balin Adler & Hyman, LLP is authorized to release the funds being held in said amount to whomever the Sponsor so designates. In addition, Certilman Balin Adler & Hyman, LLP, as Escrow Agent on said account, is hereby released from any and all liability or further obligation to us with respect to said Deposit.

Very truly yours,

_____
Purchaser

_____
Sponsor's Representative

SCHEDULE D-3

WAIVER OF NOTICE OF CLOSING

WAIVER OF NOTICE OF CLOSING

STATE OF)
)ss.:
COUNTY OF)

_____, being duly sworn, does hereby depose and state:

1. I am the Purchaser of Community Facility Unit _____ at 825 39TH STREET COMMERCIAL CONDOMINIUM.

2. Pursuant to a Purchase Agreement dated _____, 20__, I am entitled to thirty (30) days' written notice of the closing for my Unit.

3. I hereby waive the applicable notice provision contained in the Purchase Agreement and agree to close on _____, 20__.

_____
Purchaser

Sworn to before me this __
_____ day of _____ 20__.

_____
Notary Public

SCHEDULE D-4

EXPRESS ASSUMPTION OF RISK

EXPRESS ASSUMPTION OF RISK

I/We _____ understand that by entering onto a construction site there are extraordinary risks of grave bodily injury and/or death. In consideration for being allowed to enter upon the premises herein, I expressly assume all risks associated with the construction site, including but not limited to:

1. Falling debris;
2. Falls associated with excavations, uncleared ice and/or snow incomplete sidewalks and roads and downed trees and/or bushes;
3. Injuries associated with incomplete construction;
4. Injuries associated with operating machinery;
5. Injuries associated with incomplete or no railings; and
6. Injuries associated with incomplete and/or insufficient lighting.

I/We _____ further agree to fully indemnify and hold harmless 823 39TH STREET BROOKLYN, LLC, its members, managers, officers, directors, principals, shareholders, successors and assigns for any and all damage to any personal property.

_____

_____

SCHEDULE D-5

W-9 FORM

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See **Specific Instructions** on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only **one** of the following seven boxes:

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any) _____
Exemption from FATCA reporting code (if any) _____
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–						

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here | **Signature of U.S. person ▶** | **Date ▶**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.ssa.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor[2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
5. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity[4]
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: *spam@uce.gov* or contact them at *www.ftc.gov/idtheft* or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

SCHEDULE E

POWER OF ATTORNEY

POWER OF ATTORNEY

I (We) the owner of Community Facility Unit No. _____ in the Condominium known as 825 39th Street Commercial Condominium covering the property located in Brooklyn, Kings County, New York, do hereby nominate, constitute and appoint the Members of the Board of Managers of 825 39th Street Commercial Condominium c/o 823 39th Street Brooklyn, LLC located at 34-28 Collins Street, Flushing, New York 11354, 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 hereby further irrevocably nominate, constitute and appoint 823 39th Street Brooklyn, 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 825 39th Street Commercial 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 B8 and/or B9 of the Declaration of Condominium of 825 39th Street Commercial Condominium.

This power of attorney shall be irrevocable.

IN WITNESS WHEREOF, I (we) have set my (our) hand(s) and seal this ____ day of _____, 20__.

_____

_____

STATE OF)
: 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/she executed the same in his/her capacity, and that by his/her signature on the instrument, the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE F

FORM OF DEED

DEED

THIS INDENTURE made the ____ day of _____, 20__ between 823 39TH Street Brooklyn, LLC, a New York limited liability company, having a place of business at 34-28 Collins Street, Flushing, New York 11354, Party of the First Part and

Party of the Second Part;

W I T N E S S E T H:

That the Party of the First Part, in consideration of Ten Dollars ($10.00), lawful money of the United States, and other good and valuable consideration, paid by the Party of the Second Part, does hereby grant and release unto the Party of the Second Part, the heirs or successors and assigns of the Party of the Second Part forever,

All that certain piece or parcel of real property, with the improvements therein contained, situate and being a part of a condominium in Brooklyn, Kings County, State of New York, known and designated as Community Facility Unit No. _____ together with a _____ undivided interest in the common elements of the condominium hereinafter described as the same is defined in the Declaration of Condominium hereinafter referred to.

The real property above described is a unit shown on the plans of a condominium prepared and certified by and filed in the Office of the Clerk of the County of Kings on the day of , 20 , as Map No. defined in the Declaration of Condominium entitled 825 39th Street Commercial Condominium made by 823 39th Street Brooklyn, LLC under Article 9-B of the New York Real Property Law dated , 20 and recorded in the Office of the Clerk of the County of Kings on the day of , 20 in Liber of Conveyances at page covering the property therein described. The land area of the property is 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, rules, 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 Office of the Clerk of the County of Kings, which provisions, together with any amendments thereto shall bind any person having at any time any interest or estate in the unit, as though such provisions were recited at length herein.

TO HAVE AND TO HOLD the premises herein granted unto the Party of the Second Party, 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 the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purposes.

The use for which the Unit is intended is that of a Community Facility Unit, subject to the applicable governmental and zoning regulations and the restrictions contained in the Declaration of Condominium;

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 Party 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.

823 39TH STREET BROOKLYN, LLC

By: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On this 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/she executed the same in his/her capacity and that by his/her signature on the instrument, the person or the entity upon behalf of which the person(s) acted executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE G

DESCRIPTION OF PROPERTY REPORT (SPECIFICATIONS AND BUILDING CONDITION)

Comprehensive narrative description of the building at 825 39th St., Brooklyn, NY

The information contains herein has been obtained from available record in NYC Department of Buildings (DOB), the Department of Air Resources, The Department of Environmental Conservation, the Department of Housing Preservation and Development and on site observation. This report conforms to outline promulgated by Attorney General of the State of New York. The basis for the report is the "Plans and Specification" on file in the office of Architect. It is to be noted that no written specification was provided to architect for this report. Specifications contained in this report were obtained from general contractor, sub contractors and by visual observation.

Certificate of occupancy: If closing with TCO, please note the following risk. "A temporary Certificate of Occupancy (TCO) indicates that the property is safe for occupancy but it has an expiration date. TCO typically expires 90 days after they are issued. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, or sell, or refinance the property. Buyers should seriously consider negotiating a closing based upon a final certificate of occupancy, not a TCO. If the property has a TCO, consult with a New York State licensed professional engineer or registered architect to determine the outstanding issues, and speak with an attorney regarding the TCO issue."
Buyers are advised to visit the DOB website for further recommendations when purchasing unit(s) in a building that does not have a final certificate of occupancy.
Final C of O will be obtained prior to closing of first unit.

a. Location and use of property:

a.1. Address: 825 39th St., Brooklyn, NY 11232
a.2. Block and lot: Block #:908. Lot #: 162.
a.3. Zoning: M1-2 district.
a.4. Permissible use: In M1-2 zone, the use of medical office (Community Facility) is permitted use. The proposed building and use will comply with all zoning and use requirements at closing.
a.5. The proposed building was approved by The Dept. of Buildings as application # 321023389 on July 31, 2015 and other city agencies accordingly.
a.6. Zoning lot declaration to state one zoning lot, two tax lots (included as tax lot #162 and #164 which will required agreement by both lots in any future development.) has been recorded as CRFN#201500016677 and #201500016678. Loading berth easement has be

recorded as CRFN#2015000219936. Parking garage easement has been recorded as CRFN#2015000237115. Meter rooms easement has been recorded as CRFN#2015000237116.

b. Status of construction:

b.1. Year built: The construction started in year 2015 and the projected completion is on Feb. 2022.
b.2. Class of construction: Non-combustible construction class I-B
b.3. Certificate of occupancy: Use of community facility. (Occupancy group: B, use group: 4). The building is under construction with no temporary nor final certificate of occupancy issued but sponsor will this prior to units closing.
b.4. Permit number and description: The work permit is issued in Nov. 18, 2015 number 321023389. The building is under construction with an estimated completion date in Feb. 2021.
b.5. According to 2014 NYC Building Code, building construction class is I-B, according to table 602 of the Code section, the fire rating of structure frame, exterior and interior bearing and non-bearing wall, floor and roof construction are all two-hour fire rated. The proposed building construction is in compliance of this Code section.

c. Site:

c.1. Size: Approx. 75'X100'= 7,5000 square feet.
c.2. Number of building: One community facility-use building.
c.3. Street owned or maintained by the project: There are no private street proposed in this project.
c.4. Drive, sidewalk and ramp: Proposed side walk and driveway is new poured concrete with new steel curb and these items conformed to local fire district and NYC building codes. Street lighting or catch basin is not proposed in this project.

d. Utilities:

City owned public water and sewer is provided on 39th St., one main water meter is provided for billing use. Con Edison powers gas and electricity, with individual meter for each unit. Main telephone line is located at cellar with individual line to each unit.

e. Sub-soil conditions:

The proposed site is not in special flood zone as designated by FEMA. The boring test and geo-tech report done by Geo Tech Consultants, LLC. on Dec. 30, 2013 indicates there no uneven soil movement and no ground water exist on this property. No flooding, mudslide or

erosion is expected. There is no evidence of moisture or seepage. The building foundation system is accurately sized to support the calculated load. There is no land subsidence, expansive soils, hazardous materials and no environmental restrictions nor existing easements are present on the property.

f. Landscaping and enclosure:

f.1. There are concrete pavement proposed at the front yard. Three street trees are proposed at side walk along 39th St. Trees species is unknown and will be planted by Park Dept.
f.2. No retaining wall, pool or fountain is included.
No fence, gate, garden wall nor retaining wall is provided in this project.

g. Building size:

g.1. Total height of the building is approx. approx. 80 feet.
g.2. No craw space with three cellar levels.
g.3. Total number of floor is three cellars plus 8 floors. Total of 11 floors.
g.4. Utilities and meters room is located on cellar floor, including water, sprinkler, gas, electrical, telephone and cable room. Electric fired hot water heater is located at ceiling of toilet rooms at each floor. Elevator machine room at roof and elevator bulkhead and stairs bulkhead is located on roof as indicated.
g.5. Parapet on the roof is 3'-6" height above roof level.

h. Structural system:

The structure system of the project is re-enforced concrete slab system with re-bar and concrete slab of 8" and columns assembly and varied finished materials. Underpinning is proposed under buildings at both sides for this project. Foundation drainage system is provided under sub-grade foundation walls. Local Law 11 of 1998 (FISP) will apply to this building with 5 years interval started after final certificate of occupancy. This periodical is responsible managing and paying by the condo board.

1). There is 6" of stone and waterproof membrane under the footing and sub-cellar 2 floor slab. Water and vapor is not subjected to penetrate this type of construction.
2). There is sound attenuation blanket in the walls between unit and the proposed 8" re-enforced concrete slab with sheetrock ceiling. Sound attenuation is sufficient of this type of construction. The floor, walls and ceiling assembly has an impact noise rating of less than 50 as per ASTM E-492 testing which comply with Building Codes 27-769(b)(3) and RS 12-3.
3). Proposed all windows and storefronts of all units are aluminum frame with double glazed glass with thermal break with no window guards nor screens proposed. The windows are

manufactured by "Allied Specialty Group, Inc." with Bronx anodized finishes and 5 years manufacturer warranty. U factor of all glass is 0.36 with VT of 0.38 or lower.

4). There is aluminum flashing above all window headers.

5). Steel lintels are installed above all windows openings.

6). Window is proposed on stairs bulkhead with 12"X12" louver below. No lot line window proposed.

h.1. Walls: The exterior wall is 6" metal studs plus 2" rigid board insulations of R-10, waterproofing membrane, and 2" metal panel throughout. R-19 batt insulation on interior side. The subjected building is not a landmark building. Fire rating of this exterior wall system is 2 hours.

h.2. Stone coping on parapet is proposed with anchored to stud wall backing. No leakage should be found on this type of construction.

h.3. Double walled metal chimney is provided through the mechanical room on roof. No fire place is proposed. Location of all chimneys see approved mechanical plans.

h.4. Terrace: a. Deck: Painted concrete. b. No balustrade is proposed. c. Railing: Concrete block 3'-6". d. Coping: Stone coping only at terrace only. e. Soffit: stucco. f. Door to terrace: Aluminum with glass sliding doors manufactured by "Allied Specialty Group, Inc." with 5 years warranty and equipped with thermal breaks. Finishes material for the terrace is painted concrete. Unit owner on the terrace is not permitted to make any structure changes or additions to the terrace of the building. Terrace assigned as limited common area has 2" painted concrete surface on top of insulation and waterproofing. This material is accepted by roofing manufacture to retain the roof warranty. All railings of terrace have no ladder effect.

h.5. Exterior entrance: a. Exterior and vestibule door and frame: Anodized aluminum frame with glass storefront type entrance door manufactured by "Allied Specialty Group, Inc." with electrical strike lock set. b. No exterior stair is proposed. c. Railing: Concrete block . d. Mail box: Brushed aluminum mailbox manufactured by "Salisbury" is provided for each community facility tenant at ground floor lobby. e. Floor: Porcelain tile. f. Wall: Painted with "Benjamin Moore" super hide latex paint, one coat base and two coats of finishes. g. Lighting: 6" recessed down lights manufactured by "Halo" or "Progressive".

h.6. Services entrance: a. Door and frame: Anodized aluminum frame with glass door manufactured by " Allied Specialty Group, Inc." with door lock by "Schlage", model "A53PD" with satin stainless steel finishes cylinder lockset with key.

b. No gate is proposed. c. No exterior stairs and railing is proposed in this area. d. Floor: Painted concrete. e. Wall: Painted with "Benjamin Moore" super hide latex paint, one coat base and two coats of finishes.

h.7. Roof and roof structure: i: Roof type and area: i.a. Material: Torch down bitumen roofing manufactured by "Firestone". i.b. Insulation: Tapered rigid insulation with R-20 value is provided throughout roof area. i.c.: Surface finishes: Topcoat with trout

waterproofing finishes throughout roof. this material will withstand daily foot traffic. Door to roof is the same door and window system as h.4. above. i.d. Bond or guarantee: 10 years manufacturer warranty of material and labor is provided started from final C. of O. or T.C.O. Roof structure is assigned as general common area.
i.e. Flashing materials: Aluminum flashing and counter flashing is provided. ii: Drain: ii.a. Location, material and type: Five roof drains with four 3" cone-type cast-iron control overflow roof drains are provided at roof. This comply with 2014 NYC BC 1503.4 for emergency overflow. See approved floor plan for roof drains location. ii.b. No gutter or leader is proposed. The entire building is community facility use, no residential unit is proposed. No leak management is required.iii. Skylight: No skylight is proposed. iv: Bulkhead: iv.a. Stairs: Face brick with concrete block proposed for stairs bulkhead. Iv.b. Elevator: Face brick with concrete block proposed for elevator bulkhead.
v. Metal work at roof level: No hatch is proposed on roof. No roof right has being offered for sale to the unit owners and no unit owner is permitted to make any structural changes or additions on the roof of the building. Railing on roof top is concrete block parapet wall 42" typical in height. Roof top facilities includes elevator and stairs bulkheads. No antennae, cellar phone tower, satellite dishes nor lighting protection equipments proposed on roof top. Roof access is provided and comply with Fire Code 504.4. h.8. Fire escape: No exterior fire escape is proposed.
h.9. Footing and foundation wall: Proposed footing and foundation wall to be 4000 psi pip concrete with reinforced steel bars and required waterproofing.
h.10. Yard and court: a. Front yard: concrete pavement at front yard. b. Rear yard: Rear yard is proposed and can be accessed from community facility units. Two 3" cone-type cast-iron control flow yard drains are provided at rear yard. See approved floor plan for yard drains location. 42" high concrete block parapet wall is provided at rear yard. h.11. Interior stairs: Two interior stairs are provided with re-enforced concrete steps and wall enclosure with two-hour fire rated is providing. a. Treads and risers: Concrete. b. Wall and ceiling: Painted with "Benjamin Moore" super hide latex paint, one coat base and two coats of finishes. c. Railing: Painted round iron tube.
h.12. Interior door and frame: a. Fire rated and entrance door: Painted metal door and frame. Entrance door to all units, corridor doors, roof door and cellar utility doors are all 1 1/2 hour fire rated hollow metal door with knock down metal frames.
h.13. Elevator. One new automatic traction passenger elevator is provided for all units with machine room located on roof. Manufactured by "U-TEK Elevator, Inc" with 3500 lb capacity. DC and AC motor manufactured by the same company. Maximum capacity of 21 persons, serving sub-cellar 2 through 8th floor, total of11 stops. a. Door and frame: Brush stainless steel, sliding door. b. Cab wall: plastic laminated wall with stainless steel automatic control panel. c. Cab floor: carpet. d: Cab ceiling and lighting: Recess incandescent on stainless steel panel. e. Safety features: Cylinder fire services lock as per NYC firemen's code, exposed ADA phone and local alarm push button is provided.

h.14. Windows: All windows, frames, sills, sash and hardware are anodized aluminum.

i. Auxiliary facilities:

i.1. Refuse disposal: No trash chute is proposed nor provided. i.3. Gas piping is cast iron with main line as 2" and branch line of ¾" to all appliances.
Garbage pick-up schedule will be provided after establishment of condo board.
Bicycle storage rooms of 3 U loop storage system is provided at cellar with 8" concrete block enclosure and fire rated metal door and key for all tenants.
i.2. Storage room on cellar and sub-cellar 1 is for building management use only, not dedicated to any individual unit. The walls is 2-hours fire rated sheetrock wall.

j. Plumbing and drainage:

j.1. A 4" water supply line from the city main is provided with meter located on cellar floor with main shut-off valves. j.2. Fire protection system: One 4" sprinkler riser located in stairs on each floor. 4" fire supply services from the city for sprinkler system with siamese connection located on front wall. Sprinkler head with quick response is provided through out parking garage and all the units. Sprinkler system referred to mechanical drawings. j.3. No water storage tank for fire services is proposed. j.4. The water pressure on city water main on 39th St. is enough to maintain water pressure of the domestic and fire services. One domestic water booster pump is provided at cellar level, manufactured by "Sico", model# CR15-3. j.5. Sanitary sewage system is 6" HHCI combined system connected to city sewer system. Pump proposed in sub-cellar 1 &2 level with sump pump by "Liberty" is provided. All water piping, hot and cold, shall be insulated with EPDM insulation 11/2" thick by "Aeroflex" with size accordingly.
j.6. Required plumbing and sewer connection permits is issued. Plumbing, sprinkler and standpipe permit was obtained on Apr. 12, 2019. Sewer connection is approved by DEP as SCK-132-14SB. j.7. Storm drainage system is roof detention system with 3" controlled roof drains. Yard and roof drains location see floor plans attached.
j.8. The material for water supply piping is cooper, black iron piping for gas lines, for sewage and storm drainage is black iron and no-hub and for sprinkler is black iron pipes. j.9. The sprinkler heads is manufactured by "Reliable" model G pendent type throughout residential portion of the building, except in bathroom and closet space.
All hot and cold water pipes are insulated with R-6 batt insulation of 1/2" thick.

k. Heating:

Heating is provided by "Fujitsu" electric heat pump unit, 40,000 BTU for each unit, located at ceiling of each unit with efficiency rating of 80. The heating system is capable to maintain legally required indoor temperature of 68 degree under anticipated weather temperature of 13

degree by Energy Code of the City of New York. Electrical hot water tank is proposed with no efficiency rating required.

l. Gas supply:

Gas supply is connected to one gas furnace each at cellar, sub-cellar 1 and sub-cellar 2, manufactured by "Tran" model # TUD2B060A9V3VB, 48MBTU each, 5 years warranty, supplied for parking garage with one gas meter located at cellar gas meter room. Gas pipes are 3" services branched 2" to each furnace, material is cast iron.

m. Air conditioning:

For each unit, "Fujitsu" electrical heat pump system, model # ARUH36LAV with efficiency rating 0f 20.00 SEER located on roof, connect to AC blower at each units is provided for air conditioner use with electrical supplied by 30Amp, 220Volt dedicated electrical outlet on wall. Cooling system is adequate to maintains indoor temperature of 78 degree under ambient temperature of 95 degree by NYC Energy Codes with minimum efficiency rating of 13 SEER. All exterior metals used for HVAC units are corrosion resistant type with proper dunage and isolations to prevent vibration and noise. All HVAC units is equipped with 10 years manufacture warranty.

n. Ventilation:

Ventilation for sub-cellar 1&2 and cellar floor is provided with ventilation system, manufactured by "Reznor" model #(H)RPB. See approved mechanical plans for details. Each bathroom is through ceiling mount individual vent of 50cfm and connected to main duct through roof. All mechanical ventilators comply with NYC Building Codes noise emission.

o. Electrical supply:

o.1. Service from main service switchgear: 5,000Amp, 208Volt, 3Phase, 4 Cooper Wire with protective breakers.
o.2. Services to individual units: 400Amp, 220Volt for each unit.
o.3. Compartment switchgear: No proposed transformer. Independent electrical meter for common area and medical and apartment unit located at cellar floor with breaker panel on each floor.
o.4. Unit services described on o.2. above is adequate to handle modern usage and appliances such as air conditioner, lightings and appliances.
o.5. Adequacy: o.5.i. Services: Average 36 circuit breakers, each of 15Amp to 20Amp for each unit. Dedicated 30Amp, 220Volt circuit breaker for air conditioner. o.5.ii. One 15Amp circuit is provided up to 5 lighting circuits for each unit. o.5.iii. Provide 24 convenience outlets and 8 appliances outlets for each unit.

All electrical service and fixtures, outlets provided comply with NYC Electrical Codes of 2011 and amended on 2018. No generator is required nor provided by NYC Building Codes.

p. Intercommunication and door signal systems:

The video and audio intercommunication system is provided as "IP Intercom" Video/Audio intercom system for each unit with 5 years warranty. The electrical door strike system is provided on front doors at lobby. Surveillance system provided as MGI 1000 TV line surveillance camera.
No closed circuit security TV is proposed nor provided.

q. Public area lighting:

Lighting fixture 6" recessed incandescent by "Halo" is provided at entrance hallway, corridor for each floor, which location shall adequate to provide enough illumination by "NYC Electrical Code". On stairway, provide one 2'X2', 4 tubes fluorescent surface mount light at landing of each floor. All electrical service and fixtures, outlets provided comply with NYC Electrical Codes of 2011 and amended on 2018.

r. Garage and parking area:
94 attended parking spaces formed as one condominium unit is located at sub-cellar 1 &2 and cellar floor level and offered to sale with five spaces designated and reserved for handicapped person only. 17 parking spaces dedicated to hotel use and 77 for community facility use as per Zoning Resolutions. All parking spaces is for standard car size of 8'-6" X 18'.

s. No swimming pool is proposed.

t. No tennis court or recreation facilities are proposed.

u. Permits and certificates:

The following permits or certificates shall be obtained and inspected by the Dept. of Buildings and/or by the Fire Dept. The duration of all the permits below is one year once obtained and shall be renewed when expired.

1. Temporary fence.
2. Sidewalk shed.
3. New building construction.
4. Mechanical ventilation.
5. Plumbing.
6. Sprinkler.
7. Standpipe and temporary standpipe.

8. Fire Alarm.
9. Electrical.
10. Elevator.
11. Curb cut.
12. Sidewalk pavement.
13. Sewer connection.

The sponsor shall obtain final certificates of occupancy prior to closing date.
The proposed building is in compliance with Local Law 58 (Handicapped Access Law). All the above permits shall be inspected and sign off by The Dept. of Buildings before building is in operation. After final certificate of occupancy, only fire alarm, back flow preventer, sprinkler and standpipe and elevator is required to have yearly inspection by NYC Building Codes.

v. Violations:

There is one ECB violations and no Building Dept.'s violations found up to today. All related violations shall be cleared before issuance of final certificate of occupancy.

w. Unit information:

Finishes:

The standard unit finishes are painted sheetrock walls and ceilings with one primer and two finish coats, tile base moldings and porcelain tile flooring and wall for all toilet rooms.
All bathroom fixtures and accessories are new, manufactured by "Toto", toilets color white, sink color white by "Glacier Bay" set in Formica base vanity. White medicine cabinet with mirror.

Unit Layouts:

Unit layout from the first floor through fifth floor and seventh floor is essentially one unit as A unit, sixth and eighth floor as A, B, and C unit, No balcony is constructed on any floor. There are total of 18 apt. units. All units has 9'-0" clear ceiling height.

Community Facility Unit "CF-A": (Located on first floor.)

This unit contains two half bathrooms. Entry is through building lobby at 39th St. side on the front of the building. There are windows faced the front and rear of the building. The wall of the perimeter wall and lobby divides the space. This space has sheetrock ceiling with fluorescent lighting throughout. Walls are sheetrock on metal studs and the floor is concrete.

The bathrooms have tile floors and ceramic walls. Glass door leading to roof terrace at the rear yard.

Community Facility Unit "CF-A": (Located on second through fifth and seventh floor.)

This unit occupied the entire floor with two half bathrooms. Entry is through building lobby at 39th St. side on the front of the building with elevator to each floor. There are windows faced the front and rear of the building. The wall of the perimeter wall divides the space. This space has sheetrock ceiling with fluorescent lighting throughout. Walls are sheetrock on metal studs and the floor is concrete. The bathrooms have tile floors and ceramic walls.

Commercial store "CF-A": (Located on the sixth and eighth floor.)

This unit occupied the southeast portion of the floor with two half public bathrooms located at lobby of this floor. Entry is through building lobby at 39th St. side on the front of the building with elevator to corridor at each floor. There are windows faced the front of the building. The wall of the perimeter wall and unit B divides the space. This space has sheetrock ceiling with fluorescent lighting throughout. Walls are sheetrock on metal studs and the floor is concrete. The bathrooms have tile floors and ceramic walls.

Commercial store "CF-B": (Located on the sixth and eighth floor.)

This unit occupied the southwest portion of the floor with two half public bathrooms located at lobby of this floor. Entry is through building lobby at 39th St. side on the front of the building with elevator to corridor at each floor. There are windows faced the front of the building. The wall of the perimeter wall and unit C divides the space. This space has sheetrock ceiling with fluorescent lighting throughout. Walls are sheetrock on metal studs and the floor is concrete. The bathrooms have tile floors and ceramic walls.

Commercial store "CF-C": (Located on the sixth and eighth floor.)

This unit occupied the southwest portion of the floor with two half public bathrooms located at lobby of this floor. Entry is through building lobby at 39th St. side on the front of the building with elevator to corridor at each floor. There are windows faced the front of the building. The wall of the perimeter wall and unit B divides the space. This space has sheetrock ceiling with fluorescent lighting throughout. Walls are sheetrock on metal studs and the floor is concrete. The bathrooms have tile floors and ceramic walls.

Parking space unit "PK-1" (Located on sub-cellar 1&2 and cellar floor.)

Total of 94 attendant parking spaces including 5 handicapped spaces offered as one unit. The finishes of this unit is painted concrete walls with painted sheetrock ceiling and 2'X2' ceiling mounted fluorescent lights.

x. Finishes schedules for other interior spaces:

The cellar level consists of the following: gas meter room, electrical meter room, laundry room, bicycle parking room and water meter and sprinkler room. All the floor and ceiling finishes of the cellar are concrete. The walls are painted masonry. All rooms equipped with a fireproof self-closing door, which leads through the parking garage to elevator and exit stairs. Lighting throughout the cellar is fluorescent ceiling mounted fixtures.

y. Safety and warning devices:

Fire alarm system is provided at every floors. Exit sign and lights are installed on all exit doors. The above are the only required by building code and regulation. Automatic fire alarm with central station at lobby is required and provided to comply with NYC Building Codes.

z. Additional information required:

All required additional information is attached on separate sheet for references.

No future development is intended by ownership of entire building.
No asbestos or lead paint is proposed for this project.

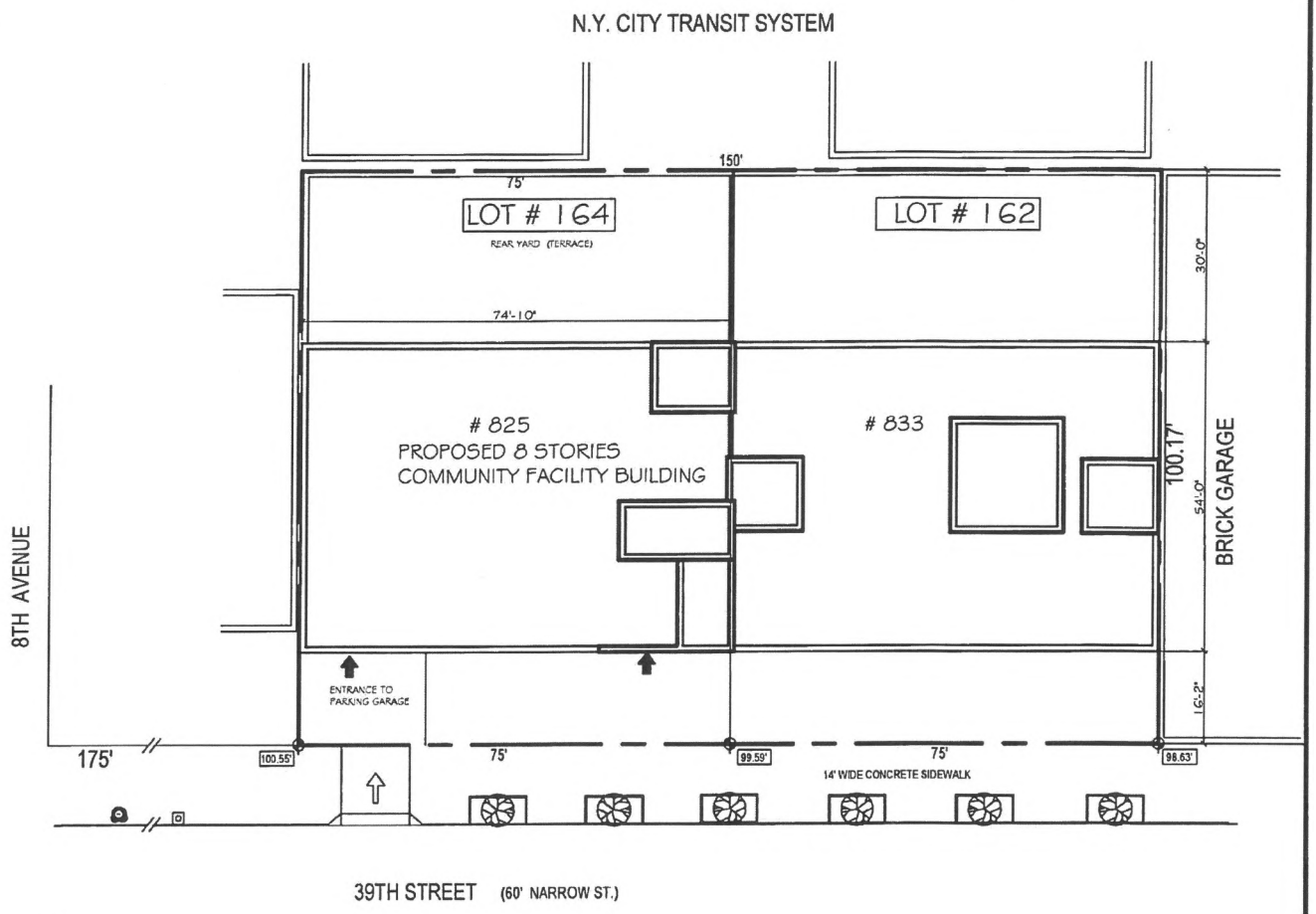
Respectfully submitted:



Michael Kang Architect, PC
Nov. 24, 2020
1st amended on Mar. 30, 2021
2nd amended on Apr. 28, 2021

SCHEDULE G-1

PLOT PLAN



PLOT PLAN

0 5' 10' 15' 20'

LOCATION

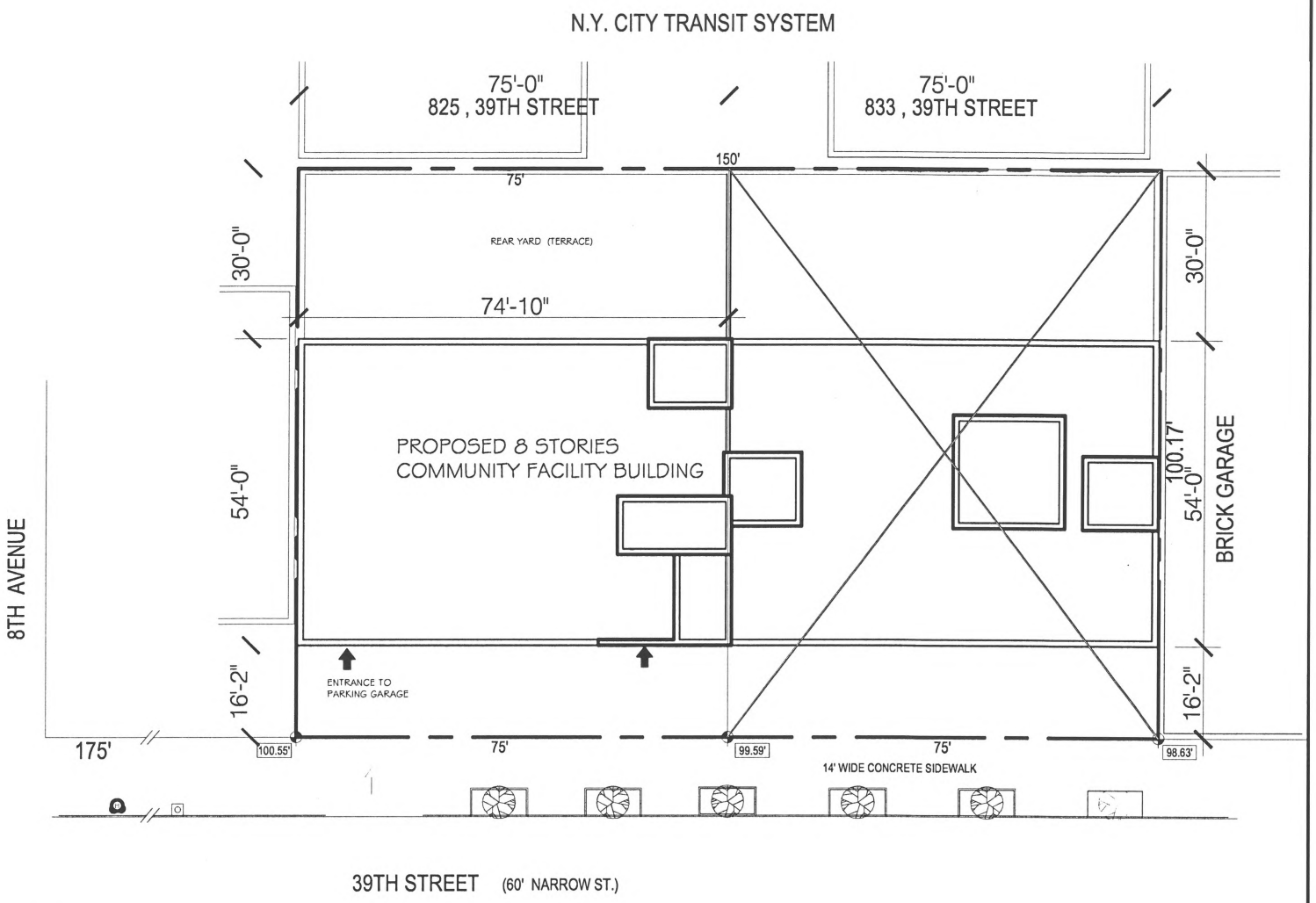
825, 39TH STREET
BROOKLYN, N.Y.

DRAWING TITLE

PLOT PLAN

SCHEDULE G-2

FLOOR PLANS/ ELEVATION



PLOT PLAN

0 5' 10' 15' 20'

ORIGINAL: November 24. 2020
1st AMENDED: March. 30. 2021
2nd AMENDED: April 28. 2021

LOCATION

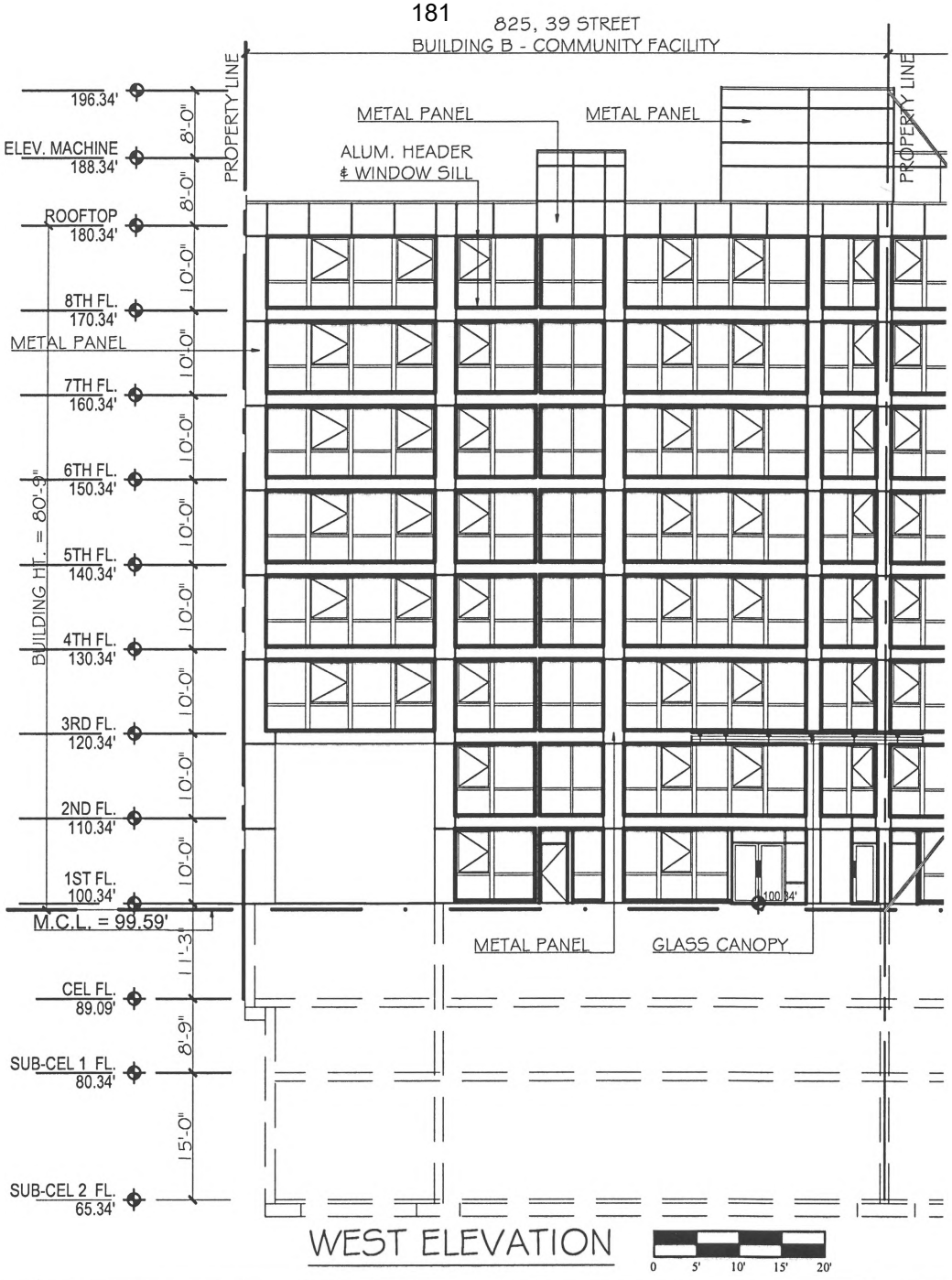
825, 39TH STREET
BROOKLYN, N.Y.

DRAWING TITLE

PLOT PLAN

REGISTERED ARCHITECT
MICHAEL KANG
EXCELSIOR
024849
STATE OF NEW YORK

CF-8-B	NORTH-WEST		915			11'-5"	
CF-8-A	NORTH		629			11'-5"	
CF-7-A	NORTH		3,547			10'-0"	
CF-6-C	SOUTH		1,670			10'-0"	
CF-6-B	NORTH-WEST		915			10'-0"	
CF-6-A	SOUTH		629			10'-0"	
CF-5-A	NORTH		3,547			10'-0"	
CF-4-A	NORTH		3,547			10'-0"	
CF-3-A	NORTH		3,547			10'-0"	
CF-2-A	NORTH		2,335			10'-0"	
CF-1-A	NORTH		1,444		2208	10'-0"	
PK-1	PARKING AREA		36,550			13'-0"	
Total CF	12 units		24,393	0	2,208		
Total Parking	94 valet parking slot		36,550				
Total	13 units		60,943		2,208		



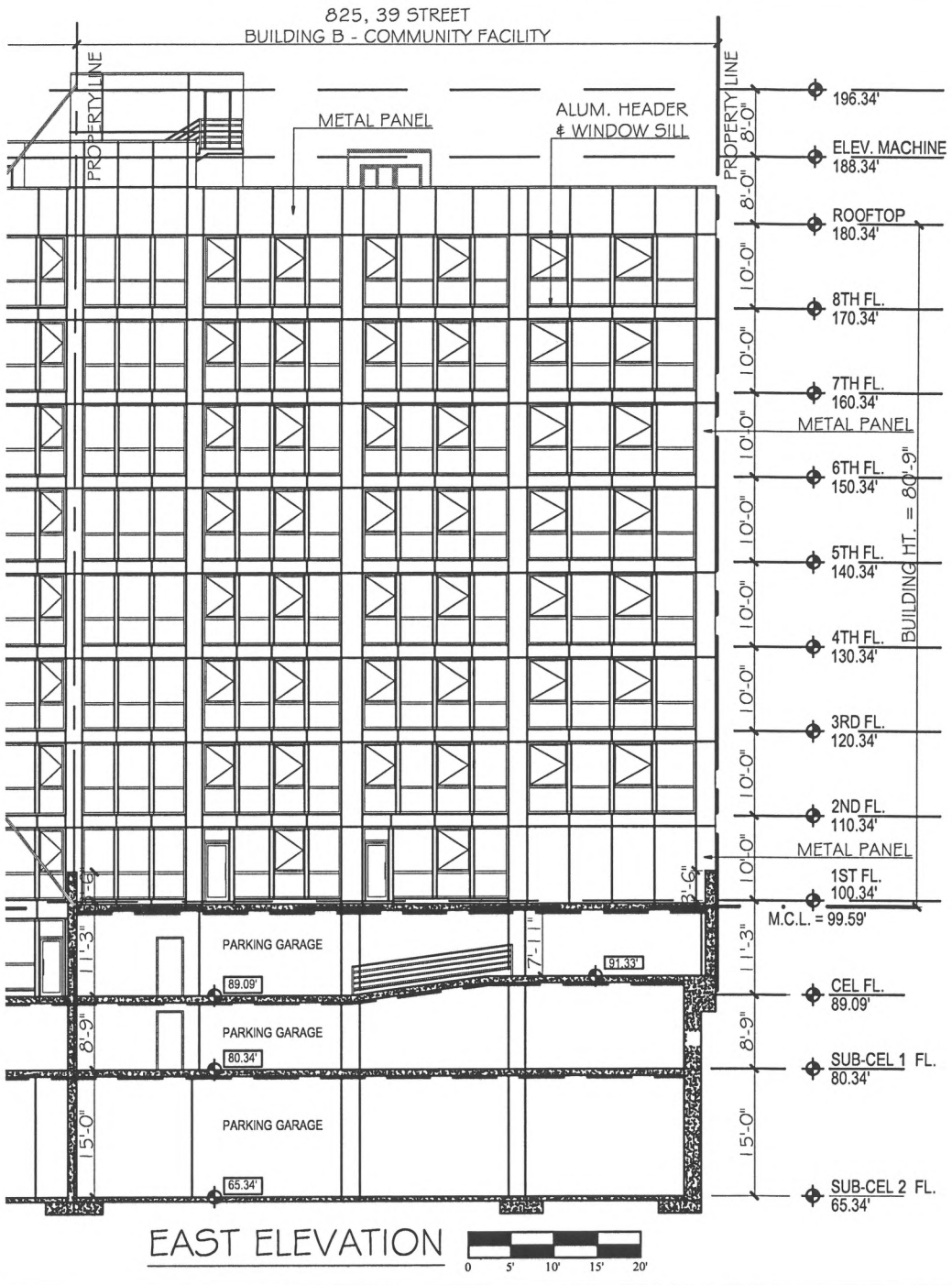
WEST ELEVATION

LOCATION

825, 39TH STREET
BROOKLYN, N.Y.

DRAWING TITLE

WEST (FRONT)
ELEVATION



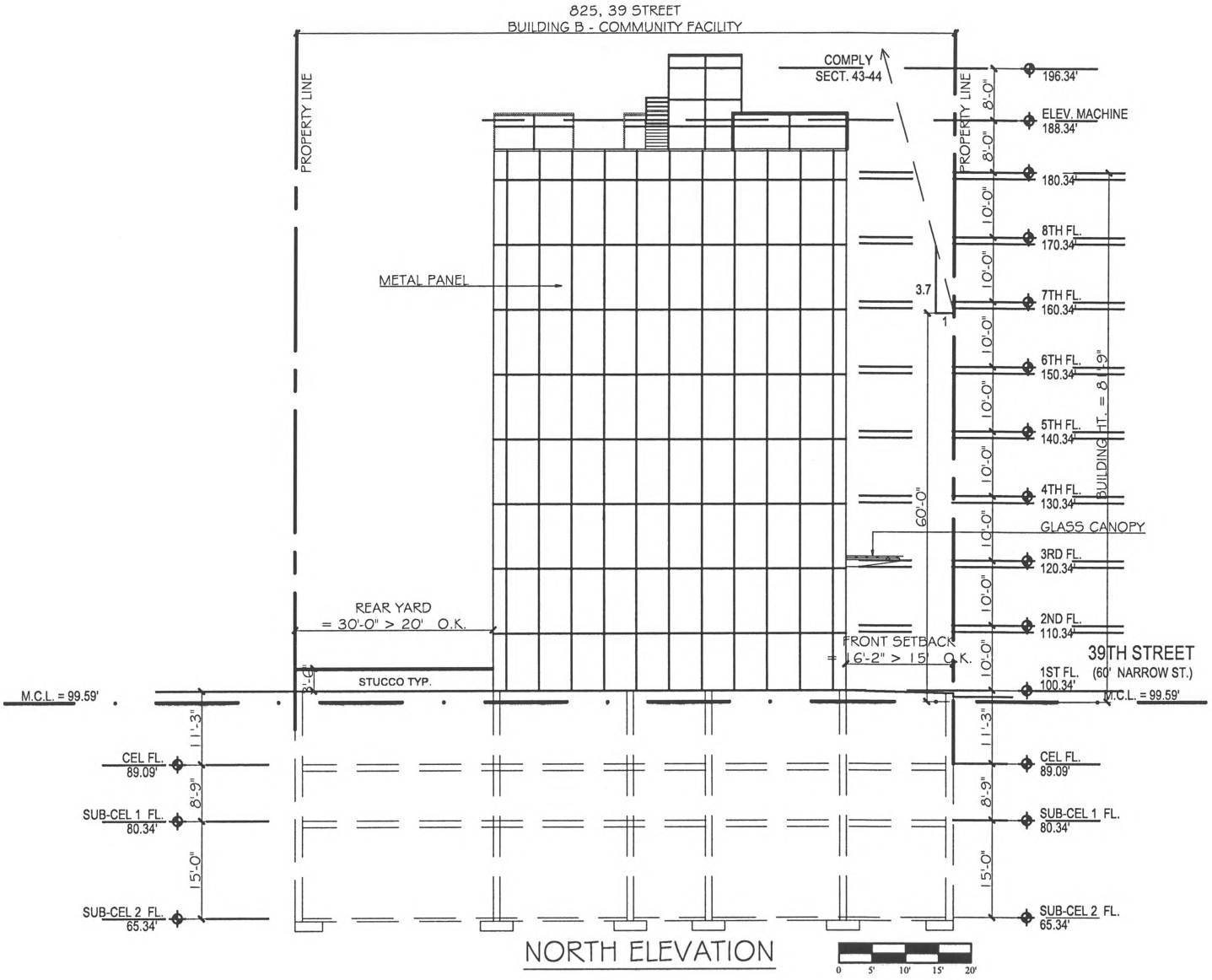
EAST ELEVATION

LOCATION

825, 39TH STREET
BROOKLYN, N.Y.

DRAWING TITLE

EAST (REAR) ELEVATION



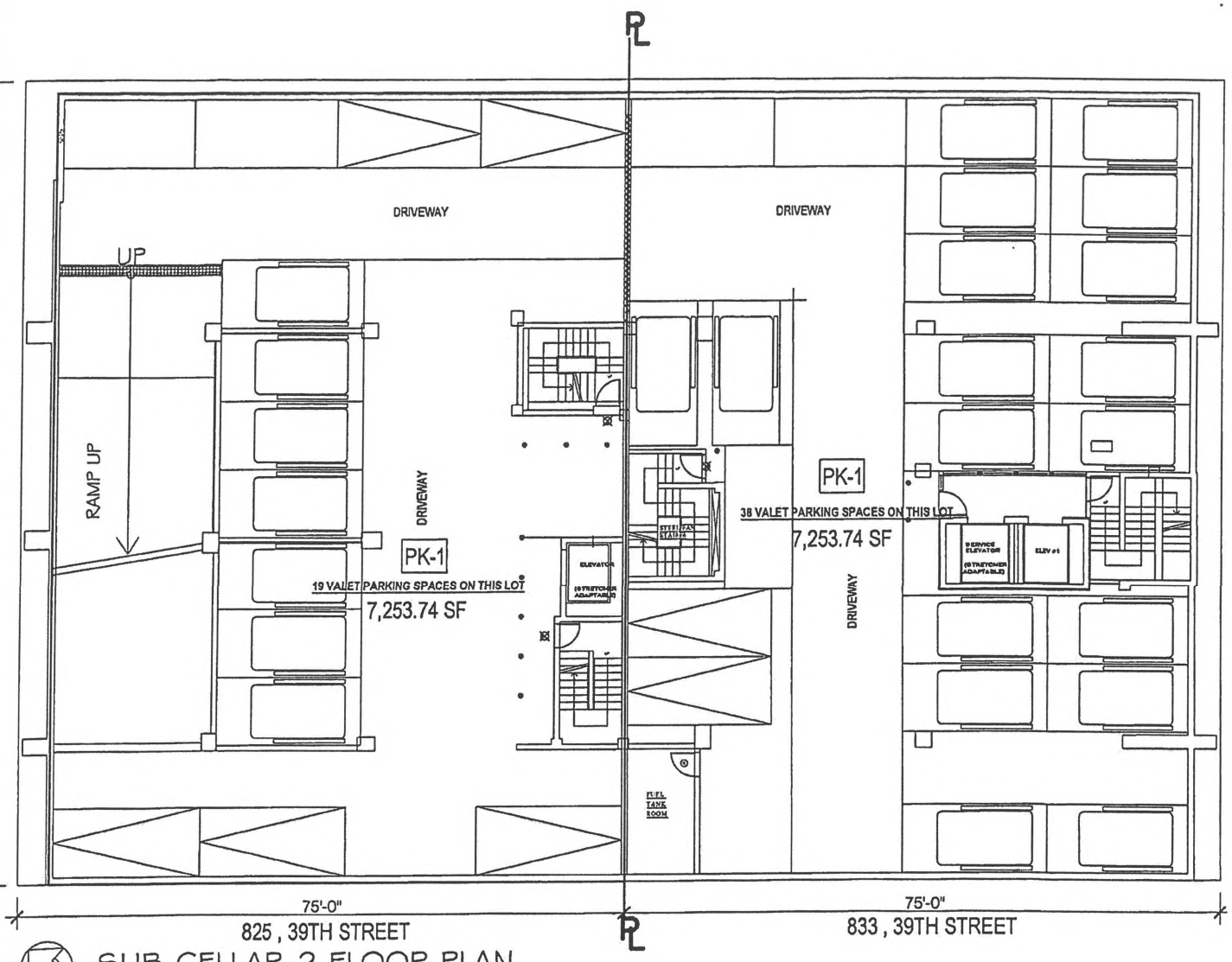
NORTH ELEVATION

LOCATION

825, 39TH STREET
BROOKLYN, N.Y.

DRAWING TITLE

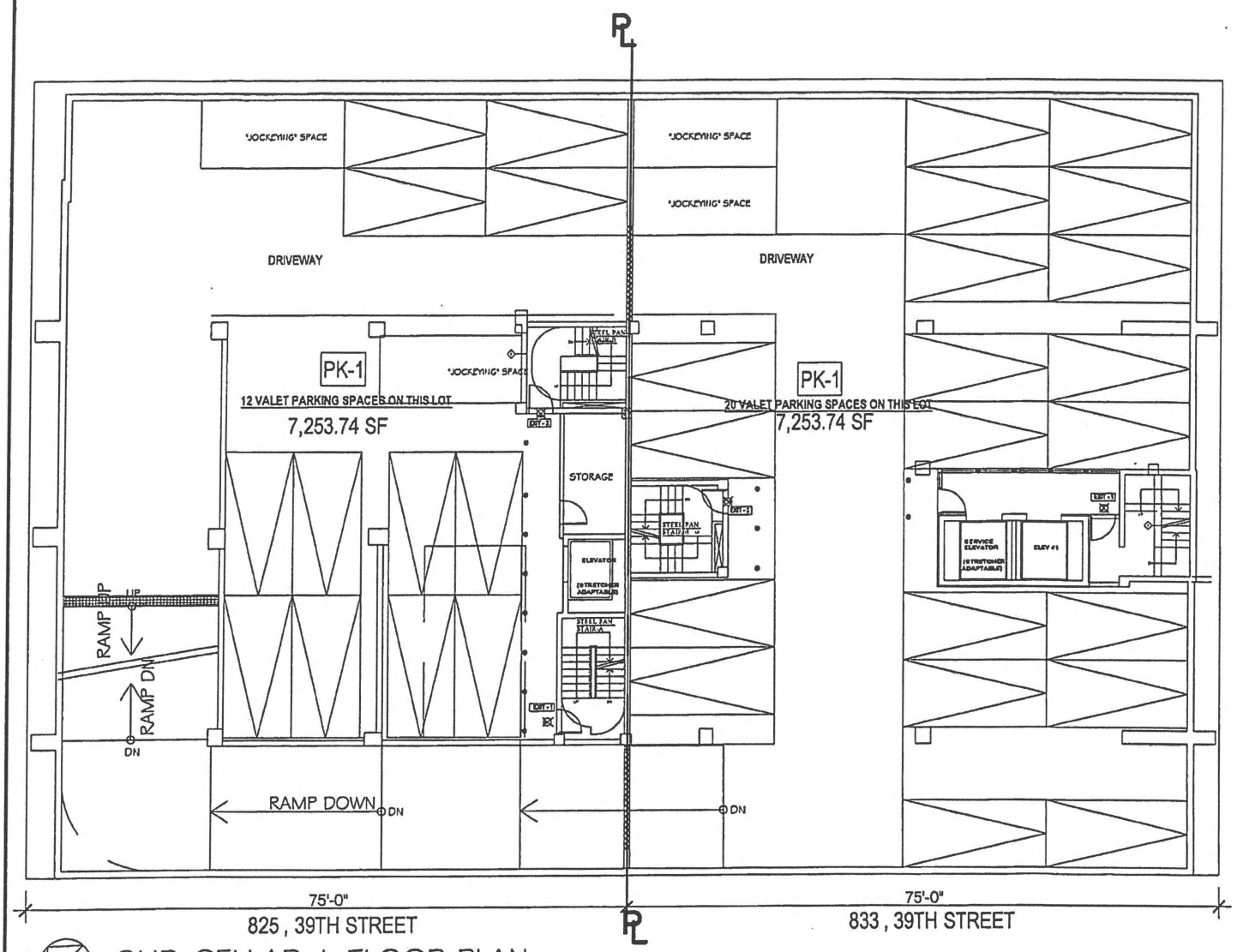
NORTH (SIDE) ELEVATION



SUB-CELLAR 2 FLOOR PLAN

SCALE 1" = 20'-0"

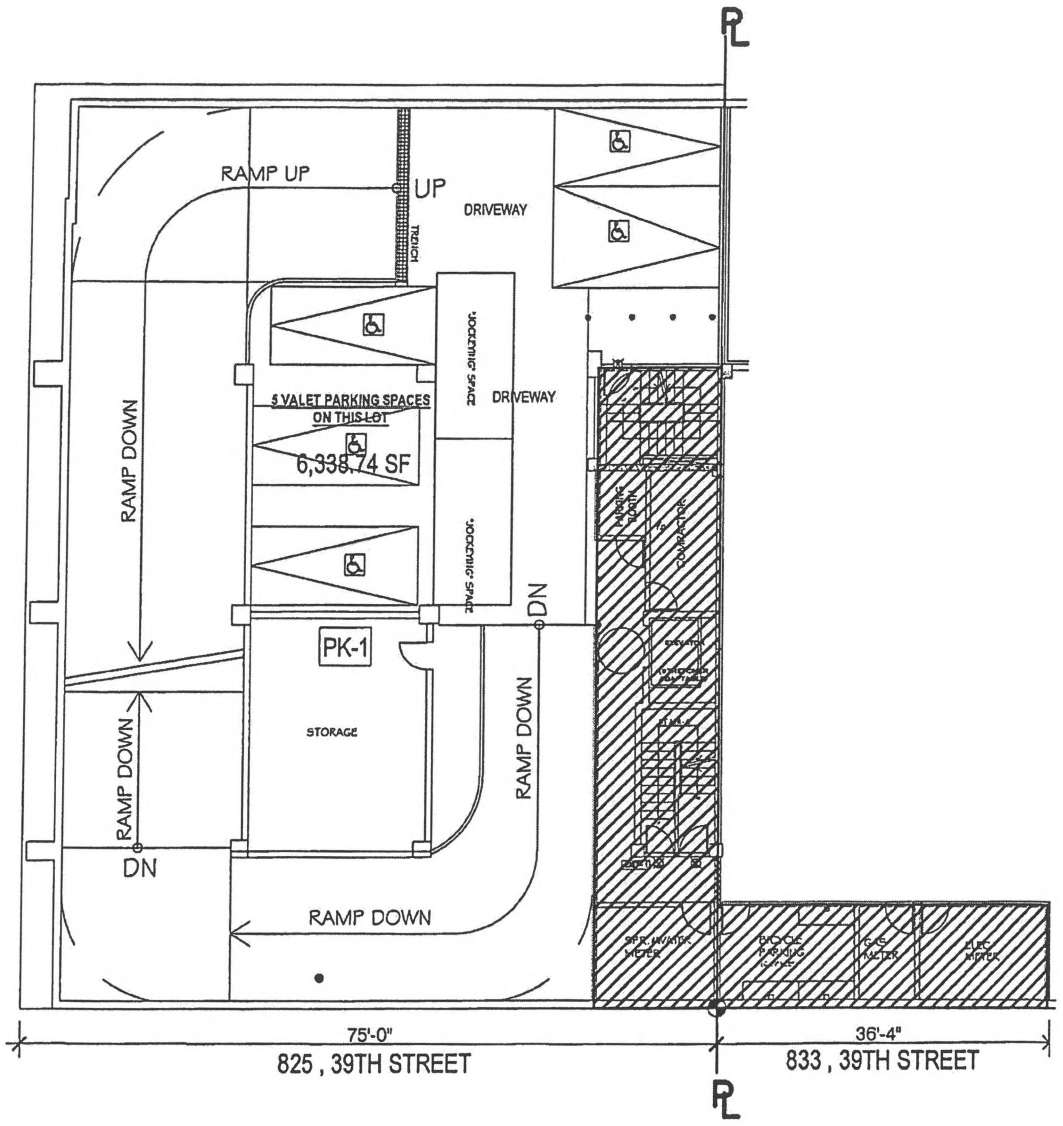
UNIT / AREA	LEGEND	LOCATION
PARKING GARAGE AREA = 7,253.74 S.F. + 7,253.74 SF = 14,507.5 SF		825, 39TH STREET BROOKLYN, N.Y.
		DRAWING TITLE
		SUBCELLAR2 FLOOR PLAN



SUB-CELLAR 1 FLOOR PLAN

SCALE 1" = 20'-0"

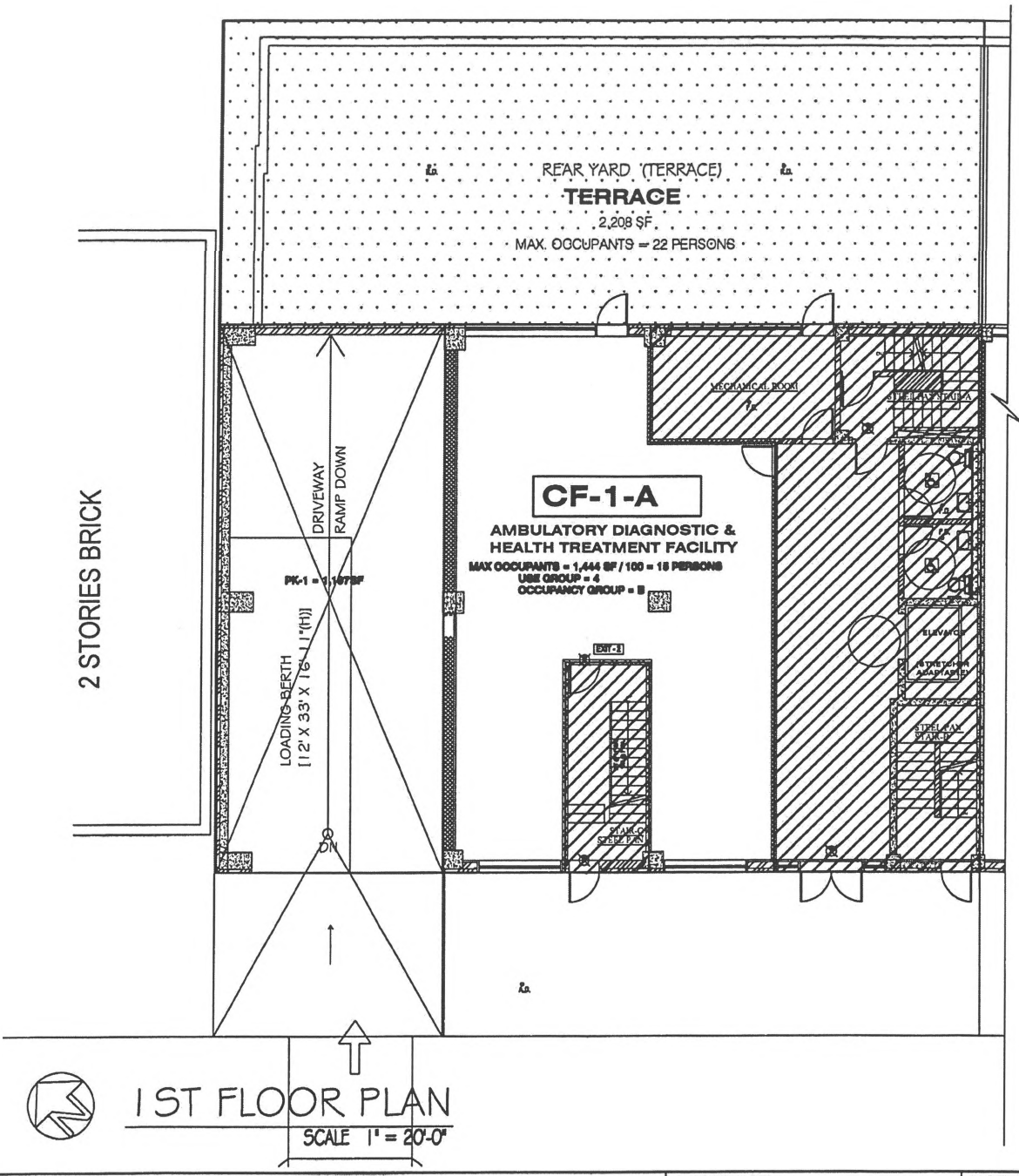
UNIT / AREA	LEGEND	LOCATION
PARKING GARAGE AREA = 7,253.74 S.F. + 7,253.74 SF = 14,507.5 SF		825, 39TH STREET BROOKLYN, N.Y.
		DRAWING TITLE
		SUBCELLAR1 FLOOR PLAN



CELLAR FLOOR PLAN

SCALE 1" = 20'-0"

UNIT / AREA	LEGEND	LOCATION
GENERAL COMMON AREA = 753 S.F. PARKING GARAGE AREA = 6338.74 S.F.	GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
		DRAWING TITLE
		CELLAR FLOOR PLAN



1 ST FLOOR PLAN

SCALE 1" = 20'-0"

UNIT / AREA			
CF-1-A	AREA = 1,444 S.F.		
PK-1	AREA = 1,197 S.F.		

GENERAL COMMON AREA = 384 S.F.

TERRACE AREA = 2,208.0 S.F.

LEGEND

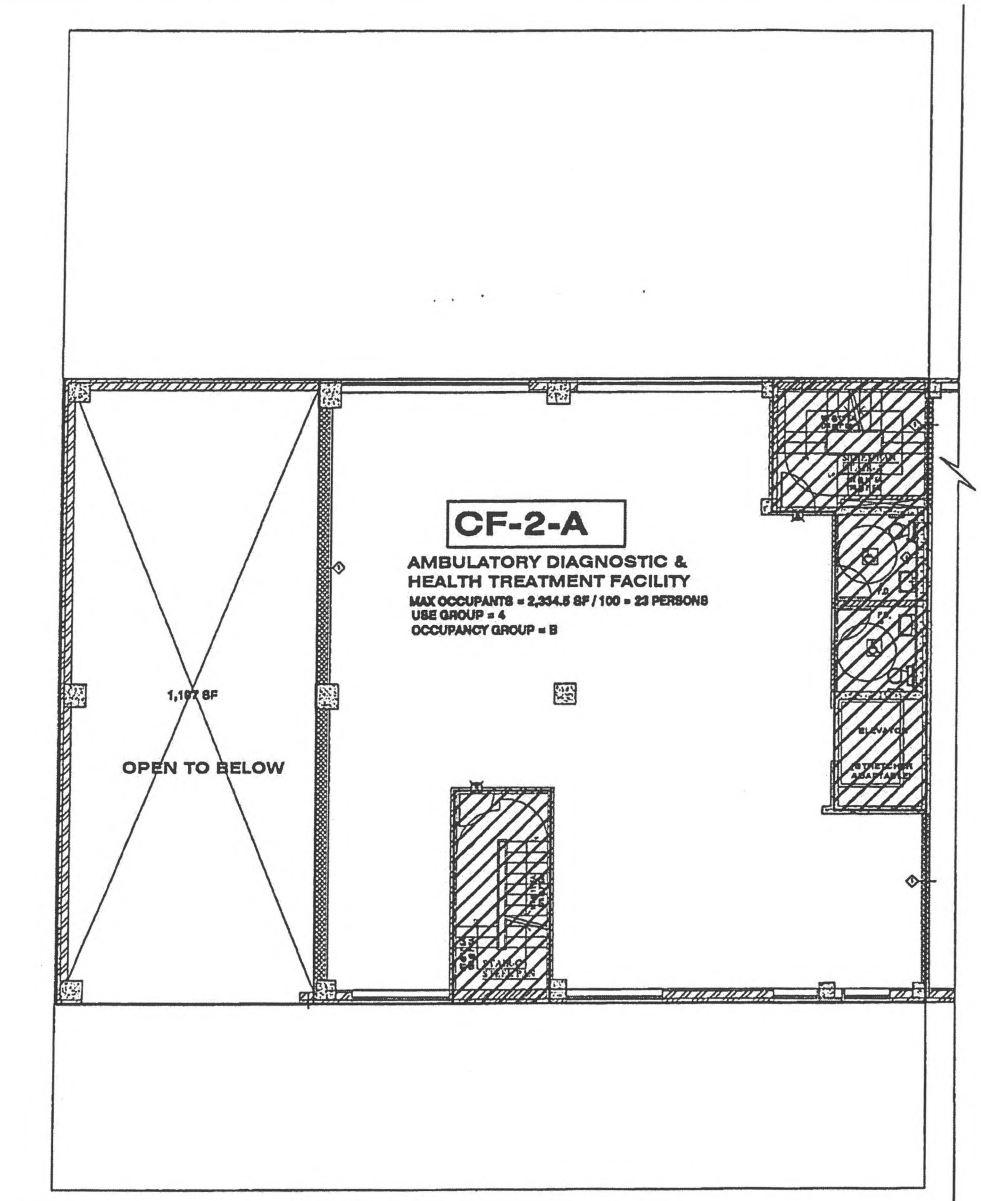
- GENERAL COMMON AREA
- TERRACE AREA

LOCATION

825, 39TH STREET
BROOKLYN, N.Y.

DRAWING TITLE

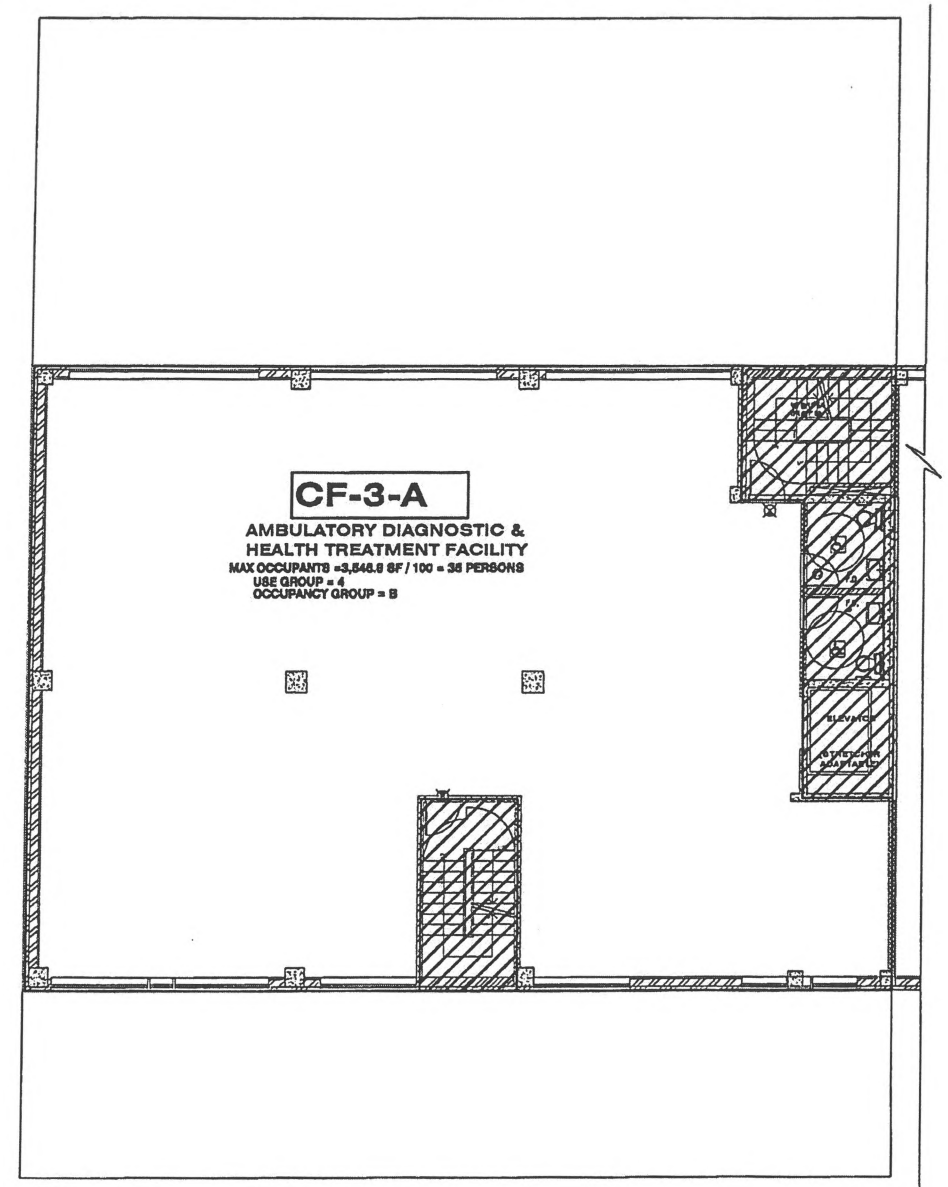
FIRST FLOOR PLAN



2nd FLOOR PLAN

SCALE 1" = 20'-0"

UNIT / AREA				LEGEND	LOCATION
CF-2-A	AREA = 2,334.5 S.F.			GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
					DRAWING TITLE
GENERAL COMMON AREA 622 SF					SECOND FLOOR PLAN



3RD FLOOR PLAN

SCALE 1" = 20'-0"

UNIT / AREA			
CF-3-A	AREA = 3,546.8 S.F.		

GENERAL COMMON AREA 944 SF

LEGEND

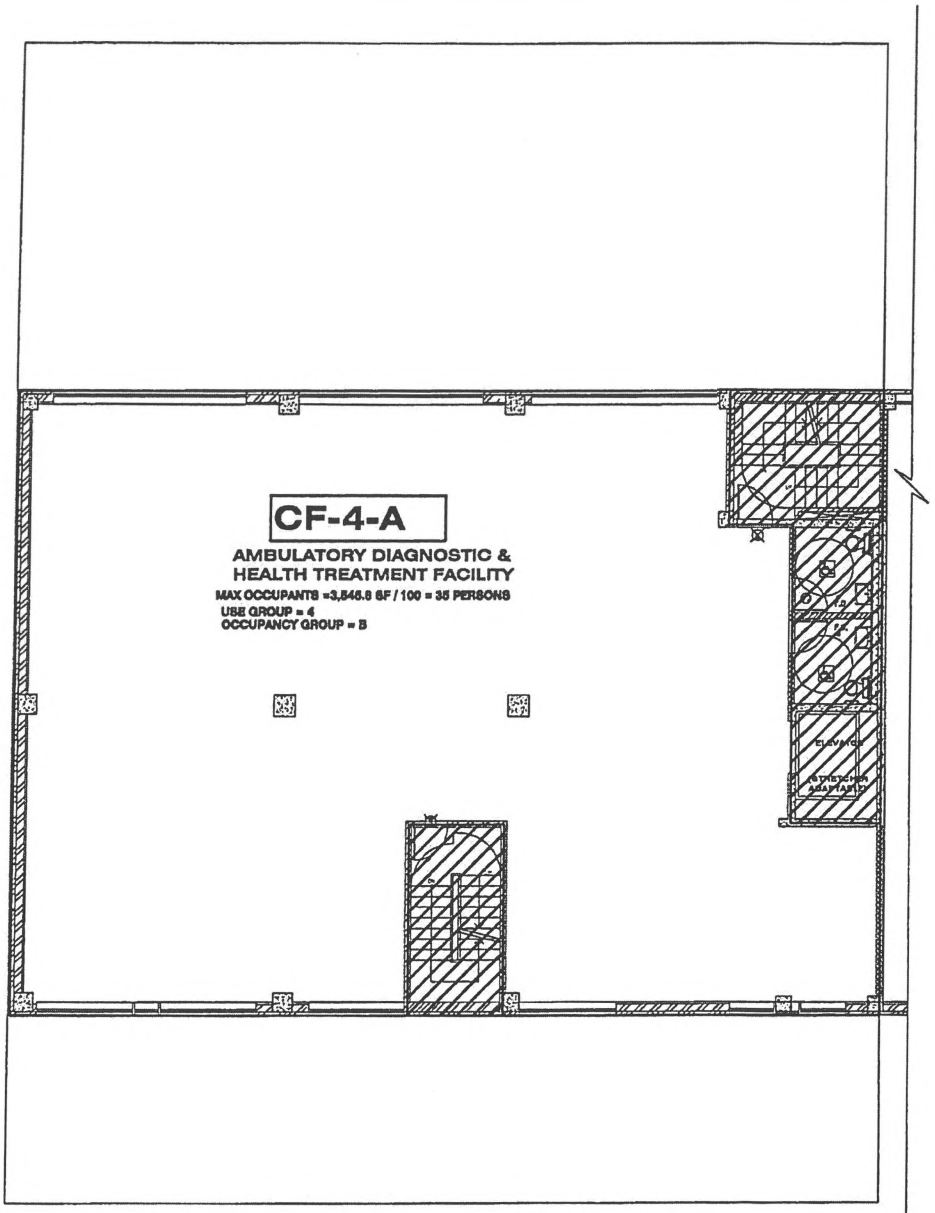
GENERAL COMMON AREA

LOCATION

825, 39TH STREET
BROOKLYN, N.Y.

DRAWING TITLE

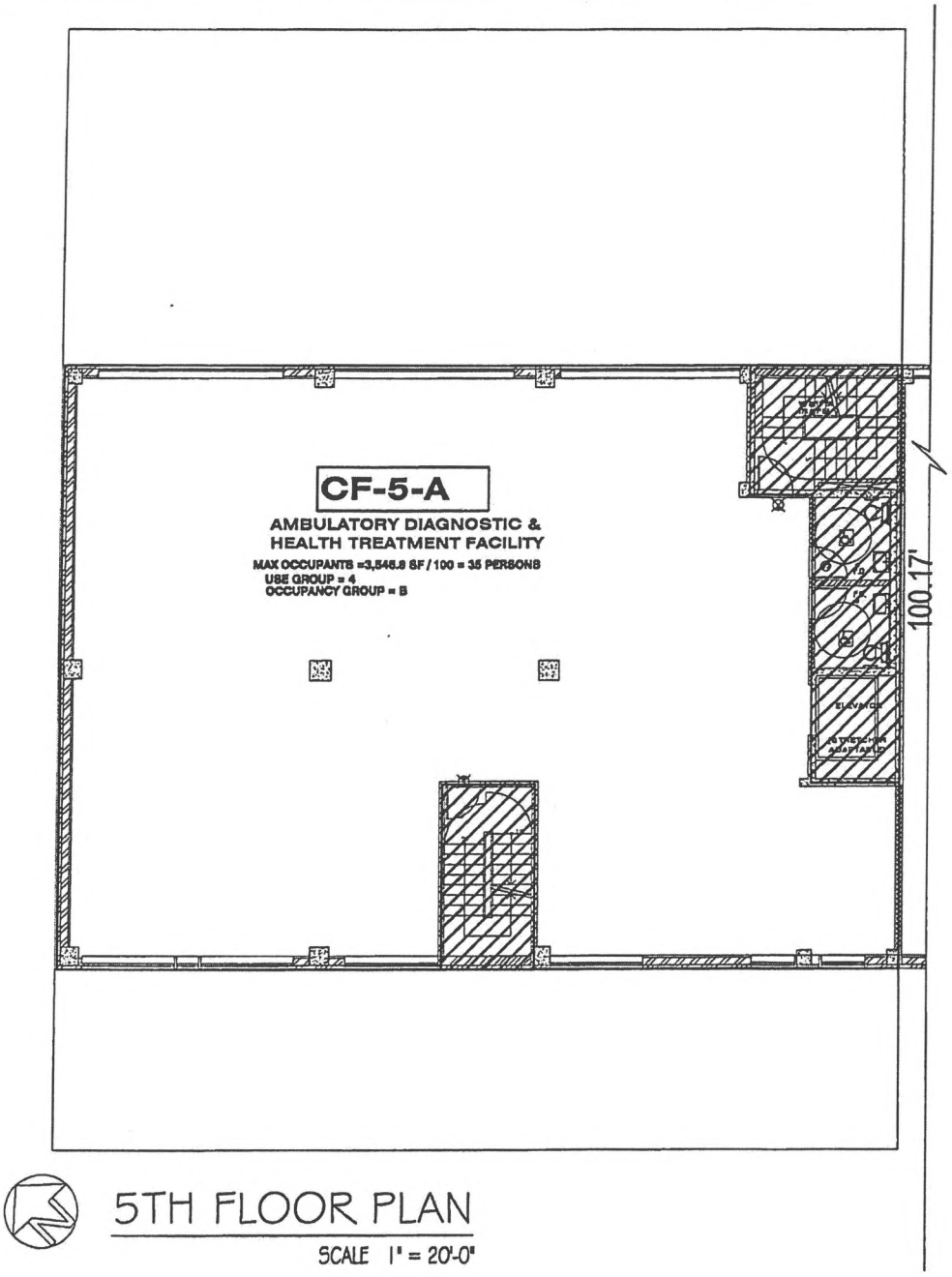
THIRD FLOOR PLAN



4TH FLOOR PLAN

SCALE 1" = 20'-0"

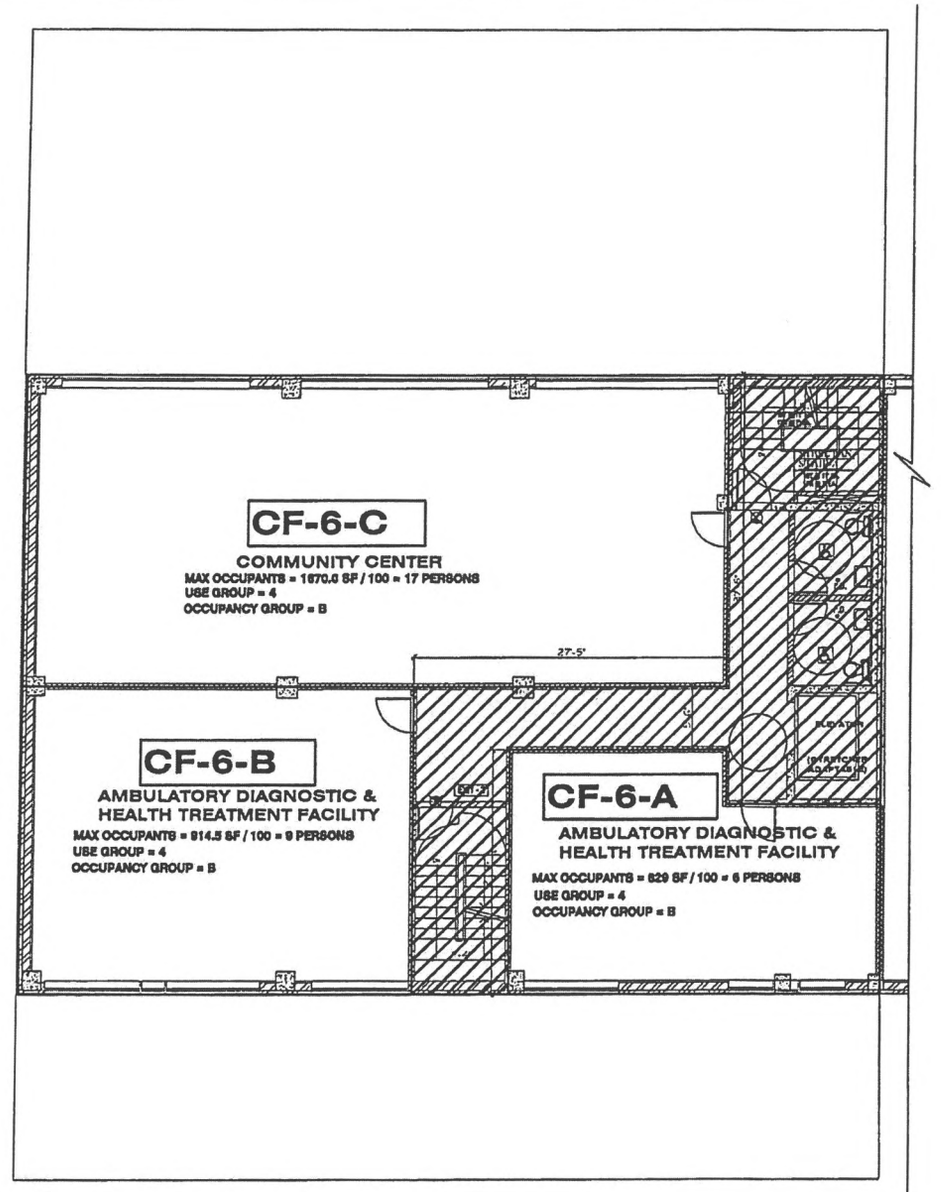
UNIT / AREA				LEGEND	LOCATION
CF-4-A	AREA = 3,546.8 S.F.			GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
					DRAWING TITLE
GENERAL COMMON AREA 944 SF					FOURTH FLOOR PLAN



5TH FLOOR PLAN

SCALE 1" = 20'-0"

UNIT / AREA				LEGEND	LOCATION
CF-5-A	AREA = 3,546.8 S.F.			GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
					DRAWING TITLE
GENERAL COMMON AREA 944 SF					FIFTH FLOOR PLAN

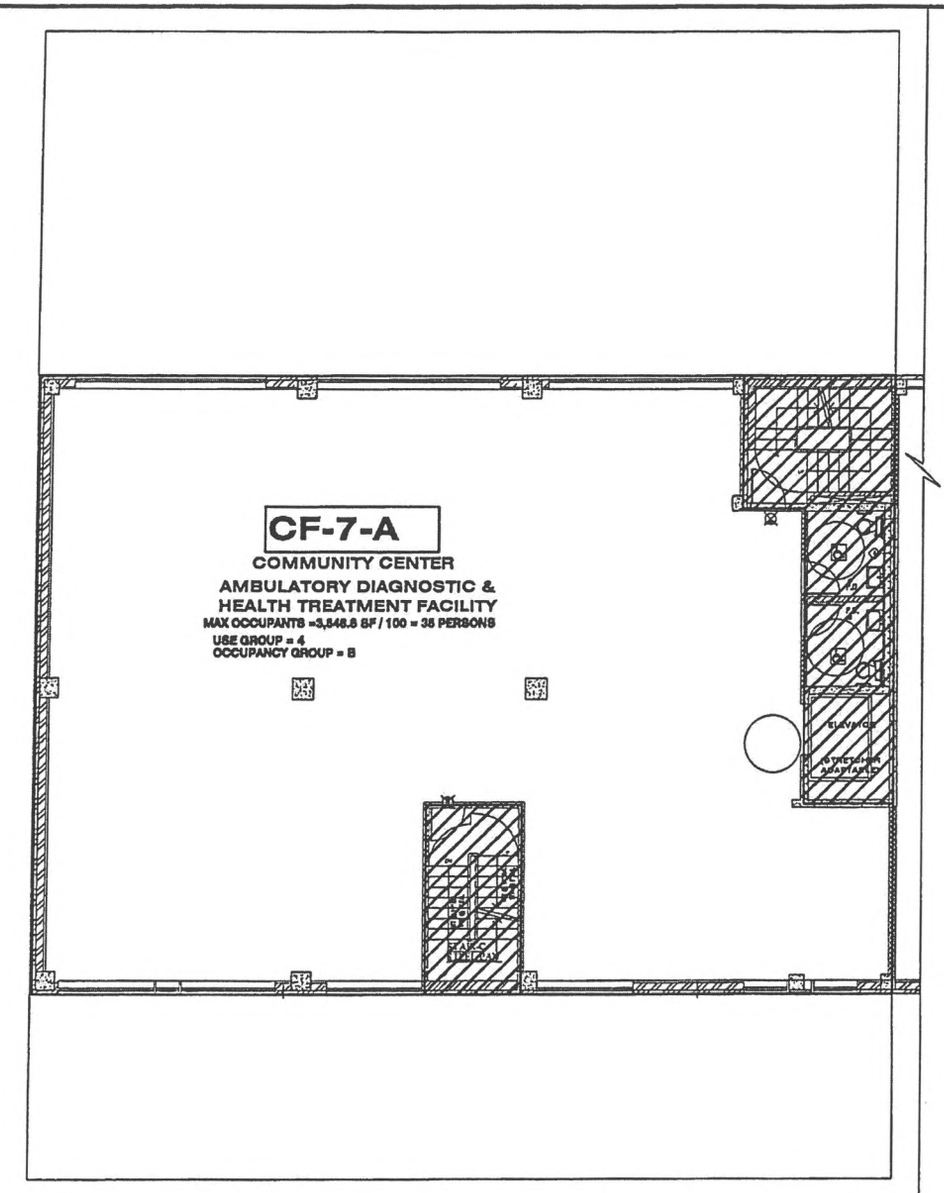


6TH FLOOR PLAN

SCALE 1" = 20'-0"

UNIT / AREA				LEGEND	LOCATION
CF-6-A	AREA = 629.0 S.F.			GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
	GEN.COM. A = 176 S.F.				
CF-6-B	AREA = 914.5 S.F.				DRAWING TITLE
	GEN.COM. A = 256 S.F.				
CF-6-C	AREA = 1670.0 S.F.				SIXTH FLOOR PLAN
	GEN.COM. A = 468 S.F.				

TOTAL GENERAL COMMON AREA = 855 S.F.



7TH FLOOR PLAN

SCALE 1" = 20'-0"

UNIT / AREA			
CF-7-A	AREA = 3,546.8 S.F.		

GENERAL COMMON AREA = 944 SF

LEGEND

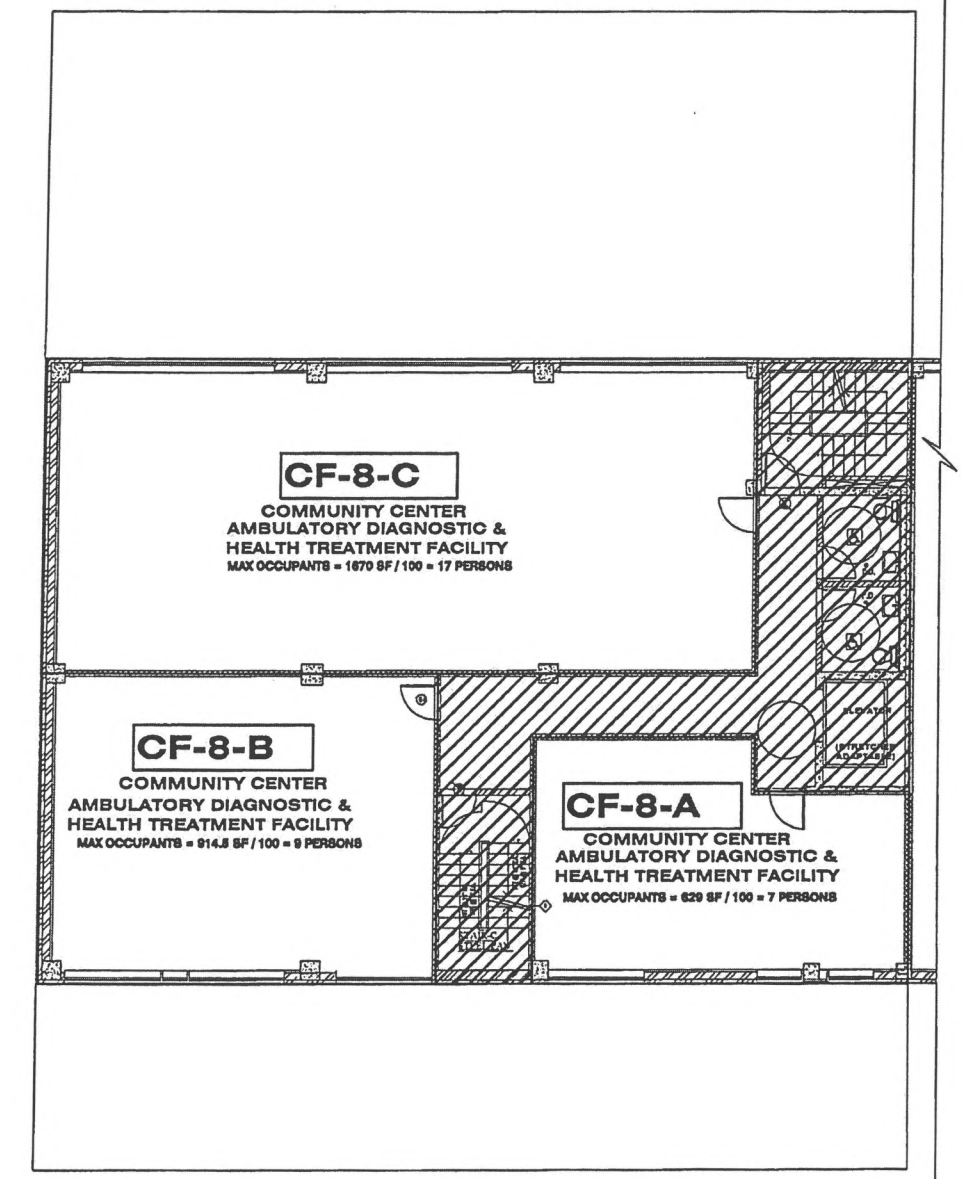
GENERAL COMMON AREA

LOCATION

825, 39TH STREET
BROOKLYN, N.Y.

DRAWING TITLE

SEVENTH FLOOR PLAN

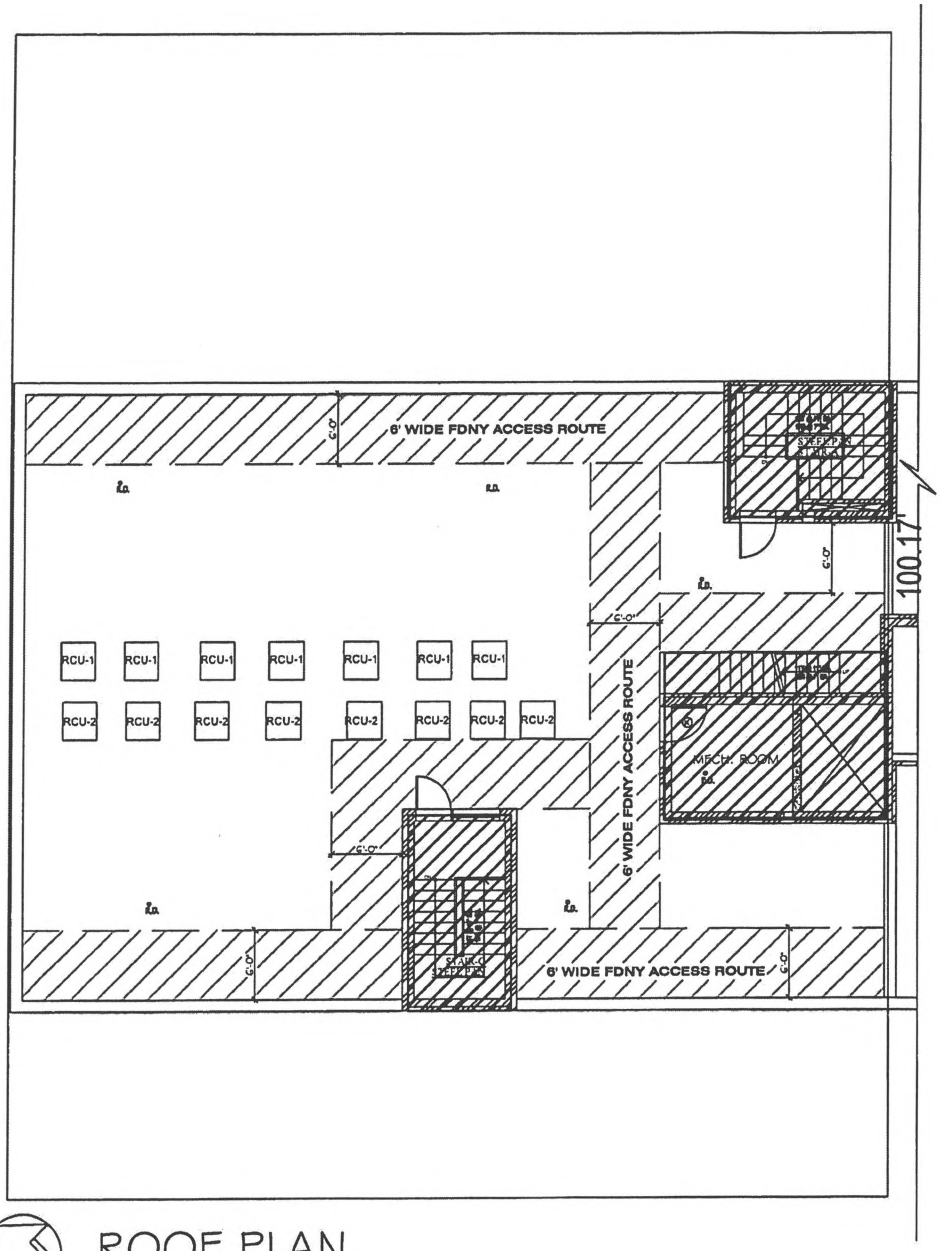


8TH FLOOR PLAN

SCALE 1" = 20'-0"

UNIT / AREA				LEGEND	LOCATION
CF-8-A	AREA = 629 S.F.			GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
	GEN.COM. A = 176 S.F.				
CF-8-B	AREA = 915 S.F.				DRAWING TITLE
	GEN.COM. A = 256 S.F.				EIGHT FLOOR PLAN
CF-8-C	AREA = 1670 S.F.				
	GEN.COM. A = 468 S.F.				

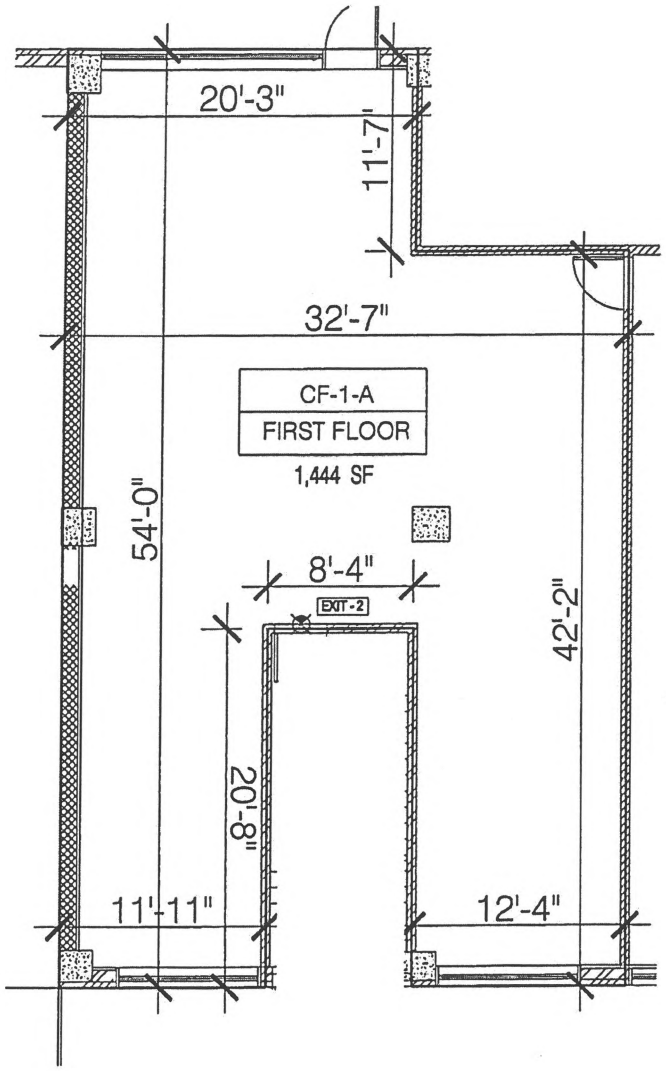
TOTAL GENERAL COMMON AREA = 855 S.F.



ROOF PLAN

SCALE 1" = 20'-0"

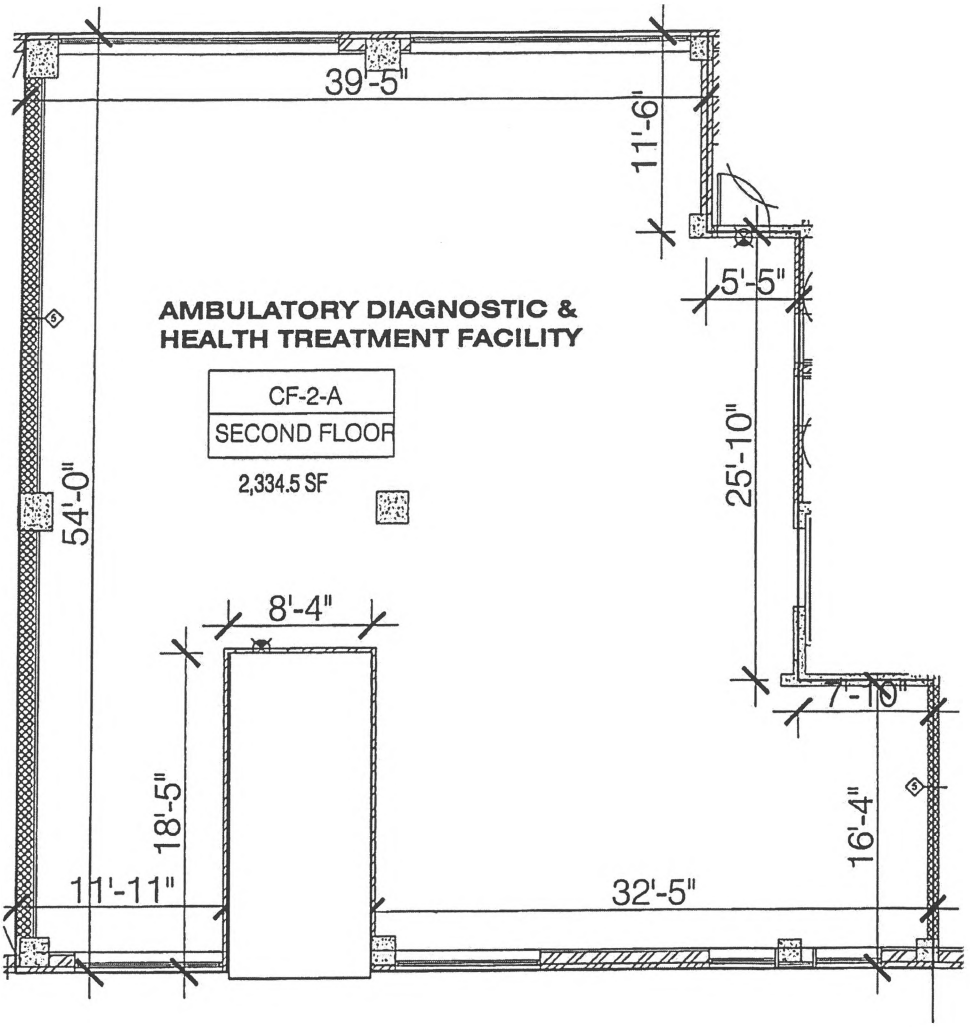
UNIT / AREA	LEGEND	LOCATION
GENERAL COMMON AREA = 575 S.F.	GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
		DRAWING TITLE
		ROOF PLAN



CF-1-A

nts

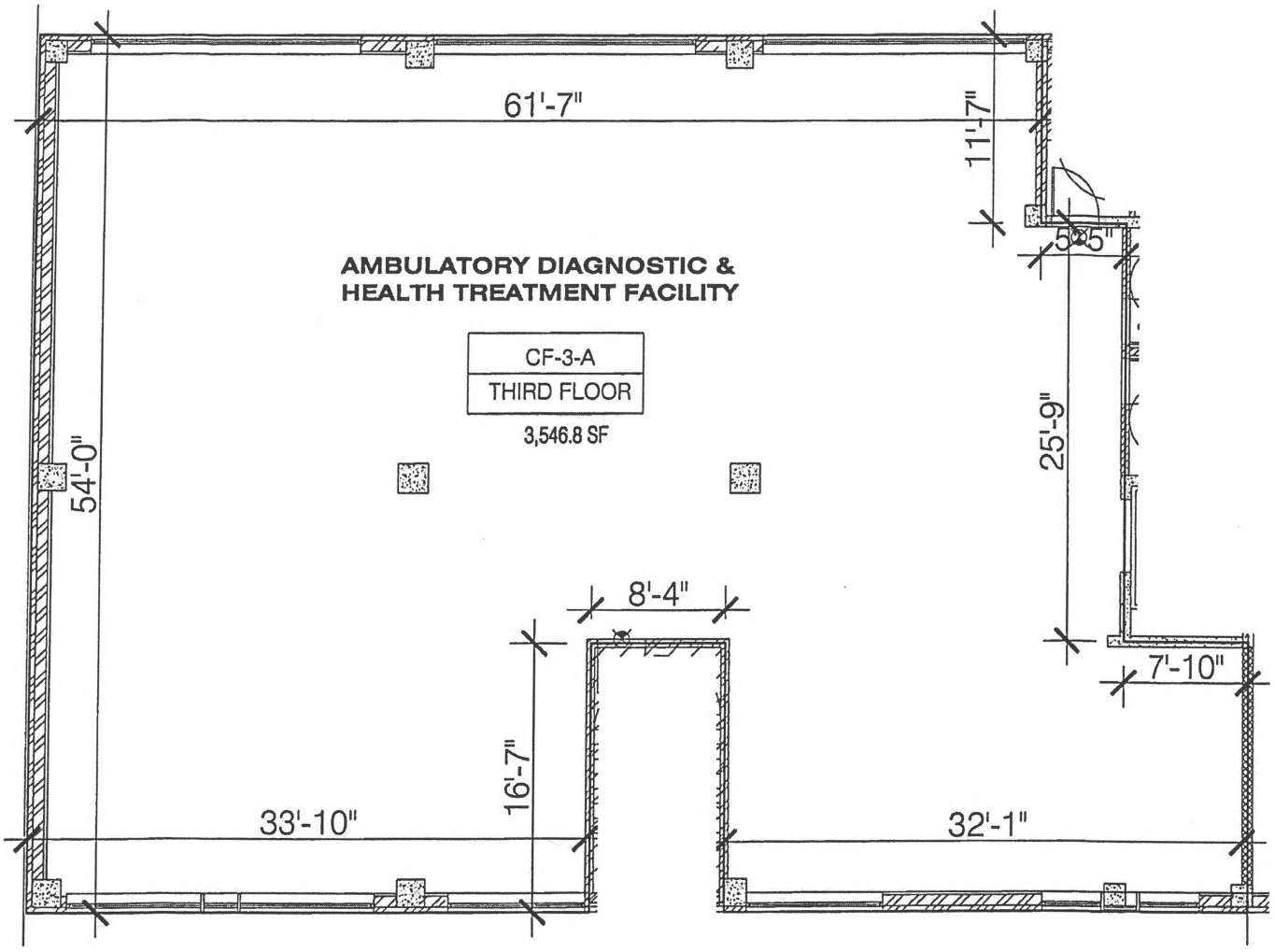
UNIT / AREA		LEGEND	LOCATION
CF-1-A = 1,444.0 sf		GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			FIRST FLOOR PLAN



CF-2-A

nts

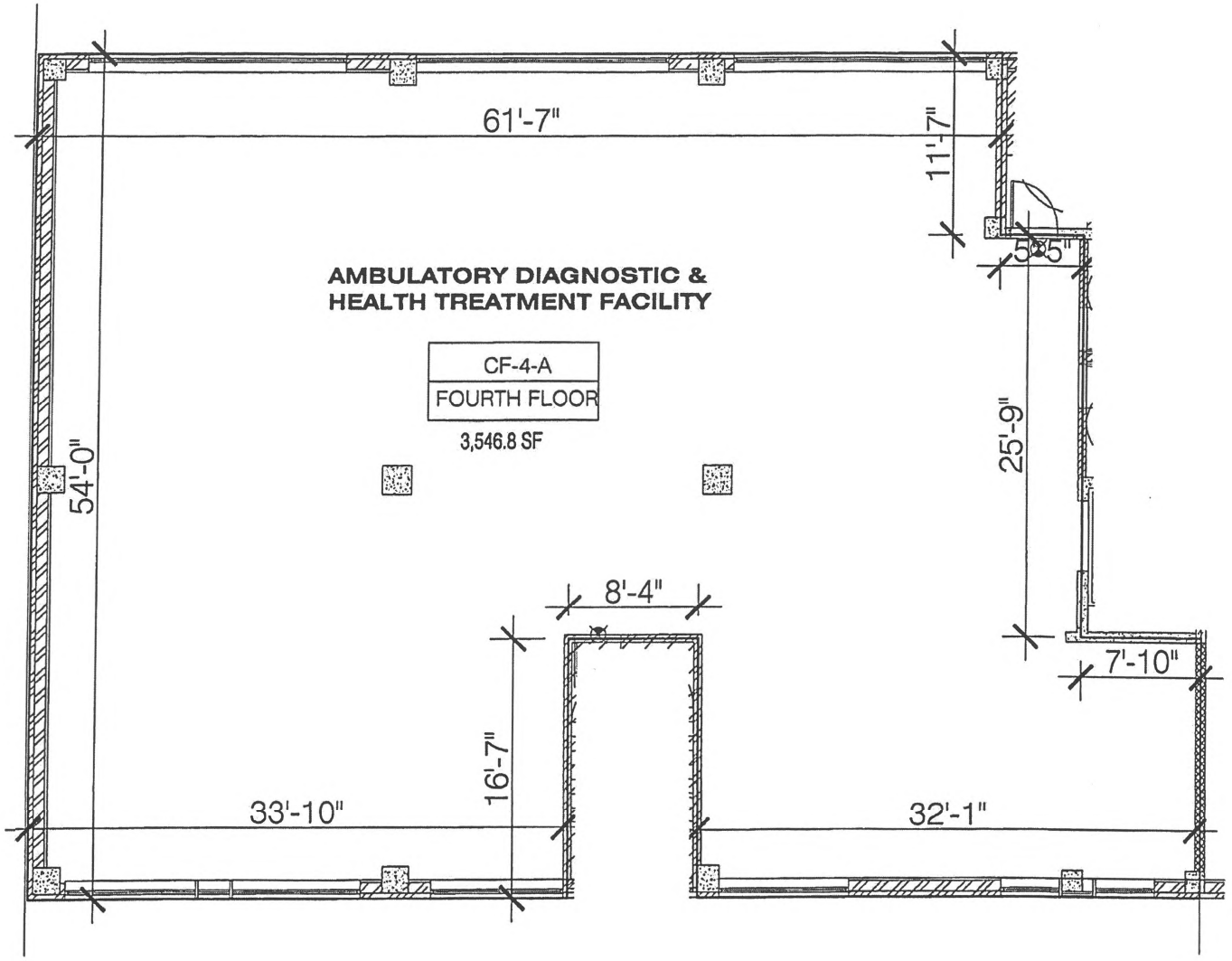
UNIT / AREA		LEGEND	LOCATION
CF-2-A = 2,334.5 S.F.		COMMUNITY FACILITY AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			SECOND FLOOR PLAN



CF-3-A

nts

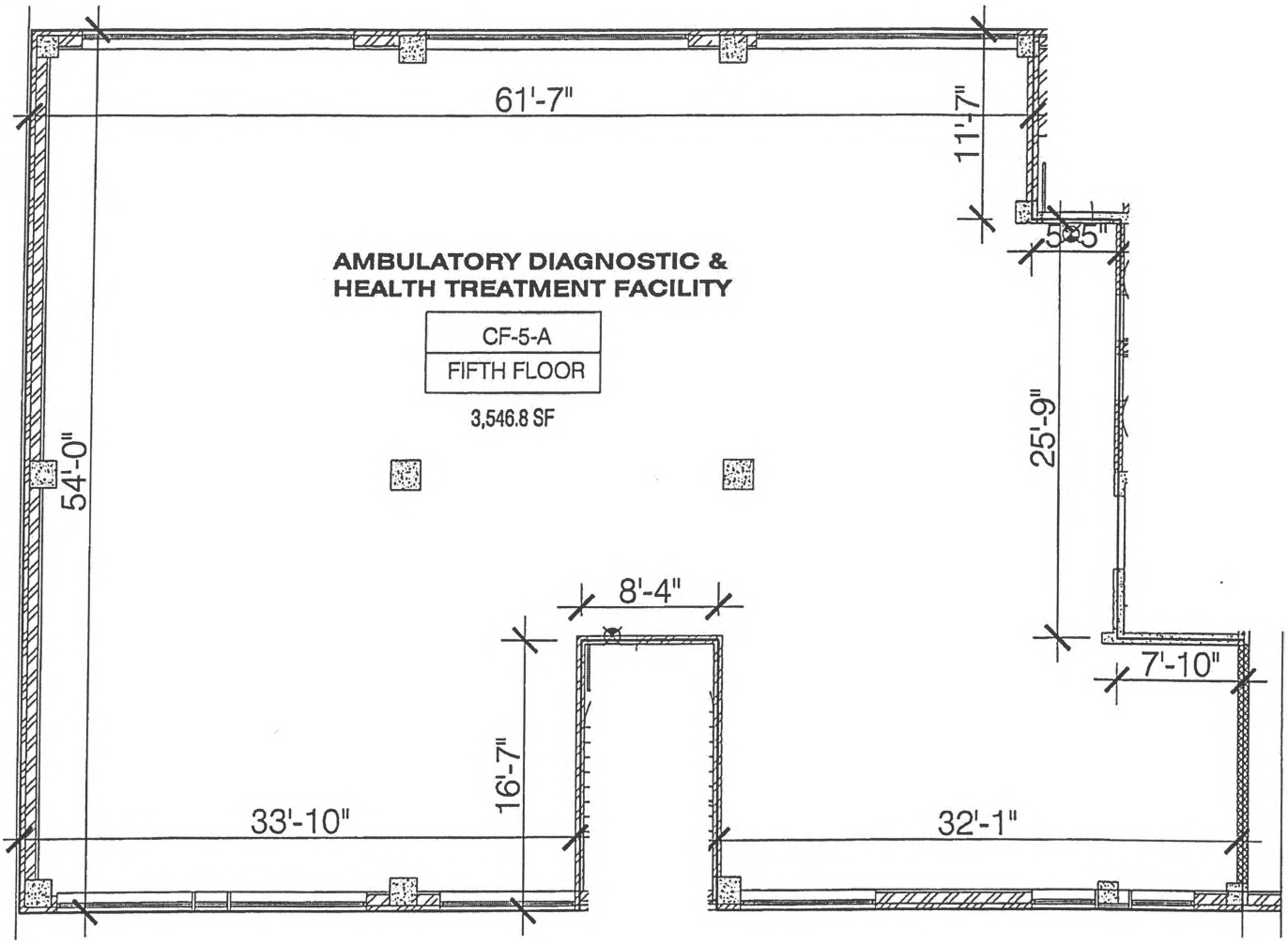
UNIT / AREA		LEGEND	LOCATION
CF-3-A = 3,546.8SF		COMMUNITY FACILITY AREA GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			THIRD FLOOR PLAN



CF-4-A

nts

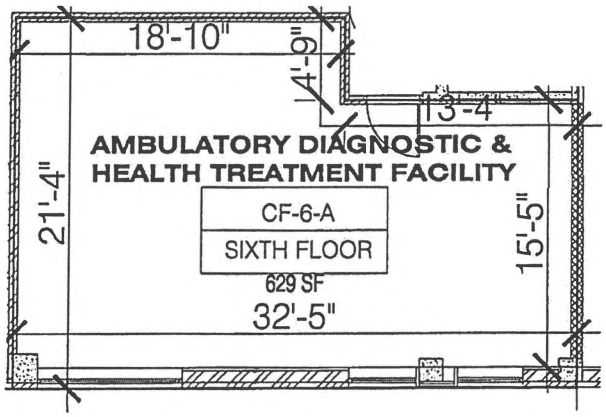
UNIT / AREA		LEGEND	LOCATION
CF-4-A = 3,546.8 SF		COMMUNITY FACILITY AREA GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			FOURTH FLOOR PLAN



CF-5-A

nts

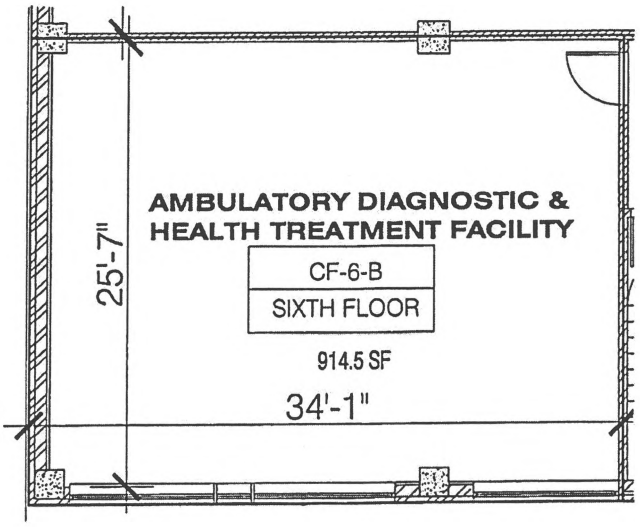
UNIT / AREA		LEGEND	LOCATION
CF-5-A = 3,546.8 SF		COMMUNITY FACILITY AREA GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			FIFTH FLOOR PLAN



CF-6-A

nts

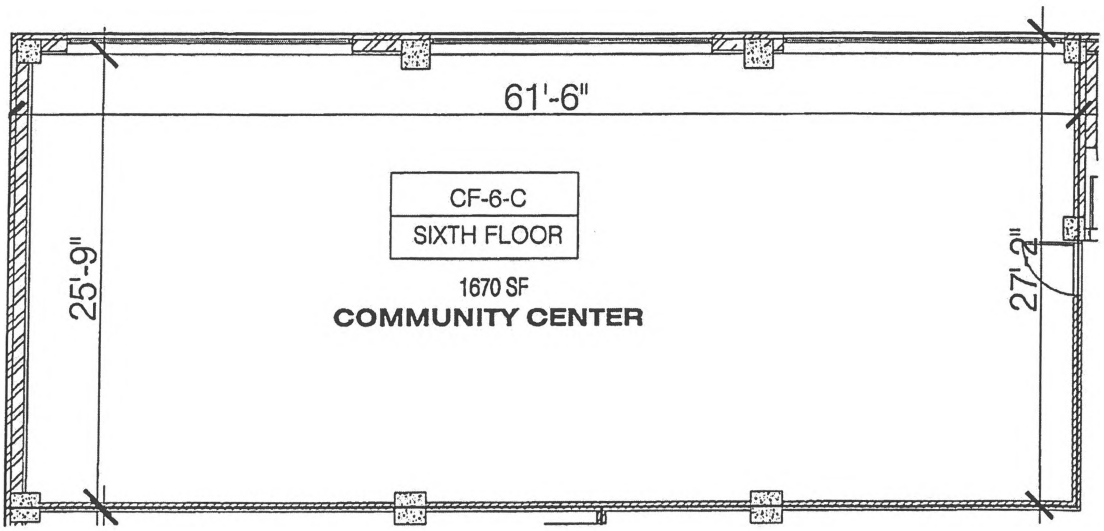
UNIT / AREA		LEGEND	LOCATION
CF-6-A = 629 SF		COMMUNITY FACILITY AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			SIXTH FLOOR PLAN



CF-6-B

nts

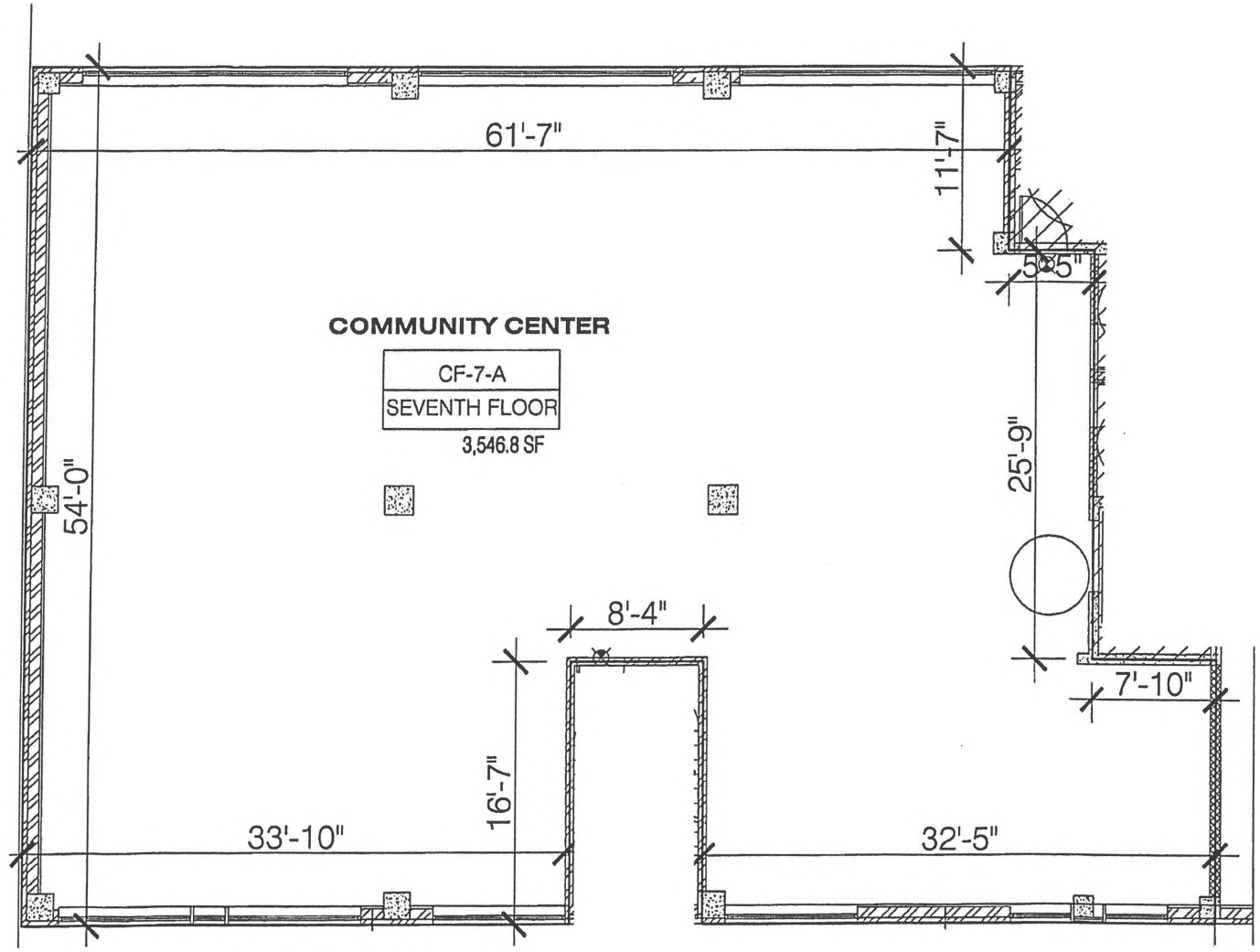
UNIT / AREA	KEY PLAN	LEGEND	LOCATION
CF-6-B = 914.5 SF		COMMUNITY FACILITY AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			FIFTH FLOOR PLAN



CF-6-C

nts

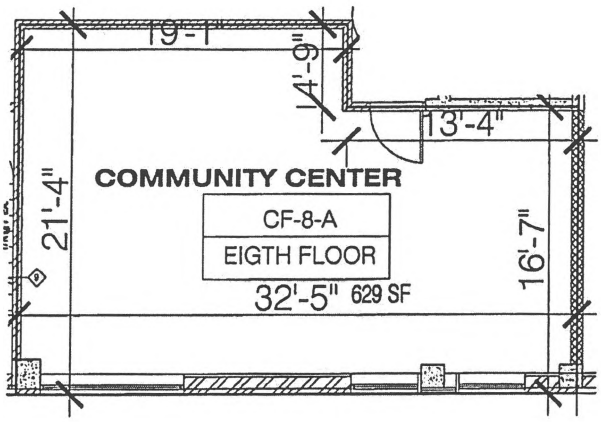
UNIT / AREA	KEY PLAN	LEGEND	LOCATION
CF-6-C = 1670 SF		COMMUNITY FACILITY AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			SIXTH FLOOR PLAN



CF-7-A

nts

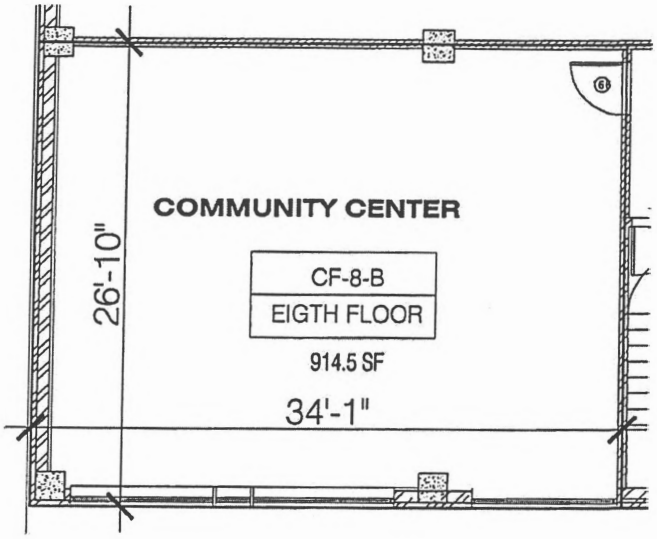
UNIT / AREA		LEGEND	LOCATION
CF-7-A = 3,546.8 SF		COMMUNITY FACILITY AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			SEVENTH FLOOR PLAN



CF-8-A

nts

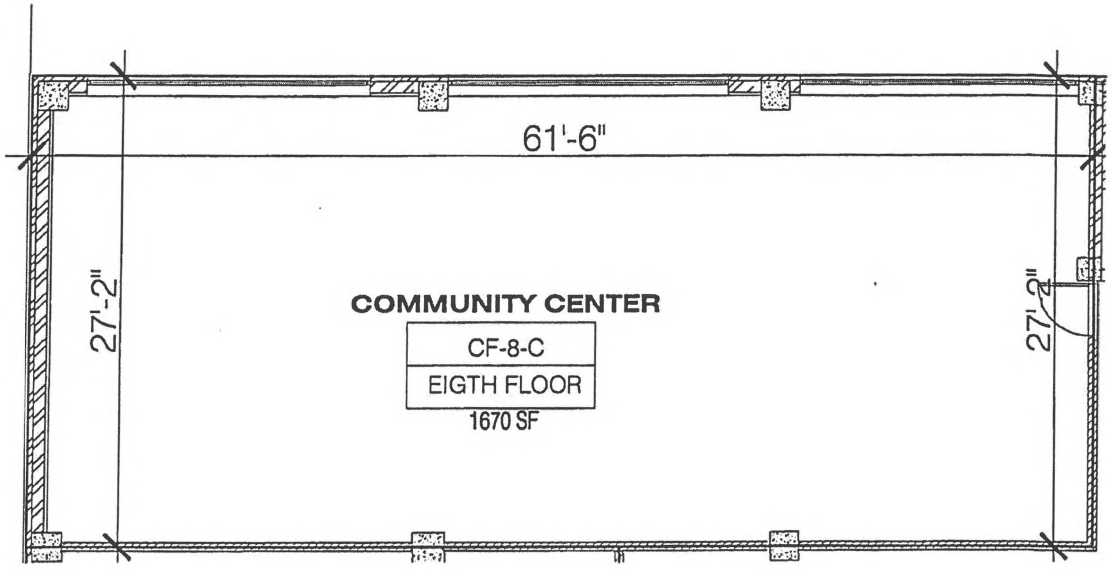
UNIT / AREA		LEGEND	LOCATION
CF-8-A = 629 SF		COMMUNITY FACILITY AREA GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			EIGHTH FLOOR PLAN



CF-8-B

nts

UNIT / AREA		LEGEND	LOCATION
CF-8-B = 914.5 SF		COMMUNITY FACILITY AREA GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			EIGHTH FLOOR PLAN



CF-8-C

nts

UNIT / AREA		LEGEND	LOCATION
CF-8-C = 1670 SF		COMMUNITY FACILITY AREA GENERAL COMMON AREA	825, 39TH STREET BROOKLYN, N.Y.
			DRAWING TITLE
			EIGHTH FLOOR PLAN

SCHEDULE H

FEE TITLE DESCRIPTION

FEE TITLE DESCRIPTION

The approximate square foot area of each Unit is measured horizontally on each of one or more floors from the outermost extent of exterior walls of the Building to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from, egress stairs, and other mechanical equipment spaces or any Common Elements excluding common corridors, to the opposite outermost extent of exterior walls of the Building, as the case may be. Columns, mechanical pipes, shafts, shaft ways, chases, chase ways, conduits and private convenience stairways in all Units are not deducted from the measurement of each Unit. When a Unit shares a wall with a common corridor, the area shall be measured to the finished face of the corridor wall on the corridor side of the wall. Areas on the common corridor side of Unit's entry doors shall be included in the Unit area up to the extents of the architectural millwork frame of the door. Terraces, balconies, and other area exterior to the building envelope and complying with parapet and fencing height restrictions set forth in the NYC Zoning resolution, are not subject to inclusion in floor area calculations. The Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.

SCHEDULE I

DECLARATION OF CONDOMINIUM

DECLARATION OF CONDOMINIUM
825 39TH STREET COMMERCIAL CONDOMINIUM
CONDO

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED AT 825 AND 833 39TH STREET,
BOROUGH OF BROOKLYN, KINGS COUNTY, CITY AND STATE OF NEW YORK
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

NAME: **825 39TH STREET COMMERCIAL CONDOMINIUM**

SPONSOR: 823 39th Street Brooklyn, LLC
34-28 Collins Street
Flushing, New York 11354

DATE OF DECLARATION:

BLOCK: ____

F/K/A LOT: ____

N/K/A LOTS: _____

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Sponsor
90 Merrick Avenue, 9th Floor
East Meadow, NY 11554

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PLAN OF CONDOMINIUM UNIT OWNERSHIP

DECLARATION OF 825 39TH STREET COMMERCIAL CONDOMINIUM PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK

In the Borough of Brooklyn, Kings County, City and State of New York on this ____ day of _____, 20__, 823 39TH STREET BROOKLYN, LLC, with an address at 34-28 Collins Street, Flushing, New York 11354 a New York limited liability company, organized and existing under the laws of the State of New York, hereinafter referred to as the "Sponsor" unless otherwise indicated, 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 Sponsor submits the property described in this Declaration, including the land and the Buildings 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 Sponsor owns all those certain plots, pieces or parcels of land, with the Buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn and Kings County, City and State of New York, and more particularly bounded and described in Schedule A annexed hereto and made a part hereto. The property will consist of twelve (12) Community Facility Units in the Building located at 825 39th Street, Brooklyn, New York 11232 consisting of eight (8) floors and one (1) Garage Unit located on three (3) levels below the Building and the Common Elements of the Condominium. The architect who prepared and certified the plans is: Michael Kang PLLC, with offices located at 11 Broadway, Suite 410, New York, New York 10004.

THIRD: DEFINITIONS.

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

1. "Annual Meeting" – The meeting of the Unit Owners of the Condominium held on a yearly basis or such other convenient date as the Board of Managers may designate subsequent to the First Annual Meeting.

2. "Abutting Property" – The property abutting the Condominium and located at 833 39th Street, Brooklyn, New York.

3. "Abutting Property Owner" – The owner of the Abutting Property.

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

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

6. "Building" - The building including the Units and Common Elements of the Condominium.

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

8. "Community Facility Area" – The area of the Condominium consisting of the Community Facility Units and Community Facility Unit's Limited Common Elements.

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

10. "Common Elements" - All portions of the Condominium, other than the Units. The Common Elements are divided as follows:

    (a) General Common Elements - Common Elements shared by all Unit Owners.

    (b) Garage Unit's Limited Common Elements - Common Elements for the exclusive use of the Garage Unit Owner and its tenants and occupants.

    (c) Individual Community Facility Unit's Limited Common Elements - Common Elements which are for the exclusive use of an individual Community Facility Unit Owner or Owners, its tenants and occupants.

    (d) General Community Facility Units' Limited Common Elements - Common Elements which are for the exclusive use of the Community Facility Unit Owners, their tenants and occupants.

11. "Common Expenses" - (a) Expenses incurred by all Unit Owners for the purpose of paying common 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; (b)

General Community Facility Units' Limited Common Elements and (c) All sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.

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

13. "Condominium" – 825 39th Street Commercial Condominium which includes the Unit Owners, the Units and the Common Elements.

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

15. "Condominium Association" – The unincorporated association of Unit Owners, which is governed by the Board of Managers.

16. "Condominium Documents" – The Declaration of Condominium, the By-Laws the As-Built Plans of the Units and the Condominium Unit Designation Map (as provided in the Condominium Act and Real Property Law Section 334-a), as same may be amended from time to time.

17. "Declaration of Condominium" - The instrument by which the Property is submitted to the provisions of the Condominium Act, and such instrument as from time to time may be amended, consistent with the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and of the By-Laws.

18. "Divider Wall" – The wall separating the Unit of one Owner from the Unit of an adjoining Unit Owner.

19. "First Annual Meeting" – The date of the first annual meeting of the Unit Owners.

20. "First Board of Managers"- The initial Members of the Board of Managers consisting of Sponsor designated Members who shall hold office until the First Annual Meeting.

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

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

23. "Grantor" – The person conveying interest in real property.

24. "Limited Common Elements" - A Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the Owners of

such Unit or Units. Limited Common Elements may also be referred to as an Irrevocably Restricted Common Element.

25. "Percentage of Common Interest"- The percentage of common interest each Unit has in the Condominium.

26. "Plan" – The Plan of Condominium Ownership of the Property pursuant to this Declaration and the By-Laws.

27. "Property" – The overall area of the Condominium.

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

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

30. "Special Meeting" – A meeting held by the Unit Owners called pursuant to Article II, Section 10 of the By-Laws.

31. "Sponsor" – 823 39th Street Brooklyn, LLC a New York limited liability company and its successors, assigns and designees.

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

33. "Unit" – A Unit includes a Unit in the Condominium. The Units are further described as follows:

    (a) "Community Facility Unit" – One (1) of the twelve (12) Community Facility Units designated as a Community Facility Unit in Schedule B of the Declaration of Condominium to be used as Community Facility space as permitted pursuant to the zoning requirements of the City of New York.

    (b) "Garage Unit"- The Unit containing the Garage.

34. "Unit Owner" – A Unit Owner includes all the Unit Owners in the Condominium. Unit Owners are described as follows:

    (a) "Community Facility Unit Owner" – The Owner of a Community Facility Unit.

    (b) "Garage Unit Owner" – The Owner of the Garage Unit.

FOURTH: COMMUNITY/MEASUREMENT OF UNIT.

A. Community - The Sponsor is converting and constructing on the described parcel a mixed use Condominium Community known as 825 39th Street Commercial Condominium, according to the plans filed simultaneously with the recording of this Declaration in the New York City Register's Office, which Plans set forth a description of the Buildings stating the number of stories and number of Units. The architect who prepared and certified the Plans is: Michael Kang PLLC, with offices located at 11 Broadway, Suite 410, New York, New York 10004.

The property will consist of twelve (12) Community Facility Units in the Building located at 825 39th Street, Brooklyn, New York 11232 consisting of eight (8) floors and one (1) Garage Unit located on three (3) levels below the Building and the Common Elements of the Condominium.

The Building will consist of steel columns and beams system with concrete floor on top of metal deck for the floor assembly and varied finished materials consisting of concrete foundation, brick and block walls as set forth on the Plot Plan filed simultaneously herewith. Each of the Units has access to the General Common Elements or to a public street upon which the Condominium abuts by means of a walk or hallway. For the purposes of describing the location of the Buildings, approximate area, type and number of rooms of each Unit and the Common Elements to which each Unit has immediate access, each Unit is described as shown on Schedule B annexed hereto. Each Unit will be owned by one or more Unit Owners, each Unit Owner obtaining fee ownership, together with an undivided interest in the Common Elements of the Condominium, as listed hereinafter in this Declaration and referred to as the "Common Elements," all of the above in accordance with Article 9-B of the Real Property Law of the State of New York. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities may be changed by mutual consent of the Unit Owner and the Sponsor prior to or at closing of title to a Unit.

The aforesaid Condominium has a total plot area of approximately _____ square feet.

B. Measurement of Units – The approximate physical dimensions of each Unit consists of the area measured horizontally from the outside face of the exterior walls of the building defining the Unit to (a) the outside face of the exterior walls of the building, or (b) the centerline of the partitions of the interior walls separating the Unit from another Unit or (c) corridor side of partitions separating the Unit from the corridor or other spaces. Each Unit will consist of the volume measured vertically from the upper face of the flooring material on the lowest level of the Unit to and including the ceiling material on the highest level of the Unit. Any Common Element located within a Unit will not be considered a part of such Unit.

FIFTH: COMMON ELEMENTS.

The Common Elements will consist of the entire property, including all parts of the Condominium and improvements thereon, other than the Units, and will consist of the following:

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 (irrevocably restricted in use to specified Units or Unit Owners) and include without limitation the following:

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

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

3. Any portion of the roof that services and/or benefits two (2) or more Units;

4. All drainage systems, sewers and/or storm sewer pipes, drywells or detention tanks or facilities that service and/or benefit two (2) or more Units;

5. Any plantings, landscaping, gates, fences, and garden walls for the common use and/or benefit of the entire Condominium;

6. All pedestrian walkways intended for the common use and/or benefit of the Condominium;

7. The equipment and facilities serving two (2) or more Units and all other apparatus, installations, systems equipment and facilities in the Building (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve and/or benefit two (2) or more Units exclusively;

8. Stairs, stairways and hallways located in the Building which service and/or benefit two (2) or more Units;

9. The parking booth located in the cellar;

10. The sprinkler/water meter room located in the cellar;

11. The bicycle parking located in the cellar;

12. The gas meter room located in the cellar;

13. The electric meter room located in the cellar;

14. The mechanical room located on the first floor; and

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

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

1. Individual Community Facility Unit's Limited Common Elements - The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of the owner of an individual Community Facility Unit and are herein sometimes collectively referred to as a "Individual Community Facility Unit's Limited Common Elements":

(a) The entrances to and exits from an individual Community Facility Unit;

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

(c) Any portion of the roof in the Building that contains the Community Facility Units that services and/or benefits an individual Community Facility Unit exclusively;

(d) The terrace appurtenant to Community Facility Unit CF-1-A for Community Facility Unit CF 1-A's exclusive use;

(e) All central and appurtenant installations that are not contained within an individual Community Facility Unit for services such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith that are not located in an Individual Community Facility Unit) and all other mechanical equipment spaces that are not located in an individual Community Facility Unit and which service and/or benefit an individual Community Facility Unit exclusively;

(f) Any heating, cooling or other mechanical system that are not located in an individual Community Facility Unit and that service and/or benefit an individual Community Facility Unit exclusively;

(g) Any intercom system that service and/or benefit an individual Community Facility Unit exclusively; and

(h) All other parts of the Condominium and all apparatus and installations existing in the Condominium for the exclusive use and/or benefit of an individual Community Facility Unit.

An individual Community Facility Unit's Limited Common Elements servicing an individual Community Facility Unit and any of the above facilities located exclusively in an individual Community Facility Unit shall be maintained repaired and replaced solely by the respective individual Community Facility Unit Owner at the Community Facility Unit Owner's sole cost and expense.

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

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

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

(c) Any portion of a roof in either Building that services and/or benefits the Garage Unit exclusively;

(d) All central and appurtenant installations that are not located in the Garage Unit for services such as power, light, telephone, television,

gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith that are not located in the Garage Unit) and all other mechanical equipment spaces that service and/or the Garage Unit exclusively;

(e) All drainage systems, sewer and/or storm sewer pipes, drywells or detention tanks and facilities that service and/or benefit the Garage Unit exclusively;

(f) All mechanical equipment, refuse rooms, utility meters, storage areas, if applicable that service and/or benefit the Garage Unit exclusively;

(g) Any heating, cooling or other mechanical system that is not located in the Garage Unit and that service and/or benefit the Garage Unit exclusively;

(h) Any intercom system that service and/or benefit the Garage Unit exclusively;

(i) Any telephone and cable rooms, meter rooms, compactor rooms, refuse rooms, equipment rooms and any other mechanical rooms or areas that are not located in the Garage Unit and which service and/or benefit the Garage Unit exclusively;

(j) All flues, chimneys and vent caps that are not located in the Garage Unit and which service and/or benefit the Garage Unit exclusively;

(k) Any ladders for access to the top of any bulkhead on a roof that services and/or benefits the Garage Unit exclusively;

(l) Any compactor chute, compactor, and compactor room that service and/or benefit the Garage Unit exclusively; and

(m) All other parts of the Condominium and all apparatus and installations existing in the Condominium that are not located in the Garage Unit and are for the exclusive use and/or benefit of the Garage Unit.

The Garage Unit's Limited Common Elements servicing the Garage Unit and any of the above facilities that are located exclusively in and are a part of the Garage Unit shall be maintained repaired and replaced solely by the Garage Unit Owner at the Garage Unit Owner's sole cost and expense.

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. Each Unit Owner shall have the right to use the Common Elements, in accordance with the purpose for which such Common Elements are intended, without hindering the exercise of or encroaching upon the rights of the other Unit Owners.

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

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

5. 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: CHANGES TO A UNIT.

Except to the extent prohibited by law, the Sponsor, its successors, assignees or designees and a Unit Owner(s) shall have the right, without the vote or consent of the Board of Managers to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon their Unit; (b) change the layout of their Unit, or number of rooms in their Unit from time to time; (c) change the size and/or number of Units by subdividing one or more Units into two (2) or more separate Units, combining separate Units (including those resulting from such subdivision or otherwise) into one (1) or more Units, altering the boundary walls between any Units, or otherwise; (d) if appropriate, reapportion among a Unit affected by such change in size or number pursuant to the preceding clauses their Percentages of Common Interest in the Common Elements provided, however, that the Percentage of Common Interest in the Common Elements of any other Units shall not be changed by reason thereof unless the owners of such Units shall consent thereto and, provided further, that the Sponsor, its successors, assignees or designees and the Unit Owner(s) shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owner(s) harmless from any liability arising therefrom.

Nothing contained in this Declaration shall prohibit the division or consolidation of a Unit and Percentage of 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 Unit or Units as then existed for the total of the original Units before division or consolidation. An amendment to this Declaration authorized by this paragraph of Article Sixth may be filed by the Sponsor or applicable Unit Owner and their successors, assignees and/or designees without any consent of the Board of Managers or any other Unit Owner provided the Percentage of Common Interest of all other existing Units is not affected thereby.

SEVENTH: EASEMENTS.

Every Unit Owner shall have an easement in common with the owners of other Units to maintain, use and have access to all pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in another Unit that services the respective Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, sewers and/or drainage lines, wires, conduits and public utility lines servicing such other Units that are located in the respective Unit Owner's Unit.

The Board of Managers shall have a right of access to each Unit for the maintenance, repair, replacement or improvements to any pipes, sewers and/or drainage lines, wires, conduits and public utility lines located in any Unit that is a General Common Element or which may cause damage to any other Unit or to the Unit Owners, tenants or occupants of the Condominium. The cost of any required maintenance, repair, replacement and/or improvements to the General Common Elements shall be a Common Expense of the entire Condominium. The Board of Managers shall have a right of access in, through and over the Condominium property, for maintenance, repair, replacement or improvement of the General Common Elements in furtherance of this paragraph.

The Board of Managers shall have a right of access in, through, under, over and across the Community Facility Area for the maintenance, repair, replacement or improvements to the General Community Facility Units' Limited Common Elements. The cost of any required maintenance, repair, replacement and/or improvements to the General Community Facility Units' Limited Common Elements shall be a Common Expense of the overall Condominium. The Board of Managers shall have a right of access in, through and over the Condominium property, for maintenance, repair, replacement or improvement of the General Community Facility Units' Limited Common Elements in furtherance of this paragraph.

The owner(s) of a Unit and any Units resulting from the subdivision and/or consolidation of a Unit shall have easements in, under, over and through all portions of

the Condominium for the purpose of (i) the installation in the Unit Owner's Unit or Limited Common Element of the Unit and the maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical and/or utility lines and fixtures and equipment, no matter where located, servicing such Unit or Units; (ii) through the Common Elements of the Condominium, no matter how classified, for access to a roof for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment servicing such Unit or Units now or hereafter located on a roof, provided, however, that except in the case of an emergency, the right of access may be exercised only after prior notice to the Board of Managers.

The Units and any Units resulting from the subdivision or consolidation of a Unit shall be subject to easements in favor of any other Unit(s) and any Unit resulting from the subdivision or consolidation of a Unit for the installation in the Unit Owner's Unit or Limited Common Element of the Unit and for the maintenance, repair and replacement of gas, electricity, heating, air-conditioning, ventilation and water and other mechanical lines and fixtures and equipment serving a Unit and any Units resulting from the subdivision or consolidation of a Unit wherever located in the Condominium.

The owner of a Unit and any Unit resulting from the subdivision or consolidation of a Unit shall have the right at their sole cost and expense to install separate heating, cooling, water and/or other mechanical systems for a Unit and shall have an easement in, over, under and through the applicable portions of the Condominium for (i) the installation in a Unit or Limited Common Element of a Unit and for the maintenance, repair and replacement of the heating, cooling, water and/or other mechanical systems and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith no matter where located; (ii) for access to any equipment that services a Unit and which is located in any other area of the Condominium or any other Unit or Units or their respective Limited Common Elements and (iii) to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any rental or other business conducted in a Unit. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Condominium.

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

The Sponsor, its successors, assigns, and designees, reserve the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements, no matter how classified, of the Condominium for the purpose of completing any construction, repair, sale and/or rental of Units and facilities in the Condominium and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements, no matter how classified, 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 or to facilitate the sale or rental of a Unit. The Sponsor, as the provisions may apply to the General Common Elements or to a Unit the Sponsor, its successors, assigns or designees may own, 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 Sponsor, as the provisions may apply to the General Common Elements or to a Unit the Sponsor, its successors, assigns or designees own 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 or any individual Unit or Units the Sponsor owns as the Sponsor 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 Sponsor's rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units, together with their interest in the Common Elements. Finally, the Sponsor, its successors, assigns and designees reserve the right to continue to use the General Common Elements and any facilities, sales offices, model Units and signs located in or on the General Common Elements, in their efforts to sell and/or lease Units constructed in the Condominium and to complete any construction or repair of the Condominium. This paragraph shall not be amended without the consent of the Sponsor.

The Sponsor, its successors, assigns or designees, and any contractors, subcontractors, agents, and employees of the foregoing shall have an easement of access to and through a Unit for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Sponsor with respect to the Common Elements and/or the Units.

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.

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 a 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.

All Unit Owners, residents, guests, tenants and anyone else needing access to a Unit shall have an easement of ingress and egress, in, through and over the Property of the Condominium, including the Common Elements regardless of how classified for access to their Unit, room in a Unit, office in a Unit or parking in a Unit.

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

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

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

The Abutting Property Owner shall have an easement in, through and across the Condominium for the purpose of any maintenance, repair or replacement to any lines, wires, pipes, conduits, cable television, sewers and drainage lines and any other mechanical equipment that maybe located in or on the Condominium Property and which services the Abutting Property.

The Abutting Property Owner shall have an easement in, through and across the Condominium for the purposes of any maintenance, repair or replacement to the Abutting Property that may be required for such purpose and pursuant to any maintenance agreement between the Abutting Property Owner and the Condominium.

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 all areas of the Condominium. This Paragraph may not be amended by the Unit Owners in the Condominium.

The Sponsor its successors, assigns and/or designees reserve the right to continue to use the Common Elements and any facilities, sales or construction offices, model Units and signs located on the Common Elements. This paragraph shall not be amended without the written consent of the Sponsor.

EIGHTH: 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 the Board of Managers as agent of this Condominium is: Board of Managers c/o 823 39th Street Brooklyn, LLC, 34-28 Collins Street, Flushing, New York 11354 or such other address as the Board of Managers of the Condominium selects.

NINTH: 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 General Common Expenses of the Condominium except as otherwise described herein in reference to the Limited Common Elements. With respect to those matters subject to a vote of the Unit Owners, each Unit Owner shall have the number of votes equal to that Unit's respective Percentage of Common Interest in the Common Elements. The Percentage of Common Interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of common interest in a condominium complies with and is pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York.

TENTH: ADMINISTRATION.

The administration of the Condominium, and parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto as Schedule C.

ELEVENTH: 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 altering a Unit Owner's Percentage of Common Interest shall be made without the consent of all Unit Owners affected.

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

3. No amendment to the Declaration which solely affects the Community Facility Units may be adopted without the written consent of sixty-six and two-thirds (66⅔%) percent of the Community Facility Unit Owners.

4. No amendment to the Declaration which solely affects an individual Community Facility Unit may be adopted without the written consent of the respective Community Facility Unit Owner.

5. No amendment to the Declaration which solely affects the Garage Unit may be adopted without the written consent of the Garage Unit Owner.

6. No amendment shall add any parcel of land to or divest any parcel of land from the Condominium properties unless all of the Unit Owners and the first mortgagees, if any, of each of these same Unit Owners agree to such change on the instrument of amendment.

7. No amendment to the Declaration shall be passed that affects the business operation of Community Facility Unit without the written consent of the respective Community Facility Unit Owner.

8. No amendment to the Declaration shall be passed that affects the business operation of the Garage Unit without the written consent of the Garage Unit Owner.

9. The Board of Managers and the Sponsor, as long as the Sponsor owns an Unsold Unit in the Condominium, shall have the right to amend the Declaration without the vote or consent of the Unit

Owners or the holders of any Unit mortgages and to execute and record in the New York City Registrar's Office, such amendment as may be required to reflect (i) changes in the Declaration (including Schedule B), As-Built Floor Plans and Condominium or Unit Designation Map that are corrective in nature or (ii) 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 (iv) to amend any Filed Map or amending such Declaration to create any utility easements (v) to carry out any of the provisions of the Offering Plan of the Condominium or (vi) to resolve or clarify any inconsistency or which is patently a mistake or a scrivener's error, or (vii) technical corrections; or (viii) to comply with any federal, state or city law or regulation that may affect the Condominium. In connection therewith, each Unit Owner upon becoming a Unit Owner shall be deemed to grant an irrevocable power of attorney, coupled with an interest to the Board of Managers of the Condominium and to the Sponsor to amend this Declaration of Condominium for said purposes.

10. 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 Sponsor or its successors, assigns or designees or against any Unsold Unit, as long as the -Sponsor owns an Unsold Unit in the Condominium unless the Sponsor its successor, assignee or designee has given its prior written consent thereto. This provision is not subject to amendment.

11. The Sponsor its successors, assignees, designees and purchasers shall have the right without vote or consent of the Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Register's Office of the City of New York and elsewhere, if required by law, an amendment or amendments to this Declaration (together with such other Condominium 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

Condominium Documents or the Offering Plan, or (v) to amend Schedule B of this Declaration to consolidate or subdivide 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 percentage of common interest of the Units that were consolidated or subdivided, 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, to revise the number and description of rooms contained in a Unit and any other required information for a Unit or (viii) to make changes or revisions to comply with the requests, guidelines and/or requirements of any major participant in the secondary market for mortgages, including but not limited to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal Housing Association ("FHA") of the Housing and Urban Development ("HUD"), the Veterans Administration ("VA") and/or any State or Local Funding Agencies, or (ix) to make corrections that are patent errors, inconsistencies, scrivener's errors and technical errors, or (x) to effectuate all necessary changes to the Declaration..

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. Any amendment to this Declaration shall not take effect until it is recorded in the New York City Register's Office.

Regardless of any other provision of this Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and building laws and codes.

TWELFTH: SUBJECT TO DECLARATION, BY-LAWS, ETC.

All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the mere acquisition or rental of any of the Units of the Condominium

or the mere act of occupancy of any of said Units shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

THIRTEENTH: COMMON CHARGES

Common Expenses of the Condominium shall be determined by the Board of Managers of the Condominium. Common Expenses shall include but not be limited to include the expenses to maintain, repair, alter, manage and operate the General Common Elements and the General Community Facility Units' Limited Common Elements to conduct the affairs affecting or benefitting the Property or the Unit Owners and generally to exercise, perform and enforce the powers, duties and obligations of the Condominium Board pursuant to the Declaration, the By-Laws and the Condominium Act. The Common Expenses of the Condominium shall be assessed to and paid by the Unit Owners of the Condominium Units based upon each Unit's percentage of Common Interest as reflected in Schedule B of this Declaration. However, the Board of Managers in prorating said requirements may give consideration to the higher insurance premium rates against certain Units as a result of unusual activity in such Units. In addition, as permitted in Section 339-m of The Real Property Law of the State of New York, the Board of Managers may also specially allocate and apportion expenses to one or more Units as a result of such Unit(s) receiving special benefits or where allocation based on percentage of common interest would otherwise be inequitable. The assessments paid by the Unit Owners towards the Common Expenses of the Condominium shall be referred to as "Common Charges". All unpaid Common Charges together with the maximum interest permitted in New York thereon, chargeable to any Unit Owner shall constitute a lien on the Unit Owner's Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivisions of any governmental authority, including but not limited to State and City taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees and costs of collection (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a General Common Expense. Each Unit Owner shall be personally liable for all unpaid Common Charges and any Special Assessments.

Notwithstanding any other provision in this Declaration of Condominium or the Condominium By-Laws and in accordance with above any mortgagee of an Institutional Mortgage as well as their respective affiliated nominees or designees and a purchaser

at an Institutional Mortgage lien foreclosure sale who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for the Unit's unpaid Common Charges accrued before acquisition of the title to the Unit by the mortgagee. If the Condominium's lien priority includes costs of collecting unpaid Common Charges the mortgagee of the Institutional Mortgage will not be liable for any fees or costs related to the collection of unpaid Common Charges. The unpaid balance of such Common Charges and/or Special Assessments will be included in the Common Expenses and collected from all other Unit Owners. Upon acquisition of title the holder of the Institutional Mortgage as well as their respective affiliated nominees or designees and a purchaser at an Institutional Mortgage lien foreclosure sale who obtains title to a Unit pursuant to the remedies in the mortgage or through foreclosure shall be responsible for all Common Charges, Special Assessments and/or any other costs and expenses of the Condominium thereafter due and payable. lines, wires, pipes, conduits, cable television, sewers and drainage lines The term "Institutional Mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor to a purchaser of a Unit or in which the Sponsor participates with one of the above.

In addition to the Board's right to bring an action to foreclose a lien on a Unit Owner's Unit, the Board (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges at the option of the Board, without foreclosing or waiving the lien securing such charges. In such an event, the Condominium shall be entitled to recover all costs of suit including reasonable attorneys' fees.

Every Unit Owner shall pay the Common Charges, Special Assessments, late fees, penalties and interest assessed against the Unit Owner when due. No Unit Owner may exempt himself from liability for the payment of the foregoing assessed against the Unit Owner by waiver of the use or enjoyment of any of the Common Elements, General Community Facility Units' Limited Common Elements or by the abandonment of a Unit. However, no Unit Owner shall be liable for the payment of any Common Charges, Special Assessments, late fees, penalties and interest 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.

A Unit Owner delinquent in the payment of Common Charges and/or Special Assessments shall be subject to all late fees and penalties as contained in the By-Laws of the Condominium as the same may be amended by the Board of Managers in its discretion.

All repair, maintenance and replacement to an individual Community Facility Unit or Individual Community Facility Unit's Limited Common Element of an individual

Community Facility Unit and all costs associated therewith shall be at the sole cost and expense of the respective Community Facility Unit Owner,

All repair, maintenance and replacement to the General Community Facility Units' Limited Common Elements and all costs associated therewith shall be a Common Expense of the Condominium.

FOURTEENTH: UNITS ACQUIRED BY THE BOARD.

In the event any Unit Owner shall convey their Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such Unit or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

FIFTEENTH: POWER OF ATTORNEY.

In order to carry out the provisions of Article Fourteenth of the Declaration and Article __ 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.

SIXTEENTH: 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 previously described due to construction or renovation, 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.

SEVENTEENTH: 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.

EIGHTEENTH: USE OF UNITS.

A. A Community Facility Unit shall be used as a Community Facility Unit in accordance with the applicable zoning regulations of the City of New York.

B. The Garage Unit shall be used as a garage for the parking of automobiles or similar vehicles.

NINETEENTH: 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 Purchaser ("Grantee") of the Unit shall be jointly and severally liable with the Seller ("Grantor") for any unpaid Common Charges and/or Community Facility Unit Charges, Special Assessments, late fees and interest 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 and/or Community Facility Unit Charges, Special Assessments, late fees and interest 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, and/or Community Facility Unit Charges 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.

TWENTIETH: COVENANT OF FURTHER ASSURANCES.

Any party subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, or the occupant of a portion of a Unit, a Member of the Board of Managers, an officer of the Condominium, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or

to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

If any Unit Owner or any other party subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within a reasonable period of time 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 a reasonable period of time 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 the Sponsor or Sponsor's designee, then the Sponsor or Sponsor'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, 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 a reasonable period of time as provided in the Remedy Notice, or, if the condition is such that it cannot be remedied within said period, fails to commence appropriate remedies, the Condominium Board may, upon a reasonable period of time as provided in an additional notice to the Unit Owner, enter into the Unit and effect a reasonable remedy, at the Unit Owner's sole cost and expense. No notice is required in the case of any emergency.

The Board of Managers will not promulgate and/or enforce any rules or regulations, or otherwise act, in a discriminatory manner.

TWENTY-FIRST: 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.

TWENTY-SECOND: FIRST LIEN HOLDERS' RIGHTS.

(a) Notices of Action. A holder, insurer or guarantor of a first mortgage shall be required to receive 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.

(6) Any proposed action that requires the consent of a specified percentage of mortgagees.

(b) Other Provisions for First Lien Holders. To the extent permitted under applicable law, the following protections for the benefit of first mortgage holders will be legally binding with respect to the Condominium:

(1) Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages on Units to which at least 51% 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 51% 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 80% 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-THIRD: SPECIAL RIGHTS OF SPONSOR.

Notwithstanding anything to the contrary contained herein, the Sponsor, as the provisions may apply to the General Common Elements, General Community Facility Units' Limited Common Elements and the Sponsor as it applies to a Unit owned by the Sponsor, its successors, assignees 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 their employees, contractors, subcontractors and sales agents present on the properties described in Schedule A and any Building in the Condominium containing a Unit owned by the Sponsor or its successor, assignee and/or designee.

(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, in or on the General Common Elements, General Community Facility Units' Limited Common Elements or in or on a Building in the Condominium containing a Unit owned by the Sponsor or its successor, assignee and/or designee.

(c) Use any one or more Units or 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, Sponsor with respect to the Common Elements and/or the Units; or any unsold Units; and/or
(iv) for any other purpose.

(d) Use any office in the Condominium for its exclusive use until such time as Sponsor, its successors, assigns and/or designees no longer own any Units in the Condominium.

(e) Do and cause to be done all of the things that are necessary, desirable or appropriate (including, without limitation, the use of the General Common Elements, the General Community Facility Units' Limited Common Elements, any Units owned by the Sponsor, its successor, assignee or designee) for the purpose of:

(i) the promotion, sale, rental, management and/or operation of any 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, Sponsor with respect to the General Common Elements, General Community Facility Units' Limited Common Elements and to the Sponsor with respect to a Unit owned by the Sponsor, and/or
(iii) the exercise performance and discharge of Sponsor other rights and obligations under this Declaration, the By-Laws or the Rules and Regulations; and

(f) make any other changes required by the City of New York or other Municipal Agency.

In no event, however, shall the Sponsor or its successors, designees and/or assignees be entitled to use any portion of the General Common Elements and/or the General Community Facility Units' Limited Common Elements in such a manner as will unreasonably interfere with the use of the same or of any Unit for its permitted purposes.

The provisions of this Article Twenty-Third cannot be amended without the written consent of the Sponsor, or its successors or assigns.

TWENTY-FOURTH: INVALIDITY.

Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no wise affect any of the remaining part or parts hereof, and the same shall continue in full force and effect.

TWENTY-FIFTH: WAIVER.

No provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

TWENTY-SIXTH: CAPTIONS.

The captions herein are inserted only as a matter of convenience, and for reference, and in no way define, limit or describe the scope of this Declaration, nor the intent of any provision hereof.

TWENTY-SEVENTH: GENDER.

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender, and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

823 39TH STREET BROOKLYN, LLC

By: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the day of in the year 20____, before me, the undersigned a Notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A TO THE DECLARATION

825 39TH STREET COMMERCIAL CONDOMINIUM
825 and 833 39th Street, Brooklyn, New York

CONDO #____

Block: ____ FKA Lot: ___ NKA Lots: _____

LEGAL DESCRIPTION

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

SCHEDULE B

825 39TH STREET CONDOMINIUM
825 39th Street
Brooklyn, New York 11232

BLOCK: FKA LOT: NKA LOTS:

UNIT #	TAX LOT NUMBERS	APPROXIMATE GROSS SQUARE FOOTAGE	APPROXIMATE TERRACE SQUARE FOOTAGE	PERCENTAGE OF COMMON INTEREST	UNIT DESCRIPTION
P1, P2, P3		36,550		45.04%	Garage Unit
CF-1-A		1,444	2,208	4.77%	Community Facility
CF-2-A		2,335		5.11%	Community Facility
CF-3-A		3,547		7.75%	Community Facility
CF-4-A		3,547		7.75%	Community Facility
CF-5-A		3,547		7.75%	Community Facility
CF-6-A		629		1.37%	Community Facility
CF-6-B		915		2.00%	Community Facility
CF-6-C		1,670		365.00%	Community Facility
CF-7-A		3,547		7.75%	Community Facility
CF-8-A		629		1.37%	Community Facility
CF-8-B		915		2.00%	Community Facility
CF-8-C		1,670		3.65%	Community Facility
		60,945	**2,208**	**100%**	

SCHEDULE J

CONDOMINIUM BY-LAWS

BY-LAWS

OF

825 39th STREET COMMERCIAL CONDOMINIUM

CERTILMAN BALIN ADLER & HYMAN, LLP
Attn: Richard Herzbach, Esq.
90 Merrick Avenue, 9th Floor
East Meadow, New York 11554

EXHIBIT B
TO DECLARATION OF CONDOMINIUM

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BY-LAWS

OF

825 39th STREET COMMERCIAL CONDOMINIUM

ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Unit Ownership.

The Property described on Schedule A to the Declaration of Condominium, located at 825 39th Street, Flushing, City and State of New York, and more commonly known as 825 39th Street Commercial Condominium, has been submitted to the provisions of Article 9-B of the Real Property Law.

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 "Units" as defined in the Declaration and the Common Elements and the use and occupancy thereof.

Section 3. Personal Application.

All present or future Unit Owners, mortgagees and lessees, and their employees, guests, invitees and any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of occupancy or use of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with.

Section 4. Definitions.

The definitions contained in the Declaration of Condominium shall be applicable to these By-Laws unless otherwise stated.

ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium.

The Condominium shall be limited to Unit Owners. "Unit Owner" as referred to herein shall mean all of the Owners of each Unit. Unit Owners shall be further described as applicable, as follows: Community Facility Unit Owner(s) shall mean an owner of a Community Facility Unit and Garage Unit Owner shall mean the owner of the Garage Unit.

Section 2. Voting.

Each Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast the number of votes equal to the Unit's percentage of Common Interest at all Unit Owners' meetings for each Unit or Units owned by such Unit Owner unless otherwise mandated by law or expressly provided for in the Declaration of Condominium (the "Declaration"). With respect to those matters subject to a vote of just the Community Facility Unit Owners as provided in the Declaration or in the By-Laws, each Community Facility Unit Owner shall have the number of votes equal to that Community Facility Unit's respective Community Facility Unit Common Interest in the General Community Facility Units' Limited Common Elements which shall be based upon the pro-rata square footage of an individual Community Facility Unit in comparison of the total square footage of all the Community Facility Units ("Community Facility Interest"). "Sponsor" as referred to in these By-Laws shall mean the Declarant who executed the Declaration and any successor in interest, assignee of such Declarant's rights or designee of such Declarant. Any Unit Owner delinquent in the payment of their Common Charges, Special Assessments, late fees or penalties shall be prohibited from voting at any Annual, general or Special Meeting of the Unit Owners and from running for any Board seat.

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 shall constitute a quorum at all meetings of the Unit Owners for the transaction of business if present in person, via telephone or represented by written proxy, 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 power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. At such adjourned meeting so many Unit Owners as shall represent at least thirty-three and one-third (33 1/3%) percent of the total authorized votes of all Unit Owners shall constitute a quorum.

Section 4. Vote Required to Transact Business.

When a quorum as provided in Section 3 of this Article II 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 provision of the Declaration, Statute, or these By-Laws, a different vote is required, in which case such express provision 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, by telephone or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. Any Unit Owner delinquent in the payment of their Common Charges, Special Assessments, late fees etc. shall be prohibited from voting at any general, Annual or Special Meeting of the Unit Owners or running for a Board seat.

Section 6. Proxies.

All proxies shall be in writing and shall be delivered to 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.

Annual Meetings of the Unit Owners shall be held at such suitable place convenient to the Unit Owners within the State of New York as may be designated by the Board of Managers.

Section 9. Annual Meetings.

On or about the date which is one (1) year after transfer of title to the first Community Facility Unit, or a date within a reasonable period of time thereafter, the Sponsor shall call the First Annual Unit Owners meeting. At such meeting, a Board of Managers shall be elected by the Unit Owners and the former Members of the Board shall thereupon resign. Thereafter, Annual Meetings shall be held on or about the anniversary of such date in each succeeding year; or such other date as the Board of Managers determines within a reasonable time thereof. At such meetings, there shall be designated or elected by ballot of the Unit Owners the Members of the 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 be entitled to designate the two (2) Community Facility Members of the Board of Managers as long as Sponsor retains ownership of one (1) or more Community Facility Units in the Condominium as set forth in Article III below ("Sponsor Control Period").

Section 10. Special Meetings.

It shall be the duty of an officer of the Condominium 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 12 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 Sponsor, may be removed without cause by vote of two-thirds of the Unit Owners present in person or by proxy at a Special Meeting called pursuant to this section if the meeting is called for such purpose.

Section 11. Emergency Unit Owners Meetings

Emergency meetings of the Unit Owners, as determined by the Board of Managers, may be called upon such time period as is practicable under the circumstances.

Section 12. 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 (l0) 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. In the case of emergency meetings only, notice may be e-mailed or delivered telephonically.

Section 13. 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 or waiver
(d) Election of inspectors of election (in the event there is an election)
(e) Election of Members of the Board of Managers (in the event there is an election)
(f) Report of officers
(g) Report of committees
(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 (the "Members") to be designated by the Sponsor, its successor, designee or assignee ("Sponsor") and who shall hold office and exercise all powers of the Board of Managers until the First Annual Meeting of the Unit Owners.

At the First Annual Meeting the number of Members which shall constitute the whole Board shall be three (3). As long as the Sponsor retains at least one (1) Unit in the Condominium the number of Members of the Board of Managers may not be increased or decreased without the consent of the Sponsor. Until succeeded by the Members elected at the First Annual Meeting of Unit Owners, Members need not be Unit Owners; thereafter all Members shall be Unit Owners or officers, directors, stockholders, partners or members of Unit Owners or representatives of the Sponsor. The Members shall be designated and/or elected at the First Annual Meeting of 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 as follows. The Garage Unit Owner shall designate one (1) Member to the Board of Managers and shall be referred to as the Garage Member. The Community Facility Unit Owners shall elect two (2) Members to the Board of Managers and shall be referred to as the Community Facility Members. Each Community Facility Unit Owner shall be entitled to cast the number of votes equal to their Community Facility Unit's Community Facility Interest for the election of the Community Facility Unit Members. The two (2) Community Facility Unit Members nominees receiving the highest number of votes shall be elected as the Community Facility Unit Members to the Board of Managers.

The term of office of each Member shall be fixed at one (1) year and shall be designated or elected as in the preceding paragraph at each Annual Meeting thereafter.

Any Unit Owner delinquent in the payment of Common Charges shall be ineligible to be elected to the Board of Managers and/or vote at any general, annual or Special Meeting.

Notwithstanding the foregoing, the Sponsor shall have the right to designate the Community Facility Members of the Board of Managers as long as Sponsor retains ownership of at least one (1) Community Facility Unit in the Condominium. At such time as the Sponsor no longer owns a Community Facility Unit the Sponsor may no longer designate the Community Facility Unit Member to the Board of Managers. Members of the Board of Managers designated by the Sponsor need not be Unit Owners or officers, directors, stockholders or partners of Unit Owners.

This Section may not be amended without the written consent of Sponsor.

Section 2. Vacancy and Replacement.

If the office of any non-Sponsor designee Member or Members becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, the respective Unit Owner shall choose a successor or successors in the manner set forth in Section 1 of this Article III which Member shall hold office for the unexpired term in respect to which such vacancy occurred. If the vacancy occurs with respect to any Member of the first Board of Managers (see Section 5 of this Article III) or any other Member who has been designated by the Sponsor, and Sponsor is still entitled to designate the seat, the Sponsor shall have the sole right to choose such Member's successor to fill the unexpired portion of the term. The Sponsor shall have the right to substitute its Board appointees at its discretion.

Section 3. Removal/Suspension

Members (other than Sponsor appointees) may be removed for cause by an affirmative vote of a majority of the Board of Managers. No Member, other than a Member of the First Board of Managers or a Member elected or designated by the Sponsor, shall continue to serve on the Board if, during the Member's term of office, the Member shall cease to be a Unit Owner or officer, director, stockholder or partner of a Unit Owner. Any Member of the Board of Managers delinquent in the payment of Common Charges, Special Assessments, late fees, penalties and/or interest shall be suspended from the Board of Managers and have no voting rights until such time as all Common Charges, Special Assessments, late fees, penalties and/or interest are paid in full to the Condominium,

Section 4. Resignation.

Any Member may resign at any time by written notice delivered in person or sent by certified registered mail to 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. In the event a Member resigns the applicable Unit Owner whose seat has been vacated shall designate and/or elect its new Member in the manner set forth in Section 1 of this Article III.

Section 5. First Board of Managers

The first Members of the Board of Managers shall consist of three (3) representatives designated by the Sponsor, who shall hold office and exercise all powers of the Board of Managers until the First Annual Meeting of Unit Owners. Any or all of said Members shall be subject to replacement at the sole discretion of the Sponsor.

Section 6. Compensation

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

Section 7. 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 meeting, and immediately after the adjournment of same, at which time the date, places and times of regularly scheduled meetings of the Board shall be set.

(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 telephone, mail or electronic mail ("e-mail"). Special Meetings shall be called by the President or Secretary in a like manner and on like notice or on the written request of at least two (2) Members. In the event of an emergency situation, no notice is required, and a meeting may be called by telephone or e-mail.

(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, by the Declaration or by these By-Laws. If a quorum shall not be present at any meeting 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 the Member 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 or members of any committee of the Board of Managers may participate in a meeting through means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear and speak to each other.

Section 8. Annual Statement

The Board of Managers shall furnish to all Unit Owners at least annually, 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, a statement regarding any taxable income attributable to the Unit Owners and a notice of the holding of the annual Unit Owners meeting.

Section 9. Fidelity Bonds.

The Board of Managers may 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 10. Managing Agent.

The Board of Managers may employ for the Condominium a managing agent under a term contract or otherwise at 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. A copy of the Management Agreement will be kept on file and available at the Managing Agent's office for review by a Unit Owner upon request.

Section 11. 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, required or permitted to be exercised or done by the Unit Owners. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses. The Board of Managers may increase the monthly Common Charges or vote a special Common Charge assessment ("Special Assessment") in excess of the monthly amount, if required, to meet any additional necessary Common Expenses. Said increases can only be assessed among the Unit Owners pro rata according to their respective Common Interest or the Board of Managers may also specially allocate and apportion expenses to one or more Units as a result of such Unit(s) receiving special benefits, or enjoying intensive or specific or actual use of utilities by a specific Unit Owner or where allocation based on percentage of Common Interest would otherwise be inequitable as permitted pursuant to Section 339-m of the Real Property Law of the State of New York;

2. To determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges, Special Assessments (no matter how classified) and to revise the amount of such fees as the Board so determines from time to time;

3. To collect, use and expend the Common Charges and Special Assessments collected to maintain, care for, preserve, manage and operate the General Common Elements and the General Community Facility Units' Limited Common Elements;

4. To make all necessary repairs, maintenance, restorations or alterations to the General Common Elements and General Community Facility Units' Limited Common Elements;

5. To make improvements, repairs, restore or alter the General Common Elements and General Community Facility Units' Limited Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

6. To enter into and upon all areas of the Condominium Property to make all necessary repairs, maintenance, restoration and/or alterations to the General Common Elements or the General Community Facility Units' Limited Common Elements;

7. To install sub-meters or other utilities, i.e. water, gas, etc., or to bring in a consultant to evaluate utility use, and to surcharge intensive users in accordance with their intensive use.

8. To enter into and upon all areas of the Condominium Property to install sub-meters or other utilities, i.e. water, gas, etc., or to bring in a consultant to evaluate utility use.

9. To enter into and upon the Units upon reasonable notice when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care, and preservation of the Property, including any inspection or repairs necessitated by mold. No prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Unit Owners, tenants, occupants or other persons, or required to avoid the suspension of any necessary service to the Condominium. Any repairs to the Condominium Property required caused by and as the result of a Unit Owner, the Unit Owner's tenant, employee, contractor or otherwise will be at the sole expense of the applicable Unit Owner;

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

11. To insure and keep insured the General Common Elements and General Community Facility Units' Limited Common Elements in accordance with Article VII of these By-Laws

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

13. To make reasonable Rules and Regulations applicable to all Units and all Unit Owners regarding the General Common Elements and to amend the same from time to time, and such Rules and Regulations and amendments shall be binding upon all the Unit Owners as it applies to the General Common Elements when the Board has approved them in writing. A copy of such Rules and Regulations and all amendments shall be delivered to each Unit Owner. Notwithstanding, no Rule or Regulation may be adopted that prevents an individual Community Facility Unit Owner, or Garage Unit Owner from engaging in the practice or operation of their business unless such practice is a violation of the law or applicable zoning. Further, the Board of Managers may not pass any Rule or Regulation which interferes with or affects the operation of an individual Community Facility Unit, or Garage Unit, or any Limited Common Element, no matter how classified, without the respective Unit Owner's consent, unless it affects the General Common Elements or the structural integrity of a Building and/or is a violation of any municipal or state code or statute.

14. The Community Facility Members of the Board of Managers shall have the right to make reasonable Rules and Regulations applicable to the Community Facility Units and Community Facility Unit Owners regarding the General Community Facility Units' Limited Common Elements and to amend the same from time to time, and such Rules and Regulations and amendments shall be binding upon all the Community Facility Unit Owners as it applies solely to the General Community Facility Units' Limited Common Elements when the Community Facility Members of the Board have approved them in writing. A copy of such Rules and Regulations and all amendments shall be delivered to each Community Facility Unit Owner. Notwithstanding, no Rule or Regulation may be adopted that prevents an individual Community Facility Unit Owner from engaging in the practice or operation of their business unless such practice is a violation of the law or applicable zoning. Further, the Community Facility Members of the Board of Managers may not pass any Rule or Regulation which interferes with or affects the operation of an individual Community Facility Unit or any Individual Community Facility Units Limited Common Element without the respective Community Facility Unit Owner's consent, unless it affects the General Community Facility Units' Limited Common Elements or the structural integrity of a Building and/or is a violation of any municipal or state code or statute.

15. To employ and terminate the employment of employees and independent contractors and to retain a managing agent and to purchase supplies and equipment, to enter into contracts, and

generally to have the power of management in connection with the matters hereinabove set forth;

16. To bring and defend actions by or against one or more than one Unit Owner and pertinent to the operation of the Condominium. The Board may, in its discretion, fund the cost of any such litigation out of the Common Charge assessments. The Board shall also have the right to engage in any litigation it deems necessary to carry out the provisions of the Declaration of Condominium these By-Laws and the Rules and Regulations adopted hereunder and may fund the cost of any such litigation out of the Common Charge assessments. Without limiting the foregoing, the Board may engage in litigation pertaining to the maintenance and operation of the Common Elements;

17. To acquire Units in foreclosure or as a result of abandonment and to take any and 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;

18. To grant or relocate utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and 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 materially impairs the ability of one or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted);

19. To make additions, alterations, repairs or improvements to the General Common Elements of the Condominium;

20. To make additions, alterations, repairs or improvements to the to the General Community Facility Units' Limited Common Elements of the Condominium with the consent of the Community Facility Unit Owners Members of the Board of Managers. All additions, alterations, repairs or improvements to the Community Facility Units' Limited Common Elements shall be at the sole cost and expense of the Community Facility Units and shall be paid by each Community Facility Unit Owner paying its Community Facility Interest of said amount;

21. 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, 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 Owner of said Unit. Unit Owners will be required to pay the debt service on any loans as either part of their Common Charges or as a Special Assessment;

22. To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the General Community Facility Units' Limited Common Elements with the consent of the Community Facility Units Members of the Board of Managers, provided, however, no lien to secure repayment of any sum borrowed may be created on any Community Facility Unit or its appurtenant interest in the Common Elements without the written consent of the Community Facility Unit Owner of said Community Facility Unit. The debt service of all monies borrowed on behalf of the operation, care, upkeep and maintenance of the General Community Facility Units' Limited Common Elements will be at the sole cost and expense of the Community Facility Unit Owners and shall be paid by each Community Facility Unit Owner paying its Community Facility Interest of said amount;

23. To act as an agent of each Unit Owner who has given the Unit Owner's written authorization to complain or apply to the city real estate tax assessment agency board of review by filing a single complaint on behalf of all such Unit Owners pursuant to the applicable sections of the Real Property Tax Law. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and charge all such Unit Owners a pro rata share of expenses, disbursements and legal fees due from all such Unit Owners, based upon the percentages of Common Interest of such Unit Owners, for which charges the Board of Managers shall have a lien pursuant to Article VI of these By-Laws;

24. To determine and impose penalties, late fees and interest against Unit Owners delinquent in the payment of their Common Charges and/or Special Assessments in violation of the Rules and Regulations and to revise the amount of such fees as the Board of Managers so determines;

25. To enter into contracts, settlement agreements and/or other matters on behalf of the Condominium. Any contract, settlement agreement and/or other matters that solely affects the Community Facility Units shall require the written consent of the Community Facility Units Members of the Board of Managers and any contract, settlement agreement and/or other matters that solely affects the Garage Unit shall require the written consent of the Garage Unit Member of the Board of Managers; and

26. To create and utilize a reserve fund.

(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 consist of at least three (3) Members, one of whom may be a Unit Owner, which, to the extent provided in said resolution or resolutions, shall advise the Board of Managers in the management of certain specifically identified business and affairs of the Condominium 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, following the expiration of the Sponsor Control Period and so long as the Sponsor shall continue to own any Units, the Unit Owners and the Board of Managers may not, without the Sponsor's prior written consent: (i) make any addition, alteration or improvements to the General Common Elements costing individually or 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; or (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 the said Plan is declared effective or (v) borrow money on behalf of the Condominium; or (vi) reduce the services or maintenance set forth in the Condominium budget for the first year of operation; or (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%) percent from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a certified 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 anything to the contrary contained in these By-Laws, following the expiration of the Sponsor Control Period and so long as the Sponsor shall continue to own any Community Facility Units, the Community Facility Unit Owners and the Board of Managers may not, without the Sponsor's prior written consent: (i) make any addition, alteration or improvements to the Community Facility Units' General Limited Common Elements costing individually or cumulatively more than $25,000, the foregoing not to include necessary repairs and maintenance work; or (ii) borrow money on behalf of the General Community Facility Units' Limited Common Elements..

(e) As long as the Sponsor owns one (1) or more Units in the Condominium the Unit Owners and the Board of Managers may not, without Sponsor's prior written consent, take any action which impairs Sponsor's sales or leasing program or continued use of the Condominium property in connection with such programs.

(f) The above provisions of Article III, Sections 11(c) and !! (d) do not apply if there is an increase in the budget or an assessment as a result of expenses required:

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

(ii) to remedy any notice of violation; or

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

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

(g) The provisions of Article III, Sections 11(c) and (d) may not be amended without the written consent of Sponsor.

Section 12. Repairs and Maintenance.

Except as hereinafter provided, all maintenance, repairs and replacement of the General Common Elements and General Community Facility Units' Limited Common Elements shall be contracted for by the Board of Managers and the cost thereof shall be a General Common Expense payable by all Unit Owners, except if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner.

All repairs, maintenance, upkeep 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 will serve or benefit exclusively an individual Unit shall be the responsibility and at the sole cost of the individual Unit Owner for such equipment services, etc.

All maintenance, repairs, upkeep and replacements to a Unit and an individual Unit's Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, will be made by the Unit Owner of the respective Unit at the Unit Owner's sole expense.

In the event that a Unit Owner fails to maintain, repair or replace their Unit or any Limited Common Element for an individual Unit Owner's exclusive use, which maintenance, repair or replacement is necessary to protect any of the General Common Elements, the General Community Facility Units' Limited Common Elements, any other portions of the Building or any other Unit, the Board of Managers shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge said Unit Owner for the cost of all such repairs and/or maintenance and/or replacement. In the event that the Board of Managers charges a Unit Owner for repairs, maintenance and/or replacement to their Unit or for repairs to any General Common Elements restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of

Managers shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

The Board of Managers 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 the Board of Managers shall make or cause to be made such repairs or replacements at such Unit Owner's own expense. In the event that a Unit Owner fails to make such repairs, the Board of Managers shall have the right to make such 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. In the event that the Board of Managers charges a Unit Owner for such repairs 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 reasonable Attorneys' fees and costs of such suit or proceeding together with the maximum legal interest rate permitted on all sums due. This paragraph does not apply to Sponsor owned Units.

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, General Community Facility Units' Limited Common Elements or to remedy any condition which would result in damage to any other Unit or the General Common Elements, or Limited Common Elements (no matter how classified), or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium. This provision is not subject to amendment by the Unit Owners or Board of Managers. Notwithstanding the above no entry is permitted to a Sponsor owned Unit without the consent of the Sponsor.

All cleaning services and all costs and expenses associated therewith to an individual Unit and an individual Unit's Limited Common Elements shall be the sole obligation of each respective Unit Owner. All cleaning and maintaining of the General Common Elements and General Community Facility Units' Limited Common Elements shall be a Common Expense of the Condominium.

In the event that a Unit Owner fails to maintain or repair their Unit and/or individual Unit's Limited Common Elements and such maintenance or repair is necessary to protect the General Common Elements, the Community Facility Units' Limited Common Element or any other Unit, or individual Unit's Limited Common

Elements, 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 verbal 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 the Unit Owner's Unit or for repairs to any individual Unit's Limited 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 reasonable Attorneys' fees and costs of such suit or proceeding together with the maximum legal interest rate permitted on all sums due. This paragraph of Section 12 of Article III does not apply to Sponsor owned Units.

Section 13. Liabilities of the Board of Managers 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 the Member establishes (a) that the Member's acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that the Member personally gained in fact a financial profit or other advantage to which the Member was not legally entitled.

The Condominium, through the Unit Owners, shall defend and 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, without limitation, 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 the Board Member, their 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 of Managers or officer if a final non-appealable judgment establishes that the Members acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that the Member personally gained in fact a financial profit or the advantage to which he or she was not legally entitled.

The Unit Owners shall indemnify, defend 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 Members of the Board of Managers, who may be members of or be employed by

the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the Member of the Board of Managers shall be limited to such proportion of the total liability thereunder as the Unit Owner's 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 a Member on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the Member, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners).

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

ARTICLE IV. OFFICERS

Section 1. Elective Officers.

The officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary, and a Treasurer. The Board of Managers may also choose one or more Assistant Secretaries and Assistant Treasurers. All officers must be Members of the Board of Managers. Two or more offices may be held by the same person except for the Office of President who can 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.

Section 3. Appointive Officers.

The Board may appoint such other officers and agents as it shall deem necessary that shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

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 cause by the affirmative vote of a majority of the whole Board of Managers. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President.

The President shall be the chief executive officer of the Condominium; shall preside at all meetings of the Unit Owners and Managers, 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 Law of the State of New York. The President may delegate obligations and responsibilities to other officers or to the managing agent.

Section 6. The Vice-President.

The Vice President shall take the place of the President and perform the President's duties as directed by the President or otherwise 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, or any officer if the Secretary is not available, 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 the Treasurer may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Managers, at the regular meeting of the Board or whenever they may require it, an account of all the Treasurer's 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 on behalf of the Condominium by an officer of the Board or by 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 as permitted hereunder or in writing, in person, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper or by reputable overnight delivery services such as UPS, 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 by 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 an officer of the Board of Managers.

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 any supplement to the budget to every Unit Owner. They shall determine the total amount required, including the operational items such as insurance, repairs, reserves, cleaning, improvements, maintenance of the General Common Elements, General Community Facility Units' Limited 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 ("Common Charges") against all Units and prorated against each of said Units according to the respective Common Interests appurtenant to such Units. However, the Board of Managers in prorating said requirements may give consideration to the higher insurance

premium rates against certain Units as a result of hazardous activity in such Units. In addition, as permitted in Section 339-m of The Real Property Law of the State of New York, the Board of Managers may also specially allocate and apportion expenses to one or more Units as a result of such Unit(s) receiving special benefits or enjoying intensive or special use of utilities by a specific Unit Owner or where allocation based on percentage of Common Interest would otherwise be inequitable.

Said Common Charges shall be payable on a monthly basis or such other manner as ordered by the Board of Managers. Special Assessments, should such be required, shall be levied and paid in the same manner as herein above provided for Common Charges.

The Unit Owner agrees to pay promptly when due the Common Charges and all Special 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 and/or Special Assessment payment, the Unit Owner who owns such Unit shall be obligated to pay (a) a "late charge" of $.25 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 three (3%) percent per month (but in no event in excess of the maximum rate legally permitted 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 and/or Special Assessments or in an action to foreclose the lien on such Unit Owner's Unit arising from said unpaid Common Charges and/or Special Assessments in the manner permitted by applicable law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. The Board of Managers shall have the right to modify the amount of such late fees from time to time. In such an event the Board of Managers shall notify the Unit Owners of the revised amount of the late fees.

In addition, in the event of a default in payment of Common Charge assessments and/or Special 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 the Board shall send notice to the delinquent Unit Owner of such Unit giving the Unit Owner a five (5) day grace period in which to make the late payment and avoid accelerating payment of Common Charges.

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-aa of the Real Property Law or otherwise.

During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than

thirty (30) days in arrears of Common Charges, unless a majority of the Members, other than Sponsor designated Members, decide otherwise.

No Unit Owner shall be liable for any Common Charges and/or Special Assessments which accrue against the Unit Owner's Unit subsequent to a sale, transfer or other conveyance by the Unit Owner of their Unit in accordance with these By-Laws and the Declaration. A Purchaser of a Unit (other than a holder of a mortgage of record or other Purchaser of a Unit at a foreclosure sale) shall be liable for the payment of all Common Charges and/or Special Assessments assessed against the Unit and unpaid at the time of the purchase.

Each Unit Owner, for the Unit Owner, the Unit Owner's heirs, successors and assigns, agrees to the foregoing provisions relating to default, regardless of the harshness of the remedy available to the Condominium and regardless of the availability of other equally adequate legal procedures. It is the intent of all Unit Owners to give the Condominium a method and procedure which will enable it at all times to operate on a business like basis, to collect those monies due and owing it from the Unit Owners and to preserve such Unit Owner's right to enjoy their Unit free from unreasonable restraint.

Section 3. Foreclosure 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.

Section 4. Statement of Common Charges.

Upon the written request of any Unit Owner or its mortgagee, the Board shall promptly furnish such Unit Owner or the Unit Owner's mortgagee with a written statement of the unpaid Common Charges and/or Special Assessments due from such Unit Owner.

Section 5. Liability for Utilities.

Any utility, including water, gas, oil and electricity, consumed solely in an individual Unit or individual Unit's Limited Common Elements shall be an expense of such individual Unit Owner.

Section 6. 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 Common Charges assessments as fixed and determined for all Units. Disbursements from said account shall be for the general needs of the operation including, but not limited to, wages, repairs, improvements, maintenance and other operating Common

Expenses of the Common Elements, common utility expenses of the Units and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Units.

Section 7. Other Accounts.

The Board shall maintain any other accounts it shall deem necessary to carry out its purposes, including a Reserve Account and/or Working Capital Account.

Section 8. 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, General Community Facility Units' Limited Common Elements and the Common Expenses of the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet said expenses and obligations 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.

As permitted in Section 339-m of The Real Property Law of the State of New York, the Board of Managers may also specially allocate and apportion expenses to one or more Units as a result of such Unit(s) receiving special benefits or enjoying intensive or special use of utilities by a specific Unit Owner or where allocation based on percentage of Common Interest would otherwise be inequitable.

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 VII and the fees and disbursements of the bank that has been designated by the Board of Managers as the Insurance Trustee ("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 and General Community Facility Units' Limited Common Elements, and other Building wide obligations of the Condominium contained herein, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale.

The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges 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 Common Expenses are based, to all Unit Owners.

The Sponsor or its designee shall be responsible for the Common Charges assessed against each Unit owned by it until such Unit is sold to a bona fide purchaser.

Section 9. Capital Reserves Authorization.

The Board has the power to establish any needed reserves for capital purposes, including (without limitation) reserves for capital improvements, capital repairs or alterations or modifications to the building structure and components, and including a reserve for mortgage amortization, payments to which reserves shall be treated on the corporate books as capital contributions and not as income.

Section 10. Common Charge Deposit for Foreign Owner

Any Unit Owner that is a foreign government, consulate, mission or embassy, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall deposit with the Board of Managers an amount equal to one (1) times the then-current annual Common Charges for the Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Board of Managers may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum, including, without limitation, for the payment of legal fees, disbursements and court costs, to which such Unit Owner is in default. If the Board of Managers applies or retains any part of the security, the Unit Owner in question, within ten (10) days after notice from the Board of Managers, shall deposit with the Board of Managers the amount applied or retained so that such Board of Managers has the full amount of the security on hand at all times. The failure by the Unit Owner after due demand to deposit and maintain the full amount of the security, shall constitute a separate default under these By-Laws, which shall entitle the Board of Managers to all of the rights and remedies available hereunder.

Section 11. Non-Refundable Working Capital Fund Contribution

Except for Sponsor owned Units, all Unit Owners shall be required to make a non-refundable contribution to the Condominium in an amount equal to two (2) months' Common Charges assessed against the Unit at such time as they close title on their Unit ("Working Capital Fund"). The Working Capital Fund collected shall be deemed and shall be collectible as Common Charges. The Working Capital Fund is in addition to the monthly Common Charges payable to the Condominium by each Unit Owner and is not in lieu of any portion of the monthly Common Charges payable to the Condominium.

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, the following insurance: fidelity insurance covering all officers, Board

Members, employees and the managing agent or agents who handle funds of the Condominium; fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements, insuring the Building in the Condominium (but not including any Unit or the furniture, furnishings or other personal property supplied or installed by Unit Owners), together with all heating, air-conditioning and other service machinery, contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as interest may appear, in amounts reasonably determined by the Board of Managers. 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. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee, and that the net proceeds thereof, if $2,500,000 or less, shall be payable to the Board of Managers, and if more than $2,500,000 shall be payable to the Insurance Trustee.

The fire insurance will commence with the closing of title to the first Unit. Such Unit and such amount will be increased upon the closing of title to all Units and until the first meeting of the Board of Managers following the first Unit Owners meeting, such amount shall be at least in the sum provided for in the first year budget of the Condominium. 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.

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 each Member 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 and for property damage arising out of one occurrence. Such public liability insurance shall commence on the closing of title to the first Unit.

Subject to Section 4 below, Unit Owners shall not be prohibited from carrying and are required to carry other insurance for their own benefit, including, without limitation, insurance to cover contents, improvements, betterments and fixtures within their Unit and any Limited Common Elements, if applicable and insurance for loss of rents, flood, water damage and/or sewer and drain backup provided that such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 2. The Insurance Trustee.

The Insurance Trustee shall be a bank designated by the Board of Managers. All fees and disbursements of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a Common Expense of the Condominium. In the event the Insurance Trustee resigns, fails to qualify, or is replaced by the Board of Managers, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust company.

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 75% or more of the Units are destroyed or substantially damaged and the Unit Owners do not duly and promptly resolve to proceed with repair or restoration by a vote of 75% or more in Common Interest of all Unit Owners), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any 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 machinery or equipment or contents or finishes 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 75% or more of the Units are destroyed or substantially damaged and the Unit Owners do not duly and promptly resolve to proceed with repair or restoration by a vote of 75% or more in Common Interest of all Unit Owners, 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 the 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 of 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 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.

If the proceeds of physical damage insurance or condemnation awards on account of a Taking are less than $100,000 and the loss is limited solely to a Community Facility Unit and/or an individual Community Facility Unit's Limited Common Elements, such proceeds shall be paid (i) entirely to the owner of the individual Community Facility Unit, if no part of the General Common Elements or General Community Facility Units' Limited Common Elements are part of the loss, or (ii) to the owner of the Community Facility Unit and the Board of Managers if the General Common Elements, General Community Facility Units' Limited Common Elements

and/or the Community Facility Unit and/or the Community Facility Unit's Limited Common Elements are involved. In the latter case the net insurance proceeds or condemnation awards shall be shared by the Community Facility Unit Owner and the Board of Managers in proportion to the cost of repairing and restoring the Community Facility Unit and/or an individual Community Facility Unit's Limited Common Elements and the General Common Elements and/or the General Community Facility Units' Limited Common Elements.

If the proceeds of physical damage insurance or condemnation awards on account of a Taking are less than $100,000 and the loss is limited solely to the Garage Unit and/or the Garage Unit's Limited Common Elements, such proceeds shall be paid (i) entirely to the owner of the Garage Unit, if no part of the General Common Elements are part of the loss, or (ii) to the owner of the Garage Unit and the Board of Managers if the General Common Elements and/or the Garage Unit and/or the Garage Unit's Limited Common Elements are involved. In the latter case the net insurance proceeds or condemnation awards shall be shared by the Garage Unit Owner and the Board of Managers in proportion to the cost of repairing and restoring the Garage Unit and/or the Garage Unit's Limited Common Elements and the General Common Elements.

Notwithstanding the foregoing, if only an individual Community Facility Unit and/or an individual Community Facility Unit's Limited Common Elements is destroyed or damaged by fire or other casualty or taken in a Taking, the owner of the individual Community Facility Unit will alone make all arrangements for the prompt repair and restoration thereof, and if the net insurance proceeds or condemnation awards are insufficient to cover, or exceed, the cost, the Community Facility Unit Owner will bear the entire amount of the deficit or shall receive all of the excess.

Similarly, if only Garage Unit and/or the Garage Unit's Limited Common Elements is destroyed or damaged by fire or other casualty or taken in a Taking, the owner of the Garage Unit will alone make all arrangements for the prompt repair and restoration thereof, and if the net insurance proceeds or condemnation awards are insufficient to cover, or exceed, the cost, the Garage Unit Owner will bear the entire amount of the deficit or shall receive all of the excess,

Section 4. Unit Owner Insurance.

Each Unit Owner is required to carry insurance covering their contents, fixtures, personal property and improvements and betterments (collectively "Contents") and liability insurance covering their operation and extended to include the Board of Managers, Managing Agent and other Unit Owners as additional insured's. Such insurance is subject to the approval of the Board of Managers in advance of the purchase or use of a Unit, in the Board's sole discretion. Such liability insurance shall be on a commercial general liability policy. The policy shall be extended to include personal liability and all coverages normally included under a comprehensive commercial general liability policy. The policy shall be extended to include any additional insureds including but not limited to the Board of Managers, Managing Agent, Sponsor and any Mortgagees. If the Unit Owner has employees, the Unit Owner must carry workers

compensation insurance. All such insurance must be provided by a carrier that is recognized as a licensed admitted carrier in the State of New York with a rating equal to a Best Rating Guide of AV or better. The Board reserves the right to alter or increase the coverage required hereunder at any time and from time to time. In addition to the foregoing, Unit Owners are instructed to carry coverage for loss of rents, water damage, sewer and drain backup and such other coverage for their contents as they may determine to be in their best interests.

ARTICLE VIII. USE OF UNITS

The Units shall be used for such purposes as is permitted in conformance with applicable zoning requirements and uses permitted by the City of New York.

The Sponsor may, without the permission of the Board erect and maintain signs and use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other lawful purpose, subject only to compliance with applicable governmental laws and regulations.

ARTICLE IX. RULES AND REGULATIONS

Section 1. General.

In addition to the other provisions of these By-Laws, the following Rules and Regulations together with such additional Rules and Regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Units and the conduct of all occupants thereof.

(a) Owners of a Unit, their agents, servants, employees, invitees, licensees and visitors 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 Unit Owners, or in such a way as to be injurious to the reputation of the Condominium.

(b) The Common Elements shall not be littered, defaced or misused in any manner.

(c) There shall be no obstruction of the General Common Elements and/or the General Community Facility Units' Limited Common Elements.

(d) Every Unit Owner shall be liable for any and all damage and nuisance regarding or occurring in or to the General Common Elements, General Community Facility Units' Limited Common Elements and the property of the Condominium, which shall be caused by said Unit Owner, invitees of Unit Owner, or such other person for whose conduct the Unit Owner is legally responsible.

(e) Every Unit Owner must perform promptly all maintenance and repair work the Unit Owner is required to do to the interior and exterior of the Unit Owner's Unit and any individual Unit's Limited Common Elements pursuant to the provisions of the Declaration and these By-Laws, the Unit Owner being expressly responsible for the damages and liabilities that the Unit Owner's failure to do so may engender.

(f) All the repairs to internal installations of the Unit located in and servicing an individual Unit exclusively shall be at the individual Unit Owner's sole cost and expense.

(g) Each Unit Owner shall keep their Unit in a good state of preservation and cleanliness.

(h) No Unit Owner shall permit anything to be done, or kept in their Unit, or in the Common Elements, which will result in the cancellation of insurance on the Building, or contents thereof, or which would be in violation of any law or regulation.

(i) Any Unit Owner whose business shall result in an increase or the insurance on the Building, or contents thereof, shall be solely responsible for the increase in the insurance pursuant to the provisions of Section 339-__ of the Condominium Act.

(j) No noxious, dangerous or offensive activity or condition shall exist or be carried on in any Unit, or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners.

(k) All electrical equipment of any kind or nature installed or used in each Unit or in the Common Elements but serving a Unit exclusively shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner shall be liable for any damage or injury caused by any electrical appliance and equipment in such Unit.

(l) The agents of the Board of Managers or the managing agent, and any contractor or workman authorized by the Board of Managers, or the managing agent, may enter any Unit in the Building 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, insects or other pests. This provision shall not apply to any Sponsor owned Unit.

(m) No Unit Owner or any of the Unit Owner's agents, servants, employees, invitees, licensees, or visitors shall, at any time, bring into or keep in the

Unit Owner's Unit any flammable, combustible or explosive fluid, material, chemical or substance that is not in keeping with the use and/or maintenance and operation of said Unit.

(n) Any 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 ten (10) days of the issuance of the mortgage. This provision shall not apply to any Sponsor owned Unit.

(o) 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. This provision shall not apply to any Sponsor owned Unit.

(p) Every Unit Owner shall be liable for any and all damage to the Common Elements, no matter how classified which shall be caused by said Unit Owner, and any occupants of Units, their respective tenants, clients, employees and guests and such other person for whose conduct the Unit Owner is legally responsible.

(q) 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.

(r) No Unit Owner is permitted to send any employee of the Condominium or of the managing agent thereof out of any Building on any private business.

(s) 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 Condominium.

Section 1. Rules and Regulations for the Community Facility Units and Limited Common Elements.

(a) The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building for the exclusive use of a Community Facility Unit shall not be obstructed or used for any purpose other than ingress to and egress from the Community Facility Unit. No vehicle belonging to a Community Facility Unit Owner or to a guest, tenant, subtenant, licensee, invitee, employee, agent, customer or client of a Community Facility Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to or exit from the Building.

(b) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases of

the Condominium servicing a Community Facility Unit, nor shall any fire exit thereof be obstructed in any manner.

(c) Nothing shall be hung or shaken from any doors, windows, or placed upon the exterior window-sills, of a Community Facility Unit, and a Community Facility Unit Owner shall not sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance there from.

(d) Nothing shall be done or kept in any Community Facility Unit or an Individual Community Facility Unit's Limited Common Element for the exclusive use of an individual Community Facility Unit that is not used in conjunction with the operation of the Community Facility Unit's business or practice that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board of Managers. No Community Facility Unit Owner shall permit anything to be done or kept in their Community Facility Unit or a Individual Community Facility Unit's Limited Common Element for the exclusive use of an individual Community Facility Unit that will result in the cancellation of insurance on the Building or the contents thereof, or that would be in violation of any Law. No Community Facility Unit Owner or any of its tenants, agents, servants, employees, licenses, visitors, clients, patients or customers shall, at any time, bring into or keep in their Community Facility Unit or a Individual Community Facility Unit's Limited Common Element for the exclusive use of an individual Community Facility Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Community Facility Unit or a Individual Community Facility Unit's Limited Common Element for the exclusive use of an individual Community Facility Unit.

(e) All construction, repair work, or other installation involving noise shall be conducted in any Community Facility Unit only on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Managers.

(f) No bird, reptile, or animal shall be permitted, raised, bred, kept, or harbored in a Community Facility Unit, except as shall be necessary and appropriate for the permitted uses of such Community Facility Unit or a Limited Common Element for the exclusive use of an individual Community Facility Unit.

(g) No patients, clients, or other invitees of a Community Facility Unit Owner or its tenant shall be permitted to wait in any lobby, public hallway, or vestibule.

(h) All radio, television, or other electrical equipment of any kind or nature installed or used in a Community Facility Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York

Board of Managers Fire Underwriters and the public authorities having jurisdiction, and the Community Facility Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(i) Water-closets and other water apparatus in a Community Facility Unit shall not be used for any purpose other than those, for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Community Facility Unit shall be repaired and paid for by the owner of such Community Facility Unit.

(j) Each Community Facility Unit Owner shall keep their Community Facility Unit and the Individual Community Facility Unit's Limited Common Elements designated to a Community Facility Unit for the Community Facility Unit's exclusive use in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(k) All Community Facility Unit Owners shall keep their thermostats at a minimum of 60 degrees Fahrenheit to prevent freezing of pipes. Any Community Facility Unit Owner failing to adhere to this requirement shall be responsible for any damage done to the Common Elements of the condominium and/or any other Unit.

(l) The agents of the Board of Managers or the Managing Agent, and any contractor or workman authorized by the Board of Managers or the Managing Agent, may enter any room in a Community Facility Unit or Individual Community Facility Unit's Limited Common Element at any reasonable hour of the day, on at least one day's prior notice to the Community Facility Unit Owner, for the purpose of inspecting such Community Facility Unit and/or the Individual Community Facility Unit's Limited Common Element for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Community Facility Unit for its permitted purposes.

(m) Complaints regarding the service of the Condominium shall be made in writing to the Board of Managers or to the Managing Agent.

(n) The Board of Managers shall not interfere with the business operation of a Community Facility Unit unless it affects the General Common Elements or the General Community Facility Units' Limited Common Elements, the structural integrity of the Building and/or is a violation of any municipal or state code or statute.

(o) Each Community Facility Unit Owner and/or their tenants shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building.

(p) Each Community Facility Unit Owner shall have the right, without the payment of any fees or charges to the Board of Managers, to sell or lease the Community Facility Unit without interference by the Board of Managers. All sale or rental proceeds shall belong solely to the applicable Community Facility Unit Owner.

These Rules and Regulations applicable to the Community Facility Units may not be amended, modified, added to, or repealed without the written consent of the Members of the Board of Managers representing the Community Facility Units.

Section 2. Rules and Regulations for the Garage Units and Garage Unit's Limited Common Elements.

(a) Any area in or appurtenant to the Building for the exclusive use of the Garage Unit shall not be obstructed or used for any purpose other than ingress to and egress from the Garage Unit.

(b) Nothing shall be done or kept in any Garage Unit or the Garage Unit's Limited Common Element for the exclusive use of thel Garage Unit that is not used in conjunction with the operation of the Garage Unit's business or practice that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board of Managers. The Garage Unit Owner shall not permit anything to be done or kept in the Garage Unit or Garage Unit's Limited Common Element for the exclusive use of the Garage Unit that will result in the cancellation of insurance on the Building or the contents thereof, or that would be in violation of any Law. The Garage Unit Owner or any of its tenants, agents, servants, employees, licenses, visitors or customers shall not, at any time, bring into or keep in the Garage Unit or the Garage Unit's Limited Common Elements for the exclusive use of an individual Garage Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Garage Unit or the Garage Unit's Limited Common Elements.

(c) All construction, repair work, or other installation involving noise shall be conducted in the Garage Unit only on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Managers.

(d) No bird, reptile, or animal shall be permitted, raised, bred, kept, or harbored in the Garage Unit, except as shall be necessary and appropriate for the permitted uses of the Garage Unit or the Garage Unit's Limited Common Element.

(e) All radio, television, or other electrical equipment of any kind or nature installed or used in the Garage Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Managers Fire Underwriters and the public authorities having jurisdiction, and the Garage Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(f) Water-closets and other water apparatus in the Garage Unit shall not be used for any purpose other than those, for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in the Garage Unit shall be repaired and paid for by the Garage Unit Owner.

(g) The Garage Unit Owner shall keep the Garage Unit and the Garage Unit's Limited Common Elements in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(h) The agents of the Board of Managers or the Managing Agent, and any contractor or workman authorized by the Board of Managers or the Managing Agent, may enter the Garage Unit at any reasonable hour of the day, on at least one day's prior notice to the Garage Unit Owner, for the purpose of inspecting such Garage Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Garage Unit for its permitted purposes.

(i) Complaints regarding the service of the Condominium shall be made in writing to the Board of Managers or to the Managing Agent.

(j) The Board of Managers shall not interfere with the business operation of the Garage Unit unless it affects the General Common Elements, General Community Facility Units' Limited Common Elements, an Individual Community Facility Unit's Limited Common Element, a Community Facility Unit, the structural integrity of the Building and/or is a violation of any municipal or state code or statute.

(k) The Garage Unit Owner and/or its tenants shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size

and shall not be located so as to unduly disturb the aesthetics of the Building.

(l) The Garage Unit Owner shall have the right, without the payment of any fees or charges to the Board of Managers, to sell or lease the Garage Unit without interference by the Board of Managers. All sale or rental proceeds shall belong solely to the Garage Unit Owner.

These Rules and Regulations applicable to the Garage Unit may not be amended, modified, added to, or repealed without the written consent of the Member of the Board of Managers representing the Garage Unit.

Section 3. Sponsor.

(a) The Sponsor, its nominees and agents, shall have the right and privilege to maintain sales offices in and about the Condominium, located within the Building 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 and/or tenants, to utilize the Common Elements, and, without limitation, to do any and all things necessary and incident to the sale and/or lease of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

(b) The Sponsor shall have the right to continue to install or erect signs of its choice upon the Condominium premises.

(c) 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.

(d) Sponsor shall have the right for as long as the Condominium exists to enter into a license agreement or to lease those portions of the Common Elements that do not contain any mechanical equipment or other facilities utilized by the Condominium or any other Unit, including but not limited to the roof, interior and exterior portions of the Building to the extent necessary to implement the business of the lease and to retain the income therefrom. Sponsor and any tenant of a license or lease for a portion of the General Common Element being leased or subject to a license agreement shall have the easements provided for in the Declaration of Condominium to install, replace, repair and maintain all equipment and improvements required under the terms of the lease or license agreement.

The above paragraphs of this Article IX Section 4 may not be modified or amended without the written consent of the Sponsor so long as the Sponsor continues to own one or more unsold Units.

Section 4. Violations of Rules and Regulations.

(a) Upon receipt, by the President of the Board of Managers or by the Managing Agent, of a signed written complaint alleging violation of any of the Rules and Regulations or other provisions of the Declaration and/or By-Laws as herein established or hereafter established or adopted by the Board of Managers on behalf of the Condominium, the Board of Managers shall make a determination as to the validity of the complaint.

(b) If, after said notice it is determined that the complaint is valid and justified the Managing Agent, if any, or the Board of Managers if no Managing Agent, shall be directed to send written notice to the violator levying a fine as determined by the Board of Managers under the circumstances upon the violator and instructing the violator to stop, curtail, correct or eliminate the violation, if applicable, within a reasonable period to be determined by the Board of Managers of no less than three (3) days from the date of receipt of such notice. Such fine is to be considered as an additional Common Charge obligation to the account of the violator and shall be treated as such regarding late penalties and a lien upon the property as elsewhere provided for in the Declaration of Condominium or By-Laws. If the violation is not stopped, curtailed, corrected or eliminated, the Board of Managers may assess additional fines after serving written notice upon the violator as provided for above and may continue to levy additional fines every 30 days thereafter. The initial fine and any additional fines shall be cumulative. If the violation results in loss of or damage to property classified as a General Common Element or General Community Facility Units' Limited Common Element, the Board of Managers shall itself or direct the Managing Agent, if employed, to have said loss or damage repaired or replaced and the actual cost of said repair or replacement shall be assessed to the violator as an additional Common Charge.

(c) In addition to the right to issue fines for violations of the Rules and Regulations as provided above the Board of Managers shall be entitled to any other remedies that may be available to the Board to enforce the Declaration of Condominium, the By-Laws and/or the Rules and Regulations of the Condominium.

(d) The provisions of this Section 4 shall not be applicable to the Sponsor.

Section 5. Costs.

Any costs incurred by the Board of Managers to remedy or cure any violation of these By-Laws, the Rules and Regulations or the Declaration of Condominium as herein or hereafter established, shall be an additional Common Charge charged to the violator in addition to the fine(s) levied upon the violator. In the event a Unit Owner's tenant violates the provisions of any Rule and Regulation, By-Laws or the Declaration, the Unit Owner shall be liable for the violation and payment of fines related thereto.

In the event the Board of Managers institutes legal action for the collection of any fines or the enforcement of any of the provisions of the Declaration, By-Laws and/or Rules and Regulations of the Condominium, then the Unit Owner shall be responsible for payment of reasonable attorney's fees of the Board of Managers on behalf of the Condominium, plus interest at the maximum legal rate and costs of suit.

Section 6. Board of Managers Right to Change Rules and Regulations.

(a) Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Board. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

(b) Further, the Board of Managers reserves the right to rescind, alter, waive or add, as to one or more or all Unit Owners, occupants, lessees, guests and any other person occupying any portion of the Building, any Rule or Regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Board of Managers, the Board of Managers deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or for the operation or maintenance of the Condominium or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of a specific 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.

(c) Notwithstanding (a) and (b) above any change to the Rules and Regulations applicable to the Community Facility Units shall require the consent of the Community Facility Units Board Members and any change to the Rules and Regulations regarding the Garage Unit shall require the consent of the Garage Unit Board Member

Section 7. Complaints.

Complaints regarding the service of the Condominium shall be made in writing to the Board or to the Managing Agent.

ARTICLE X. AMENDMENTS

With respect to any Material Change (defined below), 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 (66-2/3%) percent of

the Unit Owners in Common Interest; and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. Notwithstanding the above, the following shall be applicable to amendments to the By-Laws:

A. No amendment shall be passed which will affect or impair the validity of the Unit Owners' interest in a Unit.

B. No amendment, modification, addition or deletion of, to or from the By-Laws or any Rules and Regulations shall impair, prejudice or be effective in any way against Sponsor or its successor, assignee or 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.

C. The Sponsor, as long as it retains a Unit in the Condominium shall have the right to amend the By-Laws without the consent of the Unit Owners or the Board of Managers to (a) make corrections that are patent errors, inconsistencies, scrivener's errors, technical errors, to conform to other documents, or (b) to reduce the Sponsor control period or (c) to comply with any Federal, State or local law or regulation.

D. The Board of Managers shall have the right to amend these By-Laws without the consent of the Unit Owners to make corrections to the By-Laws that are patent errors, inconsistencies, scrivener's errors and/or technical errors.

E. No amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights or priorities of a mortgage.

F. Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which solely affects all of the Community Facility Units or General Community Facility Units' Limited Common Elements may only be adopted by a vote of at least sixty-six and two-thirds (66⅔%) percent in number and common interest of only the Community Facility Unit Owners. Notwithstanding, as long as the Sponsor, its successor, assignee or designee retains at least one (1) Community Facility Unit, no amendment to the By-Laws which solely affects all of the Community Facility Units may be adopted without the written consent of Sponsor, its successor, assignee or designee.

G. Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which solely affects the Garage Unit or Garage Unit's Limited Common Elements may only be adopted and enacted with the written consent of the Garage Unit Owner.

H. A change to any of the following would be considered as a "Material Change": voting rights; assessments (but not the imposition thereof), subordination of assessment liens; changing responsibility for

maintenance and repairs; reallocation of interests in the General Common Elements other than in connection with a subdivision or combination; except as provided herein the convertibility of Units into Common Elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance; revisions to the leasing provisions of Units contained in Article XI; imposition of any restrictions on a Unit Owner's right to sell or transfer its Unit; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the By-Laws shall not be considered Material Changes if it is for the purpose of correcting technical errors, or for clarification only.

I. All non-material alterations, amendments or additions to these By-Laws may be enacted by a majority vote of the Board of Managers of the Condominium.

ARTICLE XI. SELLING AND LEASING UNITS

Section 1. Selling and Leasing Units.

Any Unit may be conveyed or leased, subject to local zoning ordinances, by its Unit Owner free of any restrictions except that no Unit Owner shall convey, mortgage, pledge, hypothecate, sell 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.

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. 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 3. Gifts, etc.

Any Unit Owner may convey or transfer their Unit by gift during the Unit Owner's lifetime or devise their Unit by will or pass the same by intestacy, without restriction.

Section 4. Leasing Requirements for Units

Every lease on every Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

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

(b) the lease must be in writing;

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

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

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

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

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

(i) the use of a Unit pursuant to a lease is subject to all municipal and zoning requirements of the City of New York or any other applicable municipality.

In order to carry out the provisions of this Section 4 of 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 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 leasing a Unit Owner's Condominium Unit 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 Rule and Regulation, and thirty (30) days from the date of the notice in which to cure the violation before the Board of Managers of the Condominium institutes any action against the tenant unless a shorter time period is required under the circumstances given the nature of the violation.

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 $2,500,000 and to the Board of Managers if the award is $2,500,000 or less, to be distributed in accordance with Section 3 of Article VII as follows: So much of the award as is applicable to Common Elements, to the repair, restoration or replacement (to the extent legally possible) of the Common Elements affected, and, if such repair, restoration or replacement is not legally possible, then to Unit Owners pro rata according to the respective percentages of Common Interests appurtenant to the Units owned by such Unit Owners.

ARTICLE XIII. SPONSOR RIGHTS

Section 1. Sales/Rentals.

The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sales and rental offices in and about the Condominium, located within the Condominium Building, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective purchasers or tenants, to utilize the Common Elements, and without limitation, to do any and all things necessary incident to the sale or rental of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

Section 2. Signs/Ingress/Egress.

The Sponsor shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to construct, sell and lease the Units. 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. Severability.

Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 2. Notice to Condominium.

A Unit Owner who mortgages the Unit Owner's Unit shall notify the Condominium through the managing agent, if any, or the President of the Board of Managers in the event there is no managing 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 3. Notice of Unpaid Assessment.

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 4. Examination of Books and Records.

Any Unit Owner shall have the right to examine in person or by agent or attorney, during usual business hours the Condominium's books and records and to make copies therefrom at their cost a maximum of one (1) time per month. Such inspection may be denied to such Unit Owner or other person upon the Unit Owner's refusal to furnish to the Board of Managers an affidavit that such inspection is not desired and will not be used for a purpose which is in the interest of a business or object other than the business of the Condominium and that the Unit Owner has not within five years given, sold or offered for sale any list or record of Unit Owners of any domestic or foreign corporation or aided or abetted, or attempted or offered to aid or abet, any person in procuring any such list or record of Unit Owners for any such purpose.

Section 5. Arbitration.

(a) Procedure. Any matter required or permitted to be determined by arbitration pursuant t the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the local jurisdiction of the Condominium in accordanc with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not the be in existence and has no successor organization, any such arbitration shall be held in the local jurisdiction of the Condominium before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York.

(b) Variation by Agreement The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium

Documents may, by written agreement, vary any of the terms of Section (a) hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

(c) Binding Effect The decision in any arbitration conducted pursuant to the terms of Section (a) and (b) of this Section 6 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

(d) Costs and Expenses The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

All costs and expenses paid or incurred by the Condominium Board of Managers in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses shall constitute Common Expenses of the Condominium.

Section 6. Report to Unit Owners

It is the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

(a) a financial statement of the Condominium prepared by a certified public accountant or public accountant by a specific date; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided within four (4) months of the end of each fiscal year;

(b) prior notice of the annual Unit Owners meeting; and

(c) a copy of the proposed annual budget of the Condominium within thirty (30) days of the date set for adoption by the Board of Managers. While Sponsor is in control of the Board of Managers such budget will be certified in accordance with the regulations of the Department of Law.

The cost of such reports shall be a Condominium expense. In addition, during said period the Sponsor will be required to provide a Certification of Adequacy of the budget for the Condominium from a Managing Agent or other expert who is unaffiliated with the Sponsor.

Section 7. 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 8. Compliance with Article 9-B.

These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law. In case any provision of these By-Laws conflicts with the provisions of said Statute or the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

SCHEDULE K-1

SPONSOR CERTIFICATION

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO 13 NYCRR 20.4 (b)

Date: 12/30/2020

Office of the Attorney General
Real Estate Finance Bureau
28 Liberty Street
New York, NY 10005-1413

RE: **825 39TH STREET COMMERCIAL CONDOMINIUM**

Gentlepeople:

We are the Sponsor and principals of Sponsor of the Condominium Offering Plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Attorney General in Part 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where 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,

823 39TH STREET BROOKLYN, LLC

By:_____
KUANG MING KWOK, Managing Member and
Sole Principal

SPONSOR'S PRINCIPAL:

Sworn to before me this
day of , 20 .

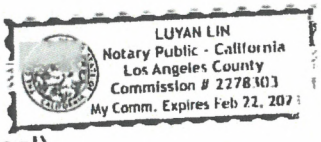
_____
NOTARY PUBLIC

_____
KUANG MING KWOK

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 30 day of December, 2020, by Kwong Ming Kwok,
proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



(Seal)

Signature

SCHEDULE K-2

SPONSOR'S ENGINEER OR ARCHITECT CERTIFICATION

MICHAEL KANG ARCHITECT, P.C.

➢ ARCHITECT
➢ PLANNER
➢ INTERIOR DESIGNER

37-01 MAIN STREET, SUITE 3A, FLUSHING, NY 11354 TEL: (718) 353-2929 FAX: (718) 661-1619

SPONSOR'S ARCHITECT CERTIFICATION
PURSUANT TO 13 NYCRR 20.4 (c)

April 28, 2021

Office of the Attorney General
Real Estate Finance Bureau
28 Liberty Street, 21st Floor
New York, NY 10005-1413

RE: **825 39th Street Commercial Condominium**

Gentlepeople:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We visually inspected existing portions of the property on November 15, 2020 and we examined the building plans and specifications that were prepared by Michael Kang, RA dated November 29, 2019 and prepared the Report dated April 28, 2021, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

We are a registered architect in the state in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of renovation and construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of or construction, provided that construction is in accordance with the plans and specifications that we examined;

MICHAEL KANG ARCHITECT, P.C.
➢ ARCHITECT
➢ PLANNER
➢ INTERIOR DESIGNER
37-01 MAIN STREET, SUITE 3A, FLUSHING, NY 11354 TEL: (718) 353-2929 FAX: (718) 661-1619

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; (d) or did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

REGISTERED ARCHITECT MICHAEL KANG 024849 STATE OF NEW YORK

Michael Kang, RA
President

Sworn to before me this
28th day of April, 2021

Notary Public

CHEN ZHAO
Notary Public - State of New York
No.01ZH6377837
Qualified in Queens County
My Commission Expires 7/16/2022

SCHEDULE K-3

SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

Real Estate service
G BUDDY INC.

8725 18th Avenue FL 2, Brooklyn NY 11214
Tel: (718) 234-1515 Fax: (347) 803-1801
Email: main@gbuddyinc.com

CERTIFICATION OF ADEQUACY OF COMMON CHARGES PAYABLE BY NON-RESIDENTIAL UNIT OWNERS PURSUANT TO 13 NYCRR 20.4(e)

Date: April 7, 2021

Office of the Attorney General
Real Estate Finance Bureau
28 Liberty Street
New York, NY 10005-1413

Re: **825 39TH STREET COMMERCIAL CONDOMINIUM**

Ladies and Gentlemen:

The sponsor of the condominium offering plan for the captioned property retained me/our firm to 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 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 11220 / 970 41st St., Brooklyn NY 11219 / 77 Bowery 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 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. Units for the first year of condominium operation;

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,

Chun Hing Gary Chong,

President, G Buddy Inc.

Sworn to before me this
8th day of April, 2021

Notary Public

WAH HEE LEI
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01LE6151951
QUALIFIED IN KINGS COUNTY
CERTIFICATE FILED IN NEW YORK COUNTY
COMMISSION EXPIRES AUGUST 28, 2022