
CONDOMINIUM OFFERING PLAN

**THE 120 MARCUS GARVEY CONDOMINIUM
120 MARCUS GARVEY BOULEVARD
BROOKLYN, KINGS COUNTY, NEW YORK 11206**

Residential Units.....2	\$ 1,898,000
Commercial Units.....1	\$ 399,000
Total Amount of Offering	\$ 2,297,000

SPONSOR AND SELLING AGENT:

**VASIK LLC
7 MARCUS DRIVE
MONSEY, NEW YORK 10952**

Date of acceptance for filing of this Offering Plan is .
This plan may not be used after unless extended by a duly filed amendment.

THIS PLAN CONTAINS SPECIAL RISKS TO THE PURCHASER. SEE PAGE 1.

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 GOVERNMENTAL AGENCY HAS APPROVED THIS OFFERING.

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

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

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DEFINITIONS

For convenience of presentation general definitions of key terms used in Part I of the Plan are set forth below, which definitions are subject to the more particular definitions of such terms set forth in the DECLARATION and BYLAWS included in Part II of this Plan.

Board of Managers: The executive and administrative entity designated to act on behalf of the Unit Owners in governing the Condominium.

Building: The building that is the subject of this Offering Plan, which is constructed on the Land and in which the units of the condominium will be located.

Bylaws: The Bylaws governing the operation of the Condominium, the form of which are set forth in Part II of this Plan.

Common Charges: Monthly payments made to the Board of Managers in proportion to each Unit Owner's Common Interest for the purpose of meeting the Common Expenses.

Common Elements: The Land and all parts of the Building other than the Units, including the foundations, windows, roof, and supports of the Building and all areas or facilities therein for the common use of the Units and the Unit Owners.

Common Expenses: The cost and expenses associated with the repair, maintenance, replacement, restoration, operation of, and any alteration, addition to, or improvement of, the Common Elements.

Common Interest: The proportionate interest of each Unit Owner as expressed in a numerical percentage in the Common Elements as determined in accordance with the Declaration. The total of all Common Interests of all Unit Owners equals 100%.

Consummation of the Plan: The filing of the Declaration of the condominium and the first transfer of title to a condominium Unit to at least one purchaser under the Plan following a declaration of effectiveness by the Sponsor.

Declaration of Condominium: The instrument creating the Condominium, the form of which is set forth in Part II of this Plan.

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

Filing: The issuance of a letter or writing, including electronic, from the New York State Department of Law evidencing that an offering plan or amendment has been accepted for filing.

General Common Elements: All of the Common Elements that are not Limited Common Elements.

Land: The land referred to and more particularly described in the Declaration.

Limited Common Elements: Those Common Elements that serve or benefit a single Unit and the use of which is restricted to said Unit.

Offering Plan: This disclosure document pursuant to Part 20 of Title 13 N.Y.C.R.R., Regulations Governing Newly Constructed, Vacant, or Non-Residential Condominiums.

Property: The Land, the Building, and the appurtenances thereto.

Purchase Agreement: The agreement to purchase a Unit offered for sale pursuant to the Plan, the form of which is set forth in Part II of this Plan.

Purchaser: A Purchaser of a Unit pursuant to a Purchase Agreement.

Sponsor: Vasik LLC, 7 Marcus Drive, Monsey, New York 10952.

Unit: Any space designated as a Unit in the Declaration, consisting of a specific apartment in the Building and an appurtenant undivided fee interest in the Common Elements. All of such units are collectively referred to as “Units.”

Unit Owner: Any owner of any Unit. All of such owners are collectively referred to as the “Unit Owners.”

SPECIAL RISKS

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

1) There are numerous time constraints imposed in the Purchase Agreement set forth in Part II of this Offering Plan. **TIME IS OF THE ESSENCE** as to all such time constraints. This means that if the Purchaser fails to perform within the applicable time frame, s/he may waive substantive rights, or incur a forfeiture of substantial sums of money. Thus, a purchaser who fails to cure a default within thirty (30) days after receipt of written notice of said default will both have the Purchase Agreement canceled and lose his/her contract deposit. Similarly, a purchaser who fails to notify the Sponsor in the event s/he has failed to obtain mortgage financing within forty (40) days after receipt of a fully executed Purchase Agreement will be required to proceed to closing notwithstanding the fact that purchaser has failed to obtain mortgage financing; if such purchaser fails to proceed to closing, the down payment may be retained by the Sponsor. Please see SPECIAL RISK #15 below and the sections of this Plan entitled PROCEDURE TO PURCHASE and CLOSING COSTS AND ADJUSTMENTS in Part I, and the PURCHASE AGREEMENT set forth in Part II. Purchasers are advised to consult with their attorneys concerning all terms of this offering.

2) The Sponsor is not limiting the conditions under which it will rent rather than sell units after consummation of the Offering Plan. There is no commitment to sell more than one (1) residential unit in this Condominium, which is the fifteen (15%) percent minimum necessary to declare the plan effective. Owner-Occupants, therefore, may never gain effective control and management of the condominium. **BECAUSE SPONSOR IS RETAINING 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.** Please see the INTRODUCTION, RIGHTS AND OBLIGATIONS OF THE SPONSOR, CONTROL BY SPONSOR, and BOARD OF MANAGERS sections of this Offering Plan for a more complete explanation.

3) **The projected real estate taxes for the first year of operation contained in Schedule A are based on an assessment of the building before renovation is complete. Purchasers are advised that real estate taxes may increase materially when the building is reassessed after renovation is complete. See FOOTNOTE 6 TO SCHEDULE A and**

REAL ESTATE TAXES sections for more information regarding the projected assessed valuation after completion of renovation.

4) In general, sellers of real property are obligated to pay the New York State Transfer Tax ("NYSTT"), currently \$4.00 per \$1,000.00 of the Purchase Price of a Unit less existing and continuing mortgage. However, the terms of this Offering Plan and the PURCHASE AGREEMENT included in Part II herein transfer the statutory obligation to pay the NYSTT to the Purchaser. The New York State Tax Law Section 1404(a) (the "Amended Tax Law") has been amended as of July 1, 2021. Pursuant to the Amended Tax Law, transfer taxes shall not be payable, directly or indirectly, by the Purchaser unless the same is explicitly provided for under the Purchase Agreement between Sponsor and Purchaser. The Purchase Agreement located in Part II of this Offering Plan explicitly provides that the Purchaser shall be responsible for paying the NYSTT. Therefore, the Purchase Agreement imposes this obligation upon the Purchaser.

In general, sellers of real property are obligated to pay the New York City Real Property Transfer Tax ("NYCRPTT"), currently 1.425% of the purchase price for residential units. However, the terms of this Offering Plan and the PURCHASE AGREEMENT included in Part II herein transfer the statutory obligation to pay the NYCRPTT to the Purchaser. The amount of the NYCRPTT shall be deemed additional consideration for the unit purchased, resulting in a "grossed up" sales price for a "tax on a tax" effect.

At closing, each purchaser will pay to the Sponsor a reimbursement fee of \$2,500.00 for the cost of preparing and filing the condominium offering plan. Purchasers of a unit shall pay to the Sponsor's attorney at closing a document preparation fee of \$2,500.00, plus \$150 for the preparation of ACRIS New York City and State transfer tax forms. If the closing takes place anywhere other than at the office of Sponsor's counsel, an additional fee of \$500 will be charged for attending the closing. If the closing is adjourned at Purchaser's request, an additional fee of \$500 will be charged for each adjournment. The above closing fees are cumulative to the extent applicable to an individual closing. Please see the section of the Offering Plan entitled CLOSING COSTS AND ADJUSTMENTS.

5) Transfer of control of the Condominium Board of Managers shall pass to unit owners other than individuals affiliated with the Sponsor at the earlier of: 1) thirty (30) days after the date by which both of the residential units have been conveyed to unit purchasers, or 2) three (3) years after the first conveyance of a unit to a unit purchaser. Prior to that time, the Condominium will be controlled by a Board of Managers designated by the Sponsor. There are certain limitations on actions that can be taken by the Board of Managers while the Sponsor remains in control of the Board of Managers. Such limitations are set forth in the CONTROL BY THE SPONSOR of this Offering Plan.

Until the earlier of five (5) years from the date of closing, or at the time at which the Sponsor or Successor Sponsor owns residential units consisting of less than 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those expenses described in Schedule B or expenses required to comply with applicable laws or regulations, to remedy any notice of violation, or for any repair or replacement necessary for the preservation or safety of the Building or for the safety of occupants of the Building or to remedy any work order by an insurer. Additionally, so long as the Sponsor retains ownership of at least one unit in the building, the By-Laws, Declaration, and Rules and Regulations of the Condominium may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor.

Please see the section of the Offering Plan entitled CONTROL BY THE SPONSOR for a more complete explanation.

6) The Sponsor is liable for all common charges, special assessments, and real estate taxes with respect to unsold units, and represents that Sponsor has sufficient financial resources to meet these obligations. However, no bond, escrow deposit, or other security has been furnished to secure the Sponsor's obligations. Please see the section of the Offering Plan entitled RIGHTS AND OBLIGATIONS OF THE SPONSOR for a more detailed explanation.

7) Pursuant to existing law and regulation, the Sponsor may declare the plan effective by selling a minimum of fifteen (15%) percent of the residential units in the building. In the case of this building, 1 residential unit would satisfy the fifteen (15%) percent minimum. The Sponsor may not use commercial units to declare the plan effective. If the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium even though there is no guarantee that all of the purchasers counted towards effectiveness will ultimately purchase their units. The Plan would have to be re-declared effective in the event that purchasers counted towards effectiveness failed to close their sales. Please see the EFFECTIVE DATE section of this Offering Plan.

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

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

Even after a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements. Please see the PROCEDURE TO PURCHASE section of this Offering Plan.

9) The By-Laws do not include a provision that, after the initial Sponsor control period, a majority of the Board of Managers must be Owner-Occupants or members of an Owner-Occupant's household who are unrelated to the Sponsor and its Principal. Owner-Occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home, as opposed to purchase as an investment. Please see the INTRODUCTION, RIGHTS AND OBLIGATIONS OF THE SPONSOR, CONTROL BY SPONSOR, and BOARD OF MANAGERS sections of this Offering Plan for a more complete explanation.

10) The Sponsor will manage the condominium for the first year of operation at no cost to the Unit Owners. Should the Board of Managers after the first year of operation elect to employ the services of a managing agent, this will likely result in an additional cost of approximately 10%-15% of the annual operating budget, which would require a concomitant increase in the common charges. If the Sponsor still owns 50% or more of the residential units in the building at this time, a majority of the new Board of Managers may be Sponsor-appointees. Please see FOOTNOTE 9 to SCHEDULE B for a more complete explanation, including a listing of some of the tasks performed by a managing agent.

11) All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account set forth herein. However, the Purchaser should note that such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event the Purchaser is entitled to a rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras unless the plan is not consummated. A Purchaser will receive a refund of funds used for upgrades if the Plan is abandoned. Please see the PROCEDURE TO PURCHASE Section of this Offering Plan.

12) The cost of providing heat and hot water for individual units is not included in the monthly Common Charges. Thus, the cost of heat and hot water represents a cost in addition to the monthly Common Charges. Please see FOOTNOTES TO SCHEDULE B and SCHEDULE B1.

13) All down payments will be placed in an IOLA account. IOLA stands for “interest on lawyer accounts,” and is a special type of account maintained by an attorney for the purpose of holding escrow funds. The escrow account is federally insured by the FDIC at the maximum amount of \$250,000. To the extent that the total contract deposits exceed \$250,000, they will not be federally insured. If purchasers have accounts at the same bank as Sponsor’s account that holds escrowed funds, purchaser funds at the escrow bank factor into the \$250,000 insurance limit. Interest earned on IOLA accounts is paid over to the state of New York. No interest is credited to either the purchaser or the seller. Please see the PROCEDURE TO PURCHASE section of this Offering Plan.

14) Unit 1 (the commercial unit) will include a rear yard at the ground floor level allocated as a limited common element. Unit 2 will include a roof terrace at the second floor level allocated as a limited common element. Unit 3 will include the roof level allocated as limited common elements. No structures of any kind may be built in or on these limited common elements except for temporary structures such as sukkots. Additionally, the limited common element spaces are not habitable and may not be used for sleeping or dining. The right to use and occupancy is subject to the right of the Condominium to enter into said areas for the purpose of inspection and/or building repairs, provided that the Condominium provides the owners reasonable notice of access. Please see the DESCRIPTION OF PROPERTY AND IMPROVEMENTS included in Part I of this Offering Plan and the DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in Part II of this Offering Plan for a more complete explanation.

15) The obligations of a purchaser under a purchase agreement are conditioned on the Purchaser obtaining financing. The Sponsor does not require a Purchaser to apply for financing with any preferred lender. If a Purchaser intends to obtain mortgage financing, such Purchaser shall apply for said loan within five (5) days after receipt of a fully executed copy of the PURCHASE AGREEMENT and shall have forty (40) days from receipt of a fully executed copy of said PURCHASE AGREEMENT to obtain said mortgage commitment. **TIME IS OF THE ESSENCE** as to the Purchaser fulfilling its obligations to obtain mortgage financing within said time constraints. Purchaser agrees to accept any commitment offered by the lending institution applied to, provided that the loan offered by the lending institution is for at least the amount of the loan contemplated in the PURCHASE AGREEMENT. Purchaser is responsible for paying all costs and fees

associated with the mortgage. In the event Purchaser obtains a firm written commitment for financing and the terms of such commitment are changed prior to closing, such change in terms shall not be an allowable reason for Purchaser to cancel the contract. Similarly, if the commitment expires prior to closing, Purchaser shall be under a good faith duty to take all required actions necessary to extend such commitment, including the payment of any extension fee required by the lending institution; however, in the event Purchaser has made such good faith effort to extend the commitment on the same terms and is unable to do so, then, provided that Purchaser notifies Sponsor within 10 days after receipt of a notice from a lending institution that it will not under any circumstances extend the commitment, and that Purchaser is exercising his right to rescind the contract, then Sponsor will return the contract deposit. Under New York law, when a mortgage commitment is not fulfilled through no fault of a purchaser, performance is excused. Therefore, if the purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused, and the Sponsor must grant to such purchaser a right of rescission and a reasonable period of time to exercise such right. Please see PROCEDURE TO PURCHASE in Part I, and PURCHASE AGREEMENT located in Part II of this Offering Plan.

16) In the event a child under eleven (11) years old resides in a unit or visits a unit for an extended period of time, the owner of that unit will be required, at his/her own cost and expense, to install child safety window guards on all windows in conformity with applicable New York City Administrative Code sections and shall not remove them until permitted by applicable law. Failure to do so may create great risk to the life and health of such child and result in the imposition of a violation against the building, which would be the responsibility of the unit owner to cure. Please see the RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS section located in Part I and also the ARCHITECT'S REPORT in Part II for a more complete explanation.

17) The Sponsor will install in each residential unit an electric oven, Frigidaire model #FFE3054US or equivalent, a gas cooktop, Empava model #empv30gc5b706, a refrigerator, GE model #GTS21FGKWW or equivalent, and a dishwasher, Frigidaire model #FDPC4221AS or equivalent. The Sponsor will provide within each residential unit hookups for a stackable washer and gas vented dryer, but Sponsor will not provide the washers or dryers themselves. Unit owners shall be responsible for purchasing their own laundry appliances. Laundry closet dimensions for the residential units are 3'6" x 4'1", which is sufficient space for a standard sized stackable washer/dryer. All other appliances will be the responsibility of the unit Purchaser and will represent an additional cost of purchasing the unit. Please see the DESCRIPTION OF PROPERTY AND IMPROVEMENTS section included in Part I and the ARCHITECT'S REPORT included in Part II of this Offering Plan.

18) With regard to the roof areas, no permanent structures may be built on the roof areas without a permit from the Building Department, and the Board of Managers. The Board of Managers will have access for inspection and repair and may regulate any one or more of the following aspects of construction:

1. Time periods during which work is permitted;
2. The manner in which construction degree will be handled;
3. Measures which must be taken to prevent compromising the security of the building during construction;
4. Interruption of services during construction;
5. Liability insurance for contractors during construction.

The building Certificate of Occupancy and applicable zoning rules will not allow the construction of anything on the roof areas other than temporary structures such as screening or sukkots. Any structural damage occurring to the roof areas shall be the sole responsibility of the Condominium and/or any such Unit Owner causing such damage, and will need to be repaired at the Condominium or such Unit Owner's sole cost and expense as determined by the Condominium Board of Managers. The terraces and roof shall not be finished for walking. The Sponsor is not providing a walking surface. Same will be the responsibility of the Unit Owner to whom the terrace or roof area is allocated as limited common element if such Unit Owner chooses to use these areas. If Unit Owner uses the areas and does not provide a suitable walking surface, Unit Owner will be responsible for any damage caused by such use. Additionally, any warranty described in Part II may be voided by improper use of the roof. There shall be a 10-year manufacturer's warranty on material and a 3-year manufacturer warranty on labor. The warranty period shall begin on the date of installation. Please see SCHEDULE A and DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in this Offering Plan.

19) Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the purchaser is given the right of possession of that unit pursuant to a written agreement with the Sponsor. The Sponsor will restore the damaged unit to conditions represented in the Offering Plan before a purchaser will be obligated to close the sale of the unit. The Sponsor will notify a purchaser whether or not it (the Sponsor) will repair any damage resulting from a casualty prior to the closing of a unit within 15 days of said casualty. If Sponsor decides to restore the unit, the Sponsor shall have 15 days in which to restore the unit or such longer time as is required to accommodate the delivery of materials that must be ordered to complete any such repairs, so long as such longer time is reasonable. If the Sponsor decides not to restore the unit, the purchaser in such case would have the right to rescind. An interim lessee assumes the risk of loss to

his/her personal property that is not covered by the condominium's insurance, and, unless the casualty resulted from the act of the Sponsor or those acting under the Sponsor, the interim lessee would be obligated to close the sale of the unit despite such damage to the personal property. A person who is in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. It would be acceptable to state that a person who takes possession prior to closing assumes the risk of losses not covered by insurance. Purchasers and interim lessees are advised to confer with an insurance adviser regarding obtaining property and liability insurance. Please see the PROCEDURE TO PURCHASE section of the Offering Plan.

20) The Sponsor anticipates that the first closing of a unit will occur by May 1, 2022. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than April 30, 2023, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date.

However, if the first unit closing occurs by April 30, 2023, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, that Sponsor cannot convey title to the unit on or before twelve (12) months from the date of the Purchase Agreement, affected purchasers will be offered a right of rescission. Purchasers will have at least fifteen (15) days from presentation of an offer of rescission within which to elect to rescind. Please see the PROCEDURE TO PURCHASE section of this Offering Plan.

21) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building, but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the "property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or

occupancy shall be made unless a new certificate of occupancy is issued.” All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor does not anticipate that this scenario will occur, as the Sponsor has obtained the FCO for the building, issued September 10, 2021, CO Number 3049219-0000001. Please see the RIGHTS AND OBLIGATIONS OF THE SPONSOR section of this Offering Plan. For more information on certificates of occupancy, please visit the DOB website at <https://www1.nyc.gov/site/buildings/homeowner/certificate-of-occupancy.page>.

22) Each Unit Owner shall be required to pay the Common Charges and Expenses levied by the Board of Managers. All Unit Owners, mortgagees, lessees, and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner, are subject to the By-Laws, the Declaration, and the Rules and Regulations. A copy of the Declaration and By-Laws appear in Part II of this Plan. The violation of any of the Rules and Regulations or the breach of any By-Laws or provision of the Declaration shall give the Board of Managers, in addition to other rights set forth in specific provisions of the By-Laws, the right to: (i) enter any Unit in which, or as to which, such violations or breach exists and to abate and/or remove same summarily, at the expense of the defaulting Unit Owner. The Board of Managers shall not thereby be deemed guilty or liable for trespass nor be liable for any damage to the Unit, nuisances or fixtures incurred in connection with such rights unless such damage is caused by negligence on the part of the Board of Managers; or (ii) enjoin, abate, or remedy by appropriate legal proceedings, the continuance of any such violation or breach. Sponsor and Board of Managers will comply with all applicable laws when exercising said rights. The costs incurred by the Board by virtue of the exercise of its rights to correct such breaches or violations, including attorney's fees, shall be due upon demand from the Unit Owner in question if the Board is the prevailing party in the dispute, and shall constitute a Common Expense against his/her Unit. Please see the BYLAWS located in Part II of this Offering Plan.

23) Sponsor is not creating a fund on closing to be used as a reserve for capital expenditures. However, the budget for the first year of condominium operation in SCHEDULE B includes a budgeted yearly Capital Reserve Fund for repair and replacement of major systems or structural elements of the building. This budgeted item will start the gradual creation of a reserve fund. Unit owners will therefore be contributing to the yearly Capital Reserve Fund through their common charges, beginning with common charge adjustments paid at the closings of their individual condominium units. (Unit owners will also, at closing, pay their contributions to the

building's Working Capital Fund.) In the event a need arises within five (5) years following the first closing under the Plan for capital expenditures such as renewal or replacement of building components or systems, or to remedy major building defects, and the reserve fund is inadequate to pay for those expenditures, it will be necessary to raise needed capital either by assessing individual units or owners for the cost of such expenditures. See the RESERVE FUND section of this Offering Plan.

24) At closing of title to each unit, the unit owner for such unit will contribute to the working capital fund of the Condominium an amount equal to two months' Common Charges (see CLOSING COSTS AND ADJUSTMENTS). No representation is made that the Working Capital Fund will be adequate to cover current or future expenses. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase Common Charges or separately assess all Unit Owners. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund. See the WORKING CAPITAL FUND section of this Offering Plan.

25) New York City Local Law 147 went into effect on August 28, 2018 and requires buildings with three or more residential units to adopt written smoking policies. For condominiums such as the subject premises, the Board of Managers must adopt such a policy. The policy for this condominium is as follows: Smoking is prohibited in all indoor and outdoor common areas throughout this building. Unit Owners are only permitted to smoke within their own units. Please see the RIGHTS AND OBLIGATIONS OF UNIT OWNERS section of this Offering Plan.

26) The unit owner is responsible for keeping safety warning devices (i.e., smoke detector and carbon monoxide detector) operational. The Sponsor will comply with the applicable requirements of the gas leak notice law, in accordance with the relevant provisions of the NYC Administrative Code and Rules and Regulations of the City of New York. Please see the DESCRIPTION OF PROPERTY AND IMPROVEMENTS and the RIGHTS AND OBLIGATIONS OF UNIT OWNERS sections located in Part I of this Offering Plan and the ARCHITECT'S REPORT located in Part II of the Offering Plan.

27) On November 8, 2019, the Financial Crimes Enforcement Network ("FinCEN") announced the issuance of a revised Geographic Targeting Order ("GTO"). This revised GTO requires U.S. title insurance companies to identify and report to FinCEN the natural persons behind companies making certain "all-cash" purchases of residential real property if the transaction meets the following criteria:

1. Residential real property is purchased by a domestic or foreign business entity, including but not limited to a corporation, limited liability company, or partnership.
2. The residential real property is located in the Borough of Brooklyn, Queens, Bronx, Staten Island, or Manhattan
3. The purchase price exceeds \$300,000.00.
4. Such purchase is made without a bank loan or other similar form of financing.
5. Such purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

The subject premises are located within the GTO described above. All-cash purchasers closing after November 12, 2019 and ending May 9, 2020 will be subject to the reporting requirements of this GTO. Purchasers are advised to confer with their own counsel regarding the effects of the GTO on their real estate purchases. Please see CLOSING COSTS & ADJUSTMENTS section of this offering plan.

28) On March 31, 2019, New York State announced additions to the base real estate transfer tax ("transfer tax") and established a new supplemental tax ("supplemental tax") on certain conveyances of real property within New York State occurring after July 1, 2019. These amended tax rates apply only to conveyances of real property in cities with a population of 1 million or more (which includes only New York City as of this date). The additional transfer tax applies only to conveyances of residential real property when the consideration for the conveyance is \$3 million or more, and conveyances of any other property when the consideration for the conveyance is \$2 million or more. The new supplemental tax applies only to conveyances of residential real property when the consideration for the conveyance is \$2 million or more. Purchasers shall be responsible for paying the base transfer tax and supplemental tax. The purchaser's payment of the base transfer tax will itself be deemed additional consideration, resulting in a "tax on a tax" effect. Purchasers are advised to consult with their own counsel concerning transfer taxes and other closing costs. Please see CLOSING COSTS AND ADJUSTMENTS section of the Offering Plan for a more complete explanation.

29) Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York, in accordance with the then existing rules of the American Arbitration Association (AAA) or any successor organization thereto. Any dispute relating to the expenses to be borne by the Unit Owners, including the commercial unit owners, shall be submitted to arbitration as per the BY-LAWS. 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. Parties may search the online profiles of the AAA's Panel of Mediators in an effort to agree on an independent arbitrator. In the event that the parties cannot mutually agree upon an independent arbitrator, or after such consultation, the issue is still unresolved, then such dispute or question shall be submitted to AAA, which will give any party the rights he is entitled to under New York law. The decision of the arbitrators so chosen shall be given within thirty (30) days after their selection or appointment. The foregoing does not in any way abrogate or modify the rights of Purchasers and Unit Owners pursuant to the Martin Act and governing regulations. For more information on the rules of the American Arbitration Association as it pertains to real estate, please see *Real Estate Arbitration Rules (Including a Mediation Alternative)*, American Arbitration Association, Inc., 2015, available online at <https://www.adr.org/sites/default/files/Real%20Estate%20Industry%20Rules%20%28Including%20a%20Mediation%20Alternative%29.pdf>. The single arbitrator will be an independent third party unrelated to either party in the dispute. The Condominium By-Laws do not provide for a waiver of jury trial. Please see the RIGHTS AND OBLIGATIONS OF UNIT OWNERS/BOARD OF MANAGERS section located in Part I and Article IX of the BY-LAWS located in Part II of this Offering Plan.

30) The square footage in SCHEDULE A located in Part I of this Offering Plan is calculated by the standard mathematical formula of multiplying the length of an area by the width of an area and adding together for each apartment all of the areas contained therein. The square footage of each unit is based upon the approximate distance vertically from the top of the concrete, wood, or other finished flooring to the underside of the concrete or sheetrock ceiling, and horizontally to the center line of demising walls between units; to the center line of non-structural common walls; to the center line of common structural walls or elements and to the outside face of exterior walls. As a result, the actual area comprising the condominium unit is significantly less than listed in Schedule A. The estimated square footage of each unit is based on the FLOOR PLANS and ARCHITECT'S DESCRIPTION OF PROPERTY set forth in Part II of this Offering Plan and may vary within reasonable tolerances from the "as-built" square footage as subsequently described in the condominium Declaration.

31) Units may not be separately assessed for the first year of condominium operation. On closing, Sponsor shall deposit with the Board of Managers a sum sufficient to pay all taxes due for the balance of the 2021/2022 tax year. As each subsequent individual condominium Unit is sold, the purchasers thereof, as a standard closing adjustment, shall reimburse the Sponsor for the portion of their tax liability paid by the Sponsor from the

date of closing through the end of the 2021/2022 tax year. The amount of the taxes deposited with the Board of the condominium will be disclosed in the post-closing amendments until the units are separately assessed. The Board shall be authorized to pay such taxes as and when due from such escrow fund. It is anticipated that Units will be separately assessed for the 2022/2023 tax year, and that individual Unit Owners (whether purchasers, holders of unsold shares, or the Sponsor) will pay the taxes thereof as set forth in the attached SCHEDULE A. After the units are separately assessed, each Unit Owner will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor subject to, any lien for non-payment of taxes on any other unit. Please see SCHEDULE A and REAL ESTATE TAXES located in Part I of this Offering Plan.

32) A decrease in a unit's area of 5% or less will not affect a purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that square footage that is diminished by 5% or less is not material. No change of any type set forth in this paragraph shall be made except by amendment duly filed with the New York State Department of Law. Please see the CHANGES IN UNIT PRICES section set forth in Part I of this Offering Plan.

33) There is one (1) Commercial Unit in the building (Unit 1). The owner of the commercial unit will be required to maintain heat supply to their premises on a 24 hour a day basis, so as to not create an undue heating burden on residential units within the building. In the event the commercial unit owner fails to maintain their heat supply on such a basis, the condominium Board shall have the same right and duty to compel compliance with this requirement as it has for common charges and assessments pursuant to Sections 3, 4, and 5 of Article VI of the BY-LAWS. The Sponsor and Board of Managers will comply with all applicable laws in any actions(s) which they undertake. There will be no special allocations with regard to the commercial units pursuant to New York Real Property Law section 339-m. The commercial unit owner is also responsible for cleaning, repair, refuse disposal and all other items of day-to-day maintenance, which would normally be considered "janitorial services"; and is further responsible for providing same at his/her own cost and expense so as not to impact on the services or budget of the condominium. The commercial unit may be used as an eating/drinking establishment, candy or ice cream shop, cigar/tobacco shop, or other, as there are no restrictions on the use of the commercial unit other than that such use must conform to applicable zoning regulations or any variance granted thereof, and the Certificate of Occupancy for the premises or any amendment thereto. A unit owner of a commercial unit shall have the right to seek such amendment to the Certificate of Occupancy or variance in the zoning regulations without permission of the Board of Managers but at

such unit owner's sole cost and expense. Please see the COMMERCIAL UNITS section in Part I and the BY-LAWS in Part II of this offering plan for a more complete explanation.

34) A commercial unit owner has the right to sub-divide his unit into any number of smaller units provided that the total allocation of common interest of the commercial units may not be altered by such sub-division and further provided that said all such subdivisions must be in conformity with applicable zoning rules and a Certificate of Occupancy for the premises. Please see the COMMERCIAL UNITS section of this offering plan for a more complete explanation.

35) Commercial use of the premises may increase the cost of insuring the building. A commercial unit owner will be responsible for reimbursing the condominium for his/her proportionate share of any insurance cost over and above that which the condominium would incur if all units in the building were residential units. This additional cost is to be determined by the insurance carrier or agent of same that provides coverage for the building and presented to an owner or prospective owner of a commercial unit upon request; the commercial unit owner or prospective owner is responsible for providing said insurer with any information needed to make this determination. Please see the COMMERCIAL UNITS section of this Offering Plan for a more complete explanation.

36) No contingency has been budgeted for the performance of legal services for the first year of condominium operation, and an attorney for the condominium has not been determined. It is not anticipated that any legal services would be required during the first year of operation. In the event that legal services are required, same will represent an additional cost to the condominium. The condominium board will determine the attorney for the condominium in the future. Please see SCHEDULE B and FOOTNOTES TO SCHEDULE B.

37) The Condominium will not qualify as an exempt homeowner's association under Section 528 of the Internal Revenue Code, and as such will be ineligible for exemption benefits under Section 528. As a result, the Condominium may be subject to Federal corporate income tax on the excess of the Common Charges and investment income over the expenses of operating the Condominium, if any. It is not presently anticipated that the condominium will have any income in excess of its expenses, as per SCHEDULE B included in this Offering Plan. It should be noted that the Condominium may, even if permitted to make an election under Section 528 of the Code, still be required to pay the minimum New York State and City corporation taxes. Sponsor anticipates that the amount budgeted in the line item for Miscellaneous Reserve shall also cover "minimum" New York City and State corporation and income taxes (current minimums are anticipated to be \$25.00 for New York City and \$50.00 for New York State) for the first

year of operation in the event that the Condominium is required to pay them. However, in the event that the Condominium does have any excess of income for the first year of operation, it may be necessary to increase Common Charges or separately assess all Unit Owners. There is no assurance that the line item for Miscellaneous Reserve will be sufficient to pay for taxes on said excess income. See SCHEDULE B, INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM, and COUNSEL'S TAX OPINION LETTER in Part I of the Plan for a more complete explanation.

38) The right to occupy a unit by a Purchaser who is an interim lessee shall terminate if said Purchaser/interim lessee is found in default of the PURCHASE AGREEMENT and the default is not cured within 15 days after notice thereof. Additionally, any default under the INTERIM LEASE shall be a default under the PURCHASE AGREEMENT, and any default under the PURCHASE AGREEMENT shall be a default under the INTERIM LEASE. Any such default will terminate the Purchaser's right to use and occupancy, and will also terminate the Purchaser's right to purchase the apartment, and may result in loss of the down payment. Please see the SAMPLE INTERIM LEASE section located in Part II of this Offering Plan.

39) The New York State Housing Merchant Implied Warranty Law (General Business Law Article 36-B) does not apply to this offering because that statute applies only to new single family homes or new for sale units in a multi-unit residential structure which is five (5) stories or less in which title is transferred to purchasers under a cooperative or condominium regime. As this building is a mixed-use building containing both residential and commercial units, this statute is not applicable. The Sponsor's obligations, regardless of any limitations in this offering plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications. Any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications will be resolved in favor of the latter. Please see SCHEDULE A, DESCRIPTION OF PROPERTY AND BUILDING CONDITION, and RIGHTS AND OBLIGATIONS OF THE SPONSOR included in this Offering Plan.

40) Sponsor bought out the members of 120 Marcus Garvey LLC, the previous owner of the subject premises, and purchased the note to 120 Marcus Garvey LLC's mortgage on the subject premises. Said mortgage was subsequently assigned to Jemcap Funding LLC, having an office at 360 Madison Avenue, Ste. 1902, New York, New York 10017 (the "Mortgage Lender") in the principal amount of \$650,000. Sponsor intends to satisfy the mortgage at or before the first unit closing with either the proceeds of sale of the first unit closing, the Sponsor's own funds, or a combination of the two sources of funding. The

Mortgage Lender has set no limits or requirements for Sponsor to sell rather than rent Units. Please see the RIGHTS AND OBLIGATIONS OF THE SPONSOR section of the Offering Plan.

41) On closing, purchasers will be required to sign a Power of Attorney in favor of the Board of Managers as otherwise set forth in this Offering Plan. If Purchaser refuses at closing to sign such a Power of Attorney, the Purchase Agreement shall be deemed cancelled and all rights of the parties thereunder shall terminate except that the amount of the purchaser's down payment shall be paid over to the Sponsor as liquidated damages. Please see the PROCEDURE TO PURCHASE section located in Part I and the PURCHASE AGREEMENT located in Part II of this Offering Plan.

42) There shall be a 42-inch high painted iron railing enclosing the roof that is allocated as limited common element to Unit 3, and also enclosing the bulkhead roof. Railings are horizontal and create a "ladder-effect," which poses a risk for someone climbing up and falling over causing harm, especially children. The owner of Unit 3 is strongly advised to install child safety blocking devices to counteract this effect. Installation of such blocking devices will be at the unit owner's own cost and expense. Costs of such devices vary but may be approximately \$200-\$400 per railing. Please see the ENGINEER'S DESCRIPTION OF PROPERTY located in Part II of this Offering Plan.

43) Stairs within Unit 3 leading to the roof (convenience stairs) include winder stairs. Said stairs are not required egress stairs and are therefore compliant with all applicable codes. Nevertheless, as designed, the narrow side of the treads converges to a point, which creates a hazardous condition that may result in falls. Please see ENGINEER'S DESCRIPTION OF PROPERTY located in Part II of this Offering Plan.

44) The original building was built prior to 1938. The existing foundation and certain existing exterior walls remain. The entire interior of the building, with exceptions to the common staircase, is new. Based upon this new construction work there is no *known* lead in this building. However, buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. It is possible that the existing to remain portions of the original building, built prior to 1938, consisting of the existing foundation, portions of the exterior wall, and the common public exit stair, may still contain lead. The ingestion of lead paint poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included in Part II of this Plan. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the

existence of, and any appropriate remediation for, lead paint. See ENGINEER'S REPORT located in Part II of this Offering Plan.

INTRODUCTION

This is an Offering Plan for the sale of condominium units at 120 Marcus Garvey Boulevard, Brooklyn, New York. The purpose of this plan is to set forth fully all material terms of the offer. This plan may be amended from time to time if such amendment is filed with the New York State Department of Law. Any such amendments will be served on all prospective Purchasers who have executed a Purchase Agreement for any unit, all unit owners, and all other persons entitled to service pursuant to 13 N.Y.C.R.R. § 20.3(d)(1).

The Sponsor of this offering is Vasik LLC, a New York limited liability company formed September 14, 2017, with offices located at 7 Marcus Drive, Monsey, New York 10952. The principal of the Sponsor is Alan J. Waintraub. The Sponsor acquired the property on April 19, 2021 from 120 Marcus Garvey LLC. 120 Marcus Garvey LLC acquired the property vacant on August 4, 2014. The building was previously run as a rental building with residential and commercial tenants. The two residential tenants that were in occupancy each moved out of the building at the end of their lease term. The commercial unit had been vacant long-term. Units will be conveyed free and clear of any mortgages, liens, or other encumbrances. Units will be conveyed by delivery of a UNIT DEED as set forth in Part II of this Offering Plan.

The prices contained in this offering as set forth in SCHEDULE A are set by the Sponsor and are not subject to approval by the New York State Department of Law or any other governmental agency.

This Condominium will be subject to, and in compliance with, the New York State Condominium Act, Article 9-B of the New York Real Property Law.

This plan, including all schedules and exhibits submitted herewith, constitutes the entire Offering Plan. Copies of the plan and Parts A, B, C, and D of the exhibits will be available for inspection to potential purchasers and their attorneys at the office of the Sponsor indicated on the front cover of this Offering Plan, and at the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, New York, without charge, and for copying, at a reasonable charge.

The premises consist of a single building composed of three (3) stories and a cellar, and containing, in aggregate, two (2) residential units and one (1) retail commercial unit. The

property is located in the Stuyvesant Heights section of Brooklyn. The Sponsor will install in each residential unit an electric oven, Frigidaire model #FFEH3054US or equivalent, a gas cooktop, Empava model #empv30gc5b706, a refrigerator, GE model #GTS21FGKWW or equivalent, and a dishwasher, Frigidaire model #FDPC4221AS or equivalent. The Sponsor will provide within each residential unit hookups for a stackable washer and gas vented dryer, but Sponsor will not provide the washers or dryers themselves. Unit owners shall be responsible for purchasing their own laundry appliances. Laundry closet dimensions for the residential units are 3'6" x 4'1", which is sufficient space for a standard sized stackable washer/dryer. To the extent the Purchaser elects to install any other appliances in the unit, same will represent an additional cost of purchasing the unit. Please see DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in Part II of this Offering Plan.

This offering is made only to individuals over the age of 18.

In accordance with the provisions of the Laws of the City of New York, the Sponsor represents that neither the Sponsor, nor the Condominium, nor the Selling Agent, will discriminate against any person because of his race, creed, color, sex, sexual orientation, national origin, ancestry, or any other reason prohibited by civil rights law in the sale of apartments offered by this Plan, or in the leasing of any apartment in the Building. Unit owners have an unrestricted right to lease, sell or mortgage units. Use of residential units is limited to residential use and appurtenant home office use.

This is an existing three-story mixed-use building, originally built prior to 1938 and pre-dating the issuance of Certificates of Occupancy. The subject premises underwent renovation of existing systems and structures. Renovation on the building has been completed as of May, 2021. The existing exterior walls remain. The entire interior, with exception to the common staircase, is new. Sponsor obtained the final Certificate of Occupancy on September 10, 2021, CO Number 3049219-0000001. Units will be conveyed free and clear of any mortgages, liens, or other encumbrances. Units will be conveyed by delivery of a UNIT DEED as set forth in Part II of this Offering Plan.

Ownership of a Condominium Unit resembles in many ways ownership of a private home. Basic aspects of condominium ownership include:

- (1) Each purchaser owns his/her unit outright and is entitled to exclusive possession of such unit. Each purchaser also has an interest in, and a right to use, common elements and limited common elements of the building. However, each

unit owner is obligated to comply with the Declaration, By-Laws, rules and regulations, and any other requirements of the Board of Managers.

(2) Common elements are parts of the Property which, in addition to his/her own Unit, a Unit Owner owns in common with the owners of all other Units, such as entryways, stairways, hallways, utility areas, and similar elements of the building that serve all Unit Owners. A Unit Owner will share the non-exclusive right to use the Common Elements with all other unit owners.

Limited Common Elements are those areas appurtenant to a particular unit or units, the use of which is restricted to the owner(s) of such unit or units, but which are not owned by such unit owner(s). Thus, in this condominium, Unit 1 will include a rear yard at the ground floor level allocated as a limited common element. Unit 2 will include a roof terrace at the second floor level allocated as a limited common element. Unit 3 will include the roof level allocated as limited common elements. Please see SCHEDULE A included herein in Part I.

(3) After filing of the Declaration, each unit will be separately taxed and may be separately mortgaged; each unit owner may deduct from adjusted gross income for income tax purposes real estate taxes and mortgage interest. No unit owner will be responsible for payment of, or any lien arising out of nonpayment of, real estate taxes assessed against any other unit in the building.

(4) Each Unit Owner, commercial and residential, may elect one member to the Board of Managers, which is the group elected by unit owners to operate the Condominium. The Board of Managers will set common charges based on cash needs of building operation, decide on special assessments, and, in general, make all decisions necessary to run the building.

(5) Each unit owner must pay common charges in accordance with the New York Condominium Act (Real Property Law Sections 339 (i) and (m)), and any applicable state or local law. The common charges payable under the By-Laws will be based strictly on the projected cash requirements of ownership and operation of the Property and may include an allowance for contingencies, replacements, and/or repairs. Furthermore, the Board of Managers may impose special assessments in order to meet emergencies, contingencies, or other unforeseen events, which will become the financial obligation of each purchaser of a Condominium Unit. These assessments will be levied in direct proportion to the percentage of common interest allocated to each unit.

(6) Individual purchasers should explore obtaining insurance coverage, which would be at their own cost and expense, to insure them for such risks as fire and casualty losses in their apartments to their personal contents therein, as well as liability insurance for each occurrence that might occur within their respective apartments. The Board of Managers will be responsible for maintaining casualty and liability insurance for the common elements and the building as a whole.

(7) Unit owners are responsible for maintenance and repairs to their individual units. The Board of Managers will be responsible for maintenance and repairs to the common elements and the underlying building systems, structures, and equipment, to the extent not resulting from the negligence or actions of a unit owner.

(8) The condominium Board does not have the right to approve or disapprove Purchasers, so there is no limit on the number of owners who may purchase for investment rather than personal occupancy. There may always be a substantial percentage of owners who are non-residents.

(9) Each unit owner is obligated to comply with the DECLARATION, the BY-LAWS, rules and regulations, and any other requirements of the Board of Managers.

There are no common recreational facilities or amenities located at the subject premises. Sponsor anticipates that all building common facilities as described in the ENGINEER'S REPORT will be fully operational as of the date of commencement of condominium operation. Please see the ENGINEER'S REPORT included in Part II of this Plan.

The Sponsor is not imposing any restrictions on use, resale, leasing, or mortgaging of units.

The purchase prices, estimated common charges, and estimated real estate taxes for the first year of Condominium operation are set forth in SCHEDULE A. The projected budget for the first year of Condominium operation is set forth in SCHEDULE B.

While the Sponsor will endeavor in good faith to sell all units, Sponsor is not limiting the conditions under which it will rent rather than sell units after consummation of the offering plan. There is no commitment to sell more units than the 15% of the residential units necessary to declare the plan effective, which in the case of this Plan means one (1) residential unit. The Sponsor may not use commercial units to declare the Plan effective. Owner-Occupants, therefore, may never gain effective control and management of the

condominium. Additionally, the By-Laws do not include a provision that after expiration of the initial Sponsor Control period, a majority of the Board of Managers must be Owner-Occupants or members of an owner occupant's household who are unrelated to the Sponsor and its Principals. Owner-Occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home, as opposed to purchase as an investment.

Sponsor bought out the members of 120 Marcus Garvey LLC, the previous owner of the subject premises, and purchased the note to 120 Marcus Garvey LLC's mortgage on the subject premises. Said mortgage was subsequently assigned to Jemcap Funding LLC, having an office at 360 Madison Avenue, Ste. 1902, New York, New York 10017 (the "Mortgage Lender") in the principal amount of \$650,000. Sponsor intends to satisfy the mortgage at or before the first unit closing with either the proceeds of sale of the first unit closing, the Sponsor's own funds, or a combination of the two sources of funding. The Mortgage Lender has set no limits or requirements for Sponsor to sell rather than rent Units.

If the Sponsor makes a bulk sale of all or some of its unsold units, the transferee successor is bound by Sponsor's representation regarding its commitment to sell units.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The structure which is the subject of this Offering Plan consists of a single building composed of three (3) stories and a cellar, and containing, in aggregate, two (2) residential units and one (1) retail commercial unit. The property is located in the Stuyvesant Heights section of Brooklyn. All cabinetry and fixtures in kitchens and baths will be new. The Sponsor will install in each residential unit an electric oven, Frigidaire model #FFEH3054US or equivalent, a gas cooktop, Empava model #empv30gc5b706, a refrigerator, GE model #GTS21FGKWW or equivalent, and a dishwasher, Frigidaire model #FDPC4221AS or equivalent. The Sponsor will provide within each residential unit hookups for a stackable washer and gas vented dryer, but Sponsor will not provide the washers or dryers themselves. Unit owners shall be responsible for purchasing their own laundry appliances. Laundry closet dimensions for the residential units are 3'6" x 4'1", which is sufficient space for a standard sized stackable washer/dryer. To the extent the Purchaser elects to install any other appliances in the unit, same will represent an additional cost of purchasing the unit. Please see the DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in Part II of this Offering Plan.

Certain units will have the right to exclusive use of portions of the common elements of the property. These areas are called limited common elements. Unit 1 will include a rear yard at the ground floor level allocated as a limited common element. Unit 2 will include a roof terrace at the second floor level allocated as a limited common element. Unit 3 will include the roof level allocated as a limited common element. The right to use and occupancy is subject to the right of the Condominium to enter into said areas for the purpose of inspection or building repairs.

With regard to the roof areas, no permanent structures may be built on the roof areas without a permit from the Building Department, and the Board of Managers. The Board of Managers will have access for inspection and repair and may regulate any one or more of the following aspects of construction:

1. Time periods during which work is permitted;
2. The manner in which construction degree will be handled;
3. Measures which must be taken to prevent compromising the security of the building during construction;
4. Interruption of services during construction;
5. Liability insurance for contractors during construction.

The building Certificate of Occupancy and applicable zoning rules will not allow the construction of anything on the roof areas other than temporary structures such as screening or sukkots. Any structural damage occurring to the roof areas shall be the sole responsibility of the Condominium and/or any such Unit Owner causing such damage and will need to be repaired at the Condominium or such Unit Owner's sole cost and expense as determined by the Condominium Board of Managers. The terraces and roof shall not be finished for walking. The Sponsor is not providing a walking surface. Same will be the responsibility of the Unit Owner to whom the terrace or roof area is allocated as limited common element if such Unit Owner chooses to use these areas. If Unit Owner uses the areas and does not provide a suitable walking surface, Unit Owner will be responsible for any damage caused by such use. Additionally, any warranty described in Part II may be voided by improper use of the roof. There shall be a 10-year manufacturer's warranty on material and a 3-year manufacturer warranty on labor. The warranty period shall begin on the date of installation.

There are no common recreational facilities or amenities located at the subject premises. Sponsor anticipates that all building common facilities as described in the ARCHITECT'S REPORT will be fully operational as of the date of commencement of condominium operation. Please see the ARCHITECT'S REPORT included in Part II of this Plan.

This is an existing three-story mixed-use building, originally built prior to 1938 and pre-dating the issuance of Certificates of Occupancy. The building was previously run as a rental building with residential and commercial tenants. The two residential tenants that were in occupancy each moved out of the building at the end of their lease term. The commercial unit had been vacant long-term. The subject premises underwent renovation of existing systems and structures. Renovation on the building has been completed as of May, 2021. The existing exterior walls remain. The entire interior, with exception to the common staircase, is new. Sponsor obtained the final Certificate of Occupancy on September 10, 2021, CO Number 3049219-0000001.

The Sponsor has completed the work set forth in this plan relating to the building, and the apartments contained therein, in accordance with all applicable zoning and building laws, including, but not limited to, the New York City Administrative Code and the Zoning Resolution of 1961 as amended, and subject to procurement of all applicable and proper permits which are required, if any. All residential units will be equipped with operable smoke and carbon monoxide detectors as required by the New York City Administrative Code.

Subject to the conditions set forth in the Plan, the Sponsor hereby adopts the detailed description of property and building condition set forth in the section entitled DESCRIPTION OF PROPERTY, SPECIFICATIONS, and BUILDING CONDITION in Part II of this Offering Plan. With reference to such material, a licensed architect or engineer prepared the description of property and building condition contained therein. Prospective purchasers are urged to refer to said section for a more complete understanding of the physical condition of the subject property and building.

LOCATION AND AREA INFORMATION

The premises are located in the Stuyvesant Heights section of Brooklyn. This is a highly developed area essentially residential in character but served by a rich and diverse assortment of shopping, recreational, medical, religious, and educational facilities, as well as a network of streets, roads, and urban transportation.

The premises are in the vicinity of the Myrtle Avenue-Broadway station of the J/M/Z trains. There are excellent bike lanes with Citi Bike Sharing nearby. The local public elementary school is K627 – Brighter Choice Community School. Boys and Girls High School and Leadership Prep Bedford Stuyvesant Charter School are in the vicinity as well. Pulaski Playground is within walking distance of the subject premises. The closest hospital is Woodhull Medical Center, also within walking distance of the subject premises.

Police, Fire, Water, Sanitation, snow removal, and road maintenance are provided by the City of New York. Zoning of the site is R6A within a C2-4 commercial overlay, which permits residential use as-of-right.

The immediate vicinity of the condominium is residential. There are no projects by the Sponsor in the immediate vicinity of the condominium (i.e., within one block of the property). Sponsor is not aware of any publicly announced development projects that will be adjacent to or directly across the street from the property. Any change in this information that occurs while sales are continuing must be disclosed in an amendment within 30 days after the information becomes known to Sponsor.

SCHEDULE A
PURCHASE PRICES AND ALLOCATION OF COMMON INTEREST
120 Marcus Garvey Blvd., Brooklyn, New York
First Year of Operation
May 1, 2022 - April 30, 2023

Unit	Habitable	Un-inhabitable	Bdms/ Bths	% of	% of	Offering Price	1st Yr	Post-	1st Yr	1st Yr	Post-	Annual Common Charges	1st Yr	
	Sq.	Sq.		General	Residential		Monthly	Monthly	Monthly	Monthly	Annual		Annual	Annual
	Ftg.	Ftg.		Interest	Common		Common	Real Estate	Real Estate	Real Estate	Real Estate		Real Estate	Common
	(1A)	(1B)		(2)	(3A)		(3B)	(4)	(5)	(6A)	(6B)		(7)	(8)
Residential Units														
2	721	115	1/1	21.92%	43.11%	\$949,000.00	\$310.22	\$159.66	\$172.06	\$469.88	\$1,915.91	\$2,064.72	\$3,722.67	\$5,638.58
3	786	813	2/1	28.92%	56.89%	\$949,000.00	\$409.32	\$210.66	\$227.02	\$619.98	\$2,527.92	\$2,724.27	\$4,911.84	\$7,439.76
Residential	1,507	928		50.84%	100.00%	\$1,898,000.00	\$719.54	\$370.32	\$399.08	\$1,089.86	\$4,443.83	\$4,788.99	\$8,634.51	\$13,078.34
Unit	Sq.	LCE Sq.	Bdms/ Bths	% of	% of	Offering Price	1st Yr	Post-	1st Yr	1st Yr	Post-	Annual Common Charges	1st Yr	
	Ftg.	Ftg.		General	Commercial		Monthly	Monthly	Monthly	Monthly	Annual		Annual	Annual
	Ftg.	Ftg.		Interest	Common		Common	Real Estate	Real Estate	Real Estate	Real Estate		Real Estate	Common
	(1A)	(1B)		(2)	(3A)		(3B)	(4)	(5)	(6A)	(6B)		(7)	(8)
Commercial Units														
1	1,587	380	N/A	49.16%	100.00%	\$399,000.00	\$695.86	\$358.13	\$385.95	\$1,053.99	\$4,297.57	\$4,631.36	\$8,350.32	\$12,647.88
Commercial	1,587			49.16%	100.00%	\$399,000.00	\$695.86	\$358.13	\$385.95	\$1,053.99	\$4,297.57	\$4,631.36	\$8,350.32	\$12,647.88
Grand Total	3,094	1,308		100.00%		\$2,297,000.00	\$1,415.40	\$728.45	\$785.03	\$2,143.85	\$8,742.00	\$9,421.00	\$16,986.00	\$25,726.22

Notes:

1) As part of the "LCE Sq. Ftg." column above, Unit 1 will include a rear yard at the ground floor level of 380 square feet. As part of the "Uninhabitable Sq. Ftg." column above, Unit 2 will include a roof terrace at the second floor level of 115 square feet allocated as a limited common element, and Unit 3 will include 731 square feet of the roof level allocated as a limited common element. In addition, Unit 3 will include 82 square feet of the stair bulkhead at the roof level. No structures of any kind may be built on the roof, except for temporary structures. These spaces may not be legally used as a bedroom or living room. To do so may result in a building code violation being issued for the building. The right to use and occupancy is subject to the right of the Condominium to enter into said areas for the purpose of inspection or building repairs. Please see DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in Part II of this Offering Plan.

2) THE PROJECTED REAL ESTATE TAXES FOR THE FIRST YEAR OF OPERATION CONTAINED IN SCHEDULE A ARE BASED ON AN ASSESSMENT OF THE BUILDING BEFORE REHABILITATION IS COMPLETE. PURCHASERS ARE ADVISED THAT REAL ESTATE TAXES MAY INCREASE MATERIALLY WHEN THE BUILDING IS REASSESSED AFTER REHABILITATION IS COMPLETE. SEE FOOTNOTE #6 TO SCHEDULE A FOR MORE INFORMATION REGARDING THE PROJECTED ASSESSED VALUATION AFTER COMPLETION OF REHABILITATION.

3) In addition to the purchase price there are additional closing costs assessed against each unit, such as document preparation fees, transfer of statutory obligation to pay of transfer taxes, reimbursement fee, working capital fund contribution equal to two months' common charges, etc. Additionally, Purchasers will pay their own title insurance costs, recording charges, and mortgage recording taxes. Please see the CLOSING COSTS AND ADJUSTMENTS section.

FOOTNOTES TO SCHEDULE A

1. The square footage in SCHEDULE A is calculated by the standard mathematical formula of multiplying the length of an area by the width of an area and adding together for each apartment all of the areas contained therein. The estimated square footage of each unit is based on the FLOOR PLANS and ENGINEER'S DESCRIPTION OF PROPERTY set forth in Part II of this Offering Plan and may vary within reasonable tolerances from the "as-built" square footage as subsequently described in the condominium Declaration.
2. The room count is based on the method suggested by the Real Estate Board of New York. This method counts each fully partitioned room as one room, and each bathroom containing a sink, toilet, and shower or bath as a full bathroom. Multi-use rooms, such as living/dining rooms are counted as a single room. Baths that do not include a tub or shower are counted as half baths. See the section entitled ENGINEER'S DESCRIPTION OF PROPERTY and FLOOR PLANS, both of which are included in Part II of this Offering Plan, for a more complete description of each apartment. Additionally, the square footage set forth in SCHEDULE A is approximate, and may differ, from the square footage specified for this unit in Schedule B to the Condominium Declaration.
3. The determination of percentages of Common Interest allocated to each unit is based upon floor area, subject to such other items of relative value as the location of the apartment within the building; uniqueness of the apartment; the availability of common elements for exclusive or shared use; and the overall dimensions of a particular unit, as per Section 339(i)(1)(iv) of the New York State Real Property Law.
4. Across-the-board changes in unit prices, advertised price changes, and increases in individual unit prices may be made only by an amendment duly filed with the New York State Department of Law; however, individually negotiated reductions in the purchase price of a unit may be made without prior amendment. Purchasers will also incur certain closing costs in connection with the purchase of their unit. See CHANGES IN PRICES IN UNITS and CLOSING COSTS AND ADJUSTMENTS sections of this Offering Plan.
5. Projected Common Charges for the first year of operation include only those expenses which are enumerated in SCHEDULE B. Common Charges do not include such

expenses as repairs to the interior of the owner's unit, and the owner's individual electricity, cable, Internet service, air conditioning, and telephone expenses; individual costs for heat and hot water for each apartment are set forth in SCHEDULE B1 of this Offering Plan. Moreover, if the purchaser should obtain financing for the purchase, the debt service on that loan will be an additional expense not covered by the Common Charges. Common Charges are arrived at by allocating to each unit a share of the Monthly Charges proportionate to the Common Interest that such unit bears in the condominium.

6. After the condominium is divided into individual tax lots, each lot will be separately taxed for New York City property tax purposes. A 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.

Construction on the subject premises was completed in May of 2021.

Calculations of Real Estate Taxes are arrived at by applying the current tax rate to the assessed value, and then allocating the resulting taxes in direct proportion to the allocation of common interest. The assessed value of real property in New York City is determined on January 5 of each year and is applied to the calculation of the annual taxes for the tax year commencing the following July 1 of that year. The first year of condominium operation is estimated to commence May 1, 2022. Although renovation of the subject premises will be completed by the first year of condominium operation, **THE SPONSOR DOES NOT ANTICIPATE THAT THE REAL ESTATE TAXES FOR THE FIRST YEAR OF OPERATION WILL REFLECT THE FULL POST-COMPLETION ASSESSED VALUE OF THE PROPERTY. PURCHASERS ARE ADVISED THAT THEIR REAL ESTATE TAXES ARE LIKELY TO INCREASE IN THE SECOND YEAR OF CONDOMINIUM OPERATION TO REFLECT THE FULL POST-COMPLETION ASSESSED VALUE.** Please see the REAL ESTATE TAXES section and the REAL ESTATE TAXES AND BENEFITS LETTER provided by Sponsor's expert located in Part I of this Offering Plan for more details.

As the first year of condominium operation is expected to commence on May 1, 2022 and the NYC property tax year commences on July 1st each year, the anticipated first year of condominium operation therefore encompasses a blended year consisting of two tax years (2021/2022 and 2022/2023). Therefore, the annual real estate taxes for the first year of condominium operation as listed in SCHEDULE A of this Offering Plan do not reflect

the full post-completion assessed value of the building after completion of construction. The New York City Department of Finance (“DOF”) issued its Notice of Property Value (“NOPV”) for the property to the Sponsor on January 15, 2021 for the 2021/2022 tax year. DOF determined an assessed value for the property of \$25,411, resulting in a tax liability of \$5,347.74 for the 2021/2022 tax year, based on a tax rate of 21.045%. In addition, Sponsor has received an estimate on May 31, 2021 from Metropolitan Realty Exemptions, 381 South 5th Street, Brooklyn, NY 11211 of an estimated post-completion of construction assessed value for the 2022/2023 tax year for the entire building of \$44,766. This estimate assumes the current tax rate of 21.045% for Tax Class One properties, and therefore projects a total tax burden for the entire building of \$9,421 for the 2022/2023 tax year.

The commencement of the first year of condominium operation, May 1, 2022, coincides with the eleventh month of the 2021/2022 tax year. An annual tax liability of \$5,347.74 breaks down to a monthly tax liability of \$445.65 per month for the 2021/2022 tax year. The tax due from May 1, 2022, the commencement of the first year of operation, through June 30, 2022, the end of the 2021/2022 tax year, is \$891.30, which is calculated by multiplying the monthly 2021/2022 tax liability by the first two months of condominium operation, which coincide with the balance of the 2021/2022 tax year. The remainder of the first year of condominium operation, July 1, 2022 through April 30, 2023, coincides with the first ten months of the 2022/2023 tax year, which is anticipated to reflect the post-completion assessed value for the property. The tax due for the remainder of the first year of operation is estimated to be \$7,850.80, based on a monthly tax liability of \$785.08 per month for ten months, which monthly rate is calculated by dividing the estimated annual post-completion 2022/2023 tax liability by 12 months. Therefore, the tax burden for the entire building for the first year of condominium operation is estimated to be \$8,742, which reflects the sum of the tax burden for the period May 1, 2022 through June 30, 2022, plus the tax burden for the period July 1, 2022 through April 30, 2023. This estimated tax burden for the first year of condominium operation has been rounded to the nearest dollar amount.

Unit owners shall be entitled to deduct real property taxes paid on the unit for income tax purposes up to the limits imposed by the Tax Cuts and Jobs Act of 2017. See COUNSEL’S TAX OPINION LETTER hereinafter set forth for a more complete discussion.

7. Monthly carrying charges are composed of the monthly common charges and the monthly real estate taxes projected against each unit for the first year of condominium operation.

8. Unit owners who itemize their deductions should, for federal income tax purposes, be entitled to a deduction for real estate taxes in the year in which same are paid or accrued. The projected tax deduction may vary in future years due to changes in the interest rate on the unit owner's mortgage (if any), or from changes in the allocation of constant debt service payments to interest and principal; or due to changes in real property taxes resulting changes in the assessed value, tax rates, or the method of assessing real property; or from changes in the tax laws governing deductibility of mortgage interest and real estate taxes. Please see the COUNSEL'S TAX OPINION LETTER set forth in this Offering Plan for a more complete explanation.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

May 1, 2022 – April 30, 2023

INCOME (1)

Common Charges	\$ 16,986
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EXPENSES

Labor (2)	\$ -0-
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Heating (3)	\$ -0-
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Utilities (4)	\$ 753
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Water Charges and Sewer Rents (5)	\$ 2,506
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Repairs, Maintenance, and Supplies (6)	\$ 1,000
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Service Contracts (7)	\$ 3,912
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Insurance (8)	\$ 3,315
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Management (9)	-0-
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Legal and Accounting Fees (10)	\$ 2,800
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Contingency (11)	\$ 1,000
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Capital Reserve Fund (12)	<u>\$ 1,700</u>
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Total	\$ 16,986
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Note: All figures are rounded to the nearest dollar.

IF THE ACTUAL OR ANTICIPATED DATE OF COMMENCEMENT OF CONDOMINIUM OPERATION IS TO BE DELAYED MORE THAN SIX (6) MONTHS BEYOND THE BUDGET YEAR PROJECTED IN THE OFFERING PLAN, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING CURRENT PROJECTIONS. IF SUCH AMENDED PROJECTION EXCEEDS ORIGINAL PROJECTIONS BY 25% OR MORE, THE SPONSOR MUST OFFER ALL PURCHASERS THE RIGHT TO RESCIND. SUCH PURCHASERS SHALL EXERCISE SAID RIGHT OF RESCISSION IN A REASONABLE PERIOD OF TIME THAT IS NOT LESS THAN 15 DAYS AFTER THE DATE OF PRESENTATION OF SAID AMENDED BUDGET, WHETHER OR NOT SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION. SPONSOR MUST RETURN ANY DEPOSIT OR DOWN-PAYMENT TO A PURCHASER WHO RESCINDS WITHIN 10 DAYS AFTER RECEIPT OF NOTICE OF RESCISSION.

THE SPONSOR MAY NOT DECLARE THE PLAN EFFECTIVE WHERE THERE ARE MATERIAL CHANGES TO THE BUDGET IF THESE CHANGES HAVE NOT BEEN DISCLOSED IN A DULY FILED AMENDMENT TO THE PLAN.

ADDITIONALLY, PURCHASERS WILL BE OFFERED THE OPPORTUNITY TO RESCIND THEIR PURCHASE AGREEMENT IN THE EVENT CLOSING DOES NOT OCCUR WITHIN 12 MONTHS FROM THE COMMENCEMENT DATE OF THE PROJECTED BUDGET.

THE SPONSOR ANTICIPATES THAT THE FIRST CLOSING OF A UNIT WILL OCCUR BY MAY 1, 2022. PURCHASERS WILL BE OFFERED A RIGHT OF RESCISSION IF: (i) THE ACTUAL DATE OF CLOSING OF TITLE TO THE FIRST UNIT; OR (ii) THE PROJECTED DATE OF CLOSING OF TITLE TO THE FIRST UNIT OCCURS LATER THAN APRIL 30, 2023, TWELVE MONTHS AFTER THE PROJECTED DATE FOR THE FIRST CLOSING. IF THE PLAN IS AMENDED TO PROVIDE FOR A LATER PROJECTED DATE FOR THE FIRST CLOSING, PURCHASERS WILL BE ENTITLED TO AN OFFER OF RESCISSION IF THE FIRST CLOSING OCCURS MORE THAN 12 MONTHS BEYOND THAT AMENDED, LATER DATE. HOWEVER, IF THE FIRST CLOSING OCCURS BEFORE APRIL 30, 2023, THE SPONSOR MAY SCHEDULE THE CLOSINGS OF TITLE TO OTHER UNITS SIGNIFICANTLY LATER THAN SUCH DATE. UNLESS YOUR PURCHASE AGREEMENT CONTAINS AN OUTSIDE CLOSING DATE, THE SPONSOR IS NOT OBLIGATED TO SCHEDULE YOUR CLOSING WITHIN ANY SPECIFIED TIME FRAME OR TO ENSURE THAT CLOSING OF TITLE TO YOUR UNIT WILL OCCUR BY ANY DATE CERTAIN. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATIONS AS TO WHETHER TO PURCHASE A UNIT.

FOOTNOTES TO SCHEDULE B

(1) **Total Income:** **\$16,986.**

This figure represents the total annual Common Charges to be levied by the Condominium Board against and collected from the Unit Owners during the First Year of Condominium Operation.

The estimate of the annual Common Charges to be collected by the Condominium Board during the First Year of Condominium Operation is based upon the assumption that the First Year of Condominium Operation will be the year from May 1, 2022 through April 30, 2023. The actual first year of operation may be earlier or later than estimated.

The Common Charges will be utilized by the Condominium Board to defray the Common Expenses, which include, without limitation, all expenses incurred in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements.

Each Unit Owner's share of the Common Charges is equal to, for each Residential Unit owned by such Unit Owner, the percentage of Common Interest attributable to such Unit(s) as set forth in SCHEDULE A.

THE COST OF ELECTRICITY CONSUMED IN OR FOR EACH UNIT SHALL BE PAYABLE BY THE RESPECTIVE OWNER THEREOF DIRECTLY TO THE APPLICABLE UTILITY COMPANY AND IS NOT INCLUDED IN COMMON CHARGES. The projected consumption of electricity in and for each Residential Unit, as well as the estimated cost therefore, during the First Year of Condominium Operation, all as estimated by Demerara Engineering, PLLC, are set forth on "**Schedule B-1, Budget for Individual Energy Costs**" which follows this Schedule B.

(2) **Labor** **\$0**

Due to the size of the building, it is expected that no superintendent will be employed. Should the Board of Managers elect at any time to employ the services of a superintendent, this will represent an additional cost, which would require a concomitant increase in the common charges. Activities which the unit owners will need to perform in the event no superintendent is employed include rubbish removal, cleaning, painting, bulb replacement, snow removal, landscaping and minor repairs. Applicable housing and labor laws, including Multiple Dwelling Law section 83, do not require a

superintendent in a building of this size. The line item for Repairs, Maintenance, and Supplies, described in Item #6 below, includes funds anticipated for minor repairs.

(3) Heating \$0.

There is no heating or hot water producing equipment servicing the common areas. Each Residential Unit shall be separately metered for electric, including for the provision of heat and hot water, and each Unit Owner shall be responsible directly to the electric utility for the cost of electricity consumed within or for his or her Unit. Estimates of each Residential Unit Owner's expenses for consumption of electricity are set forth in SCHEDULE B-1.

**(4) Utilities
(Electricity) \$ 753.**

This budget item includes the projected cost of electricity for (i) the Common Elements, including, without limitation, lighting of the hallways, stairwells, exterior, and vestibule areas; and (ii) outdoor lighting for the building and property (exclusive of any outdoor lighting for individual units, the cost of which is payable by the respective owners thereof directly to the utility company). Unit cost was based on the current tariff plus a reasonably anticipated increase of 10%. Each Residential Unit shall be separately metered for electricity, including but not limited to lighting, refrigerators, and dishwashers within or for each Residential Unit, and each unit owner shall be responsible directly to the utility company for the cost of electricity consumed within or for his or her unit. See SCHEDULE B-1 for a projection by Demerara Engineering, PLLC of the estimated consumption of electricity within and for each Residential Unit and the estimated cost therefor during the first year of condominium operation.

The projected cost of electricity for the items covered by this budget line during the first year of condominium operation is based on an estimate provided by Demerara Engineering, PLLC estimates (i) based on a quote obtained by Demerara Engineering, PLLC from Con Edison in of current residential electrical rate of \$0.30 per kilowatt hour ("kwh") (ii) a projected consumption of 2,283 kwh. The projection for electricity in accordance with the aforesaid is \$753 (2,283 kwh times \$0.30 per kwh plus a 10% allowance for inflation).

Many factors affect the cost of electricity, including, among others, the cost of oil used to generate electricity. It is estimated that the projected figure should be sufficient

to cover any reasonable increase in the cost of electricity during the first year of condominium operation. However, the figure is no more than an estimate.

The cost of this budget item shall be charged by the Condominium Board to all unit owners based upon their respective percentages of common interest. See RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS for a summary of the provisions of the By-Laws dealing with allocation of the costs of utilities.

(5) Water Charges and Sewer Rents: \$2,506.

There will be one meter measuring water consumption for the property. This budget item is based on the Sponsor's estimate of (i) a cost factor, based on published costs of \$3.99 per one hundred cubic foot for water charges and \$6.34 per hundred cubic foot for sewer rents, including a 10% allowance for inflation, and (ii) annual water consumption for the First Year of Condominium Operation of 220.47 hundred cubic feet.

The cost of this budget item shall be charged by the Condominium Board to all Unit Owners based upon the respective Common Interest allocated to each of their Units. The budget projection for Water and Sewer is \$2,506 (220.47 hundred cubic feet times \$3.99 per hundred cu.ft. for water charges plus 220.47 hundred cubic feet times \$6.34 per hundred cu.ft. for sewer rents plus a 10% allowance for inflation).

(6) Repairs, Maintenance and Supplies \$1,000.

This item is intended to cover the projected cost during the first year of condominium operation of normal maintenance of and repairs to the Common Elements and Limited Common Elements, plus the cost of supplying various cleaning supplies and materials, lubricants, bulbs and general hardware supplies to the Common Elements. It also includes, without limitation, the periodic painting of the lobby and those hallways that are Common Elements. It does not include the cost of repairs (e.g. repairs of appliances), maintenance, painting, decorating or supplies to individual units, all of which is the responsibility of the respective Unit Owner, nor does it include the cost of any capital repairs to the Property or any part thereof. It also does not include any service or maintenance items that are included in item (7) below (Service Contracts).

(7) Service Contracts \$3,912.

The budget amount is for the projected annualized cost for service and maintenance of the building's sprinkler system. The budgeted amount is based on a quote obtained by the Sponsor from Safety Fire Sprinkler Corp., 1070 38th Street, Brooklyn, NY 11219, of \$326 per month for such service.

(8) Insurance

\$ 3,315.

The estimate for the cost of insurance is based on the proposed coverages and estimated current premiums set forth in a letter dated October 19, 2021 by LHB Insurance Brokerage, Inc., 176 North Main Street, Spring Valley, NY 10977.

<u>Items Covered</u>	<u>Amount of Coverage</u>
1. Building (All Risk, Agreed Amount Replacement Cost)	\$780,000 deductible of \$2,500
2. Officers and Directors Liability	\$1,000,000
3. General Liability Premium: \$3,315	\$1,000,000 per occurrence \$2,000,000 aggregate

The above property coverage limits are based upon the respective agreed value replacement cost for the building (the estimated cost to rebuild, exclusive of the cost of excavating and rebuilding the foundation) under an "agreed amount" clause and, accordingly, the policies will provide waiver of co-insurance. However, the insurer will not be obligated to pay insurance claims in excess of the property coverage limits set forth above for the building. In the opinion of the insurance consultant, the all risk coverage in the amount set forth above is presently sufficient to rebuild the building should it be totally destroyed by fire or other casualty. However, because of the difficulty of estimating replacement costs due to escalating constructions costs and other factors, there can be no guarantee that the suggested coverage will yield sufficient proceeds to replace the building or any portion thereof in the event of a total or partial loss, nor is the foregoing intended to take the place of a professional appraiser's estimate in determining replacement cost. In order to safeguard the investment in the units, in the event of a substantial or total destruction of the building comprising same, the condominium Board should periodically review the amount of casualty insurance for the building to ensure that the amount of coverage is sufficient. Additionally, the estimated premiums are subject to change based upon rate changes, market conditions, and reinsurance costs at the time that coverage is actually bound.

The condominium will have public liability coverage at closing. The insurance coverage meets the requirements of the mortgage lender procured by the Sponsor. The fire, casualty and general liability insurance provide:

- (1) that each unit owner is an additional insured party;
- (2) that there will be no cancellation without notice to the board of managers;
- (3) a waiver of subrogation;
- (4) a waiver of invalidity because of the acts of the insured and unit owners; and
- (5) a waiver of pro-rata reduction if unit owners obtain additional coverage.

In addition, this coverage includes the cost of water damage.

This coverage does not include claims for personal injury or property damage resulting from occurrences in the units, nor does it include coverage of the furniture or personal property of the unit owners. Therefore, each unit owner should consider the desirability of obtaining additional insurance at his or her own cost covering, among other items, (i) fire or casualty losses to the contents of his or her Unit and any replacements, additions, upgraded fixtures and improvements therein, (ii) damage to other personal property; and (iii) liability for personal injury as a result of occurrences in the individuals Units. It is recommended that Unit Owners consult with an insurance broker as to the necessity for, and the desirability of obtaining coverage for one or more of such risks and as to the amount of such coverage.

The quotation is an indication of insurance premiums at current rates. Accordingly, although based on the quote obtained from the insurance consultant, the insurance projection is currently believed to be reasonable, but it is not possible to predict whether insurance coverage for the First Year of Condominium operation (or for future years) will continue to be available at the premiums set forth above or whether such premiums will escalate.

The cost of the above insurance shall be a general common expense, to be borne by all unit owners in accordance with the respective common interests allocated to their respective units.

At the first unit closing, Sponsor will cause to be delivered (at the Condominium's expense) a fire/casualty and liability binder or policy providing insurance coverage in accordance with the foregoing schedule. If the Condominium does not have sufficient funds available on the date of closing of the first unit with which to pay any premiums then due on such policies, then the Sponsor will advance such insufficiency and the amount which is advanced by Sponsor shall be reimbursed by the Condominium.

The fire, casualty, and liability insurance to be obtained by the Sponsor as described above shall provide that each unit owner is a certificate holder and that there will be no cancellation without notice to the Board.

(9) Management Fees

\$0

The Sponsor will manage the condominium during the control period. After control is transferred to the unit owners, due to the size of the building, it is expected that the building will be self-managing. Should the Board of Managers elect at any time to employ the services of a managing agent, this will represent an additional cost of approximately 10%-15% of the annual operating budget, which would require a concomitant increase in the common charges.

Activities which the unit owners will need to perform in the event no managing agent is employed include maintenance of checking and savings accounts for the condominium; collection of monthly common charges; payment of all condominium common charges; processing of all individual unit sales; supervision and payment of building employees; building maintenance; review and resolution of any problems arising in the day-to-day operation of the building; compliance with all government laws and regulations affecting building operation, ownership and maintenance; filing of annual tax returns; enforcement of condominium-adopted rules and regulations including enforcement of maintenance obligations; seizure and sale of delinquent units; and response to individual unit owner complaints, questions or issues. In addition to the foregoing, any additional issues or problems arising out of the operation, maintenance, ownership, or occupancy of the building, will need to be dealt with by the Board of Managers.

(10) Legal and Accounting Fees

\$2,800.

A certified public accountant will be responsible for auditing the Condominium's books and records and preparing the requisite audited financial statements. In addition, the accountant will be responsible for filing federal, state and city income tax returns. The projected accountant's fee of \$2,800 is based on a proposal by Mozes Guttman, CPA, 2 Skillman Street, #217, Brooklyn, NY 11205.

No amount has been budgeted for legal fees for the first year of operation. In the event it becomes necessary for the condominium to hire an attorney, same will represent

an additional cost that would require an assessment or a concomitant increase in common charges. An attorney for the condominium has not yet been determined. The condominium board will decide upon such attorney in the future.

The cost of this budget item will be borne by all unit owners. Unit owners shall be responsible for this budget line item in accordance with the respective common interests allocated to their respective units.

(11) Contingency \$1,000.

The contingency budgeted item is intended to provide a cushion for unforeseen costs and an opportunity for the condominium to accrue a reserve for future expense. It is not anticipated to serve the same purpose as a reserve fund for repair or replacement of major mechanical systems and capital expenditures. There can be no assurance that the contingency fund will be sufficient to pay for all of the aforesaid expenses. If additional funds are required over and above these funds, it may be necessary to increase common charges or separately assess all unit owners. The cost of this budget item will be borne by all unit owners in accordance with the respective common interests allocated to their respective units.

(12) Capital Reserve \$1,700.

The projected item represents a reserve for repair or replacement of major mechanical systems or structural elements of the building. The yearly Reserve Fund may not be used for regular operating expenses or to reduce the monthly common charges. There can be no assurance that the reserve fund will be sufficient to pay for all of the aforesaid expenses. If additional funds are required over and above these funds, it may be necessary to increase common charges or separately assess all unit owners. The cost of this budget item will be borne by all unit owners in accordance with the respective common interests allocated to their respective units.

General

IN THE OPINION OF THE SPONSOR'S EXPERT THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATE EXPENSES FOR THE YEAR OF OPERATION COMMENCING MAY 1, 2022. THE FOREGOING SCHEDULE, HOWEVER, IS NOT

INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE COMMON CHARGES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULE, AND IT IS LIKELY THAT THE ACTUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE WILL VARY FROM THE AMOUNTS SHOWN IN THE SCHEDULE.

Sponsor reserves the right (but shall have no obligation) to cause the condominium Board to reduce the common charges payable by the unit owners (including Sponsor) during the first year of condominium operation (and during part or all of any further period in which Sponsor controls the Board) to reflect the actual expenses incurred by the condominium. Sponsor makes no representation that any savings in operating expenses or reduction in common charges will in fact occur.

The foregoing projected budget may be modified from time to time prior to the commencement of, or during, condominium operation to add or increase one or more items of operating expense. If additional funds are required over and above these funds, it may be necessary to increase common charges or separately assess all unit owners.

SCHEDULE B1
May 1, 2022 – April 30, 2023

Each unit shall be separately metered for electricity for light, heating, and hot water, and each Unit Owner shall be responsible directly to the electric utility for the cost of electricity consumed within or for his or her Unit. Each unit shall be separately metered for gas for cooking and clothes drying. The attached Exhibit A includes annual estimates obtained on June 16, 2021 from Demerara Engineering, PLLC, 37-24 24th Street, Ste. 231, Long Island City, New York, a licensed professional engineering firm with experience with electrical and plumbing systems in residential and commercial buildings. The rates used in the calculation are \$0.30 per kwh for electricity and \$1.56 per therm for gas and are based upon the current Consolidated Edison (electricity) and National Grid (gas) rates as of the date of obtaining said estimates

Taxes are based on current New York City and New York State sales taxes applicable to the sale of electricity and natural gas. A 10% inflation factor has been included with regard to all electricity and gas costs.

SCHEDULE B1 - EXHIBIT A
120 Marcus Garvey Boulevard, Brooklyn, New York

<u>Unit</u>	Annual Electricity Est. Usage <u>(KwH)</u>	Cost Per <u>KwH</u>	Annual Electricity Est. Cost <u>(plus 10% inflation)</u>	Annual Gas Est. Usage <u>(Therms)</u>	Cost Per <u>Therm</u>	Annual Gas Est. Cost <u>(plus 10% inflation)</u>	Total Est. Annual Utility Cost
<u>Residential Units</u>							
2	7,408	\$0.30	\$2,448.00	326	\$1.56	\$864.00	\$3,312.00
3	8,268	\$0.30	\$2,724.00	426	\$1.56	\$1,032.00	\$3,756.00
<u>Community Facility Units</u>							
1	13,903	\$0.30	\$4,584.00	200	\$1.56	\$648.00	\$5,232.00

CHANGES IN PRICES AND UNITS

Across-the-board increases or decreases in unit prices, advertised price changes, and increases in individual unit prices may be made only by an amendment duly filed with the New York State Department of Law. However, prices are negotiable, and Sponsor may enter into an agreement with a purchaser to sell one or more units at prices lower than those set forth in SCHEDULE A without filing an amendment prior to entering such agreement.

No change will be made in the size or number of units, and/or their respective percentage of common interest, and no material change will be made in the size or quality of common elements except by amendment to the Plan and, when applicable, to the Declaration. If a Purchase Agreement has been executed and delivered to the Sponsor for that unit then no material change will be made in unit size, layout, or percentage of common interest unless the affected purchaser consents. No material change will be made in the size, and no material adverse change will be made in the quality, of common elements unless all purchasers consent. No change of any type set forth in this paragraph shall be made except by amendment duly filed with the New York State Department of Law.

Complete Condo Service Inc.
Licensed Real Estate Broker
610 Broadway
Brooklyn, N.Y. 11206
Tel. (718) 875-9100 Fax. (718) 228-7090

12/16/2021

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i (1) (iv)

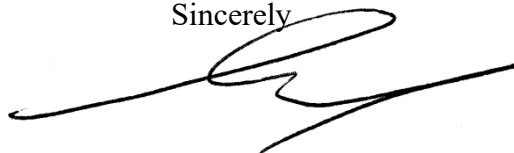
RE: 120 Marcus Garvey Blvd, Brooklyn, New York

Dear Sirs:

You have requested an opinion from us with regards to your allocation of common interest to units in your proposed condominium 120 Marcus Garvey Blvd, Brooklyn, New York, with Section 339-i (1) (iv) of the New York Real Property Law. You have informed us that common interest is allocated 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 shared or exclusive use, and the overall dimensions of the particular Unit. Based on our review of the foregoing factors, we have concluded that the proposed allocation of common interest to individual units is in compliance with Section 339-i (1) (iv) of the New York Real Property Law.

I have been a licensed real estate broker for in excess of 2 years and have managed approximately Ten buildings in this area with extensive experience in the sale, management, and rental of cooperative and condominium units in Kings County. We have previously participated in the preparation of individual unit value appraisals for the purpose of inclusion in offering plans for the sales thereof. We are not, in any way, associated with you or any other participant in the project, and have no beneficial interest in your business, or in profitability of the project. This is an opinion based on the information provided to us in such reasonable inquiries as to the validity thereof as we deemed appropriate under the circumstances; and, is not intended as a guarantee of the actual value of any individual unit. We consent to the inclusion of this letter in your offering plan.

Sincerely



SIMON NEUSTEIN
Licensed Real Estate Broker

COMMERCIAL UNITS

There is one (1) commercial unit located in the building. The commercial unit may be used as an eating/drinking establishment with or without music/entertainment. However, dancing is not permitted, and capacity is limited to a maximum of 200 persons. Other permitted uses include candy or ice cream shop, cigar/tobacco shop, or other, as there are no restrictions on the use of the commercial unit other than 1) that such use must conform to applicable zoning regulations or any variance granted thereof, and the Certificate of Occupancy for the premises or any amendment thereto, and 2) it may not be used for uses commonly considered in conflict with the peaceful enjoyment of a residential building including but not limited to the following medical activities: (i) drug and/or alcohol addiction facilities, (ii) drug and/or alcohol rehab centers, (iii) cannabis dispensing facilities. A unit owner of a commercial unit shall have the right to seek amendment to the Certificate of Occupancy or variance in the zoning regulations without permission of the Board of Managers but at such unit owner's sole cost and expense. A commercial unit owner has the right to sub-divide his unit into any number of smaller units provided that the total allocation of common interest of the commercial units may not be altered by such sub-division and further provided that said all such subdivisions must be in conformity with applicable zoning rules and a Certificate of Occupancy for the premises.

The allocation of common interest to the units in this condominium has been made pursuant to Real Property Law § 339(i)(1)(iv), which allows for common interest to be 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." N.Y. REAL PROP. LAW § 339(i)(1)(iv). When voting for Managers, each Condominium Unit shall be entitled to elect one manager to the Board of Managers. When voting on other matters, each Unit Owner, including the Commercial Unit Owner, shall be entitled to cast one vote for each .01% of common interest in the condominium appurtenant to such Owner's Unit.

The allocation of common charges attributable to the commercial unit will not reflect special or exclusive use or availability or exclusive control of particular common areas. The common charges payable by a commercial unit owner are sufficient to cover the expenses attributable to said unit. The commercial unit's heat, hot water, and utility services are all separately metered and will, therefore, not consume any portion of the condominium budget. The owners of the commercial units will be required to maintain heat supply to their premises on a 24 hour a day basis, so as to not create an undue heating burden on residential units within the building. In the event the commercial unit owners

fail to maintain their heat supply on such a basis, the condominium board shall have the power to compel compliance with this requirement. In the event the commercial unit owner fails to maintain their heat supply on such a basis, the condominium Board shall have the same right and duty to compel compliance with this requirement as it has for common charges and assessments pursuant to Sections 3, 4, and 5 of Article VI of the BY-LAWS. The commercial unit owners are also responsible for cleaning, repair, refuse disposal and all other items of day-to-day maintenance, which would normally be considered "janitorial services"; and are further responsible for providing same at their own cost and expense so as not to impact on the services or budget of the condominium. Moreover, since the commercial unit owner is responsible for all internal repairs and maintenance, heavier wear and tear attributable to commercial use should not impact on the budget for the condominium.

A commercial unit owner has rights and obligations that differ substantially from those of residential units. A commercial unit owner will not be responsible for common charges related solely to residential common elements or residential limited common elements. However, a commercial unit owner will be responsible for reimbursing the condominium for his/her proportionate share of any insurance cost over and above that which the condominium would incur if all units in the building were residential units. This additional cost is to be determined by the insurance carrier or agent of same that provides coverage for the building and presented to an owner or prospective owner of a commercial unit upon request; the commercial unit owner or prospective owner is responsible for providing said insurer with any information needed to make this determination. A commercial unit owner may subdivide and sublet any or all of the commercial unit. A commercial unit may be divided into any number of smaller condominium units, or combined into any number of larger units, provided that the net common interest of such newly created units shall not exceed the original common interest allocated to the commercial unit or units involved. It is not anticipated that such differences in rights and obligations will have a materially adverse impact upon the condominium.

The Declaration and By-laws authorize the Board of Managers to specially allocate or apportion profits and expenses or specific expense items based on special or exclusive use or availability or exclusive control of particular units or common areas. In the event of a dispute between the commercial unit owner(s) and the Board of Managers concerning any special allocations, the parties shall seek advice from an independent third party expert such as an attorney, a licensed real estate broker, and/or a professional building management company. Any dispute relating to the expenses to be borne by the Unit Owners, including the owners of commercial units, shall be submitted to arbitration in accordance with Article IX of the By-Laws.

INTERIM LEASE

The Sponsor may, at Sponsor's option, extend an interim lease to any purchaser who has executed a contract of sale for a unit at the subject premises and is not in default thereon. It shall be in the Sponsor's sole and exclusive discretion as to whether or not to offer an interim lease. The Sponsor may, for any or for no reason, refuse to offer an interim lease to any purchaser. However, the Sponsor represents that the Sponsor and all its agents will not refuse to offer a purchaser an interim lease due to discrimination based on race, creed, color, sex, sexual orientation, disability, age, marital status, national origin, or ancestry. Interim leases or short-term leases shall not be offered to any party who has not executed a Purchase Agreement for a unit. The owner of the building may, however, rent any unit to a purchaser in contract under the plan as an interim lessee, including prior to consummation of the plan. The interim lease shall not create a landlord-tenant relationship but shall be deemed the use and occupancy agreement and part of the contract. Smoking is prohibited in all indoor and outdoor common areas throughout this building. Occupants are only permitted to smoke within the units. No rental protection laws are applicable to the interim leases. The interim lease will provide that in the event the contract is cancelled or the Plan is abandoned the Interim Lessee will move out on 30 days written notice. The interim lease will further provide that an uncured default under the purchase agreement is a default under the interim lease, and that an uncured default under the interim lease is a default under the Purchase Agreement. Notwithstanding the foregoing, before the Sponsor can utilize a default under the interim lease to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the interim lessee, unless the interim lessee has vacated the unit. Interim lessee has 30 days to vacate the unit after receipt of written notice of a default, after delivery to the Sponsor of written notice of exercise of right of rescission, or after delivery to the purchaser of written notice that the Plan has been abandoned. Any conflict between the Plan and the Interim Lease will be resolved in favor of the Plan. A person who takes possession prior to closing assumes the risk of losses not covered by insurance. Interim lessees are advised to confer with an insurance adviser regarding what their options may be, such as renter's insurance. Neither the purchase agreement nor the interim lease restricts the form of dispute resolution available to the parties. A SAMPLE INTERIM LEASE is located in Part II of this Offering Plan.

PROCEDURE TO PURCHASE

Persons desiring to purchase condominium units will be required to execute a Purchase Agreement in the form contained in Part II of this Plan and return it to the selling agent, together with a check in the amount of 10% of the purchase price as a contract deposit, drawn to the order of KENNETH GOLDEN, ESQ., AS ATTORNEY. The Sponsor is not obligated to negotiate with the Purchaser. Sponsor reserves the right to accept a lesser contract deposit to accommodate Purchasers, but in no case will the contract deposit be less than 5% of the purchase price of the unit.

The prospective purchaser must have the Offering Plan and all filed amendments in his/her possession at least three (3) business days prior to executing the Purchase Agreement. In the event Purchaser has not had said Offering Plan in his possession for at least three (3) business days prior to execution, Purchaser may rescind the Purchase Agreement by mailing Notice of Rescission to Sponsor or selling agent, or by hand delivering notice, within seven (7) days after executing same. Notice by mail will be effective if it is postmarked within seven (7) days of executing Purchase Agreement. Purchase Agreements shall not be binding on any party until accepted by the Sponsor. Within twenty (20) days after the prospective purchaser has delivered to the selling agent a signed Purchase Agreement together with the required contract deposit, the Sponsor must either accept the Purchase Agreement and return a fully executed counterpart, or reject the Purchase Agreement and refund in full any down-payment taken. If the Sponsor takes no action, the Purchase Agreement will be deemed rejected. This Offering Plan will expire twelve (12) months from the date on which it is accepted by the New York State Department of Law, unless extended by a duly filed amendment hereto.

All contract deposits will be placed in an account in conformity with the disclosures contained in this Plan.

The Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

Any provision of any contract or agreement, whether oral or in writing, by which a purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any purchase. Purchasers shall not be

obligated to pay any legal or other expenses of the Sponsor in connection with the establishment, maintenance, or defense of obligations arising from the handling or disposition of trust funds.

The law firm of Kenneth Golden, P.C., with an address at 148-55 Hillside Avenue, Jamaica, NY 11435, telephone number 718-739-2000, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Kenneth Golden, Esq. 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 Agent has established the escrow account at Bank of America, located at 9053 Sutphin Boulevard, Jamaica, NY 11435 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Kenneth Golden, Esq., New York IOLA Attorney Trust Account ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit in excess of \$250,000 will not be insured.

All Deposits made by 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 Kenneth Golden, Esq., As Attorney.

All deposits made by Purchaser prior to closing will be placed, within five (5) business days after the Agreement is signed by all necessary parties, in a segregated special Escrow Account. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account and released in accordance with the Escrow Agreement.

The Escrow Account is anticipated to be an IOLA account and no interest is anticipated to be earned thereon. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

The Purchase Agreement is attached hereto in Part II of the Offering Plan. The relevant escrow trust fund provisions are included in Section 5 of the Purchase Agreement, which incorporates all of the provision of the Escrow Agreement set forth in Part II of this

Offering Plan. The Purchase Agreement must be executed by the Purchaser, Seller, and the Escrow Agent.

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) days of placing the Deposit in the escrow account, the Escrow Agent shall notify the Purchaser that such funds have been placed in the Bank by providing written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number and the name and address of the bank where the account is located.

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

All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL section 352-h.

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL sections 352-e(2-b) and 352-h.

The escrow agent shall release the Deposit if so directed:

- (a) pursuant to terms and conditions set forth in the Escrow Agreement and Purchase Agreement upon closing of title to the unit; or

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

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

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

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

(a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan, or an amendment to the Plan; or

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

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. The Escrow Agent will maintain all records concerning the escrow account for seven years after the release of funds. Set forth in Part II of this Offering Plan is a copy of the Escrow Agreement between the Sponsor and the Escrowee that incorporates the terms of the Attorney General's regulations.

The Sponsor may apply to the Attorney General to use security in the form of surety bonds or a letter of credit, in accordance with the regulations of the New York State

Department of Law, in lieu of escrow of such funds. Such alternate security must be approved by the Department of Law. In the event the Sponsor elects to use such alternative security, an amendment to that effect will be filed in the Offering Plan fully complying with all provisions of the Department of Law for proof of satisfactory insurance of said funds.

Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the purchaser is given the right of possession of that unit pursuant to a written agreement with the Sponsor. The Sponsor will restore the damaged unit to conditions represented in the Offering Plan before a purchaser will be obligated to close the sale of the unit. The Sponsor will notify a purchaser whether or not it (the Sponsor) will repair any damage resulting from a casualty prior to the closing of a unit within 15 days of said casualty. If Sponsor decides to restore the unit, the Sponsor shall have 15 days in which to restore the unit or such longer time as is required to accommodate the delivery of materials that must be ordered to complete any such repairs, so long as such longer period of time is reasonable. If the Sponsor decides not to restore the unit, the purchaser in such case would have the right to rescind. An interim lessee assumes the risk of loss to his/her personal property that is not covered by the condominium's insurance, and, unless the casualty resulted from the act of the Sponsor or those acting under the Sponsor, the interim lessee would be obligated to close the sale of the unit despite such damage to the personal property. Purchasers and interim lessees are advised to confer with an insurance adviser regarding obtaining property and liability insurance.

Purchase Agreements will be contingent on Purchaser obtaining a firm written commitment for financing. Purchaser shall have 40 days from the date on which a signed and executed Purchase Agreement is delivered to such Purchaser within which to obtain such financing. If a Purchaser fails to obtain a firm written commitment for financing within such 40 day period and fails to notify Sponsor's attorney within five days thereafter, **TIME BEING OF THE ESSENCE THERETO**, Purchaser shall conclusively be deemed to have waived the financing contingency and will be required to proceed to closing, or forfeit his/her down payment, whether or not a mortgage commitment is obtained. If Purchaser, after a good faith attempt to do so, fails to obtain a firm written commitment for financing, and notifies Sponsor within the prescribed time period, then Sponsor will return the down payment or deposit within 10 days after receipt of such notice. In the event Purchaser obtains a firm written commitment for financing, and the terms of such commitment are changed prior to closing, such change in terms shall not be an allowable reason for Purchaser to cancel the contract. Similarly, if the commitment expires prior to closing, Purchaser shall be under a good faith duty to take all required

actions necessary to extend such commitment, including the payment of any extension fee required by the lending institution. However, in the event Purchaser has made such good faith effort to extend the commitment and is unable to do so, then, provided that Purchaser notifies Sponsor within 10 days after receipt of a notice from a lending institution that it will not under any circumstances extend the commitment, and that Purchaser is exercising his right to rescind the contract, Sponsor will return the down payment within 10 days of Sponsor's receipt of Purchaser's notification of exercise of right to rescind.

Certain provisions of the Purchase Agreement are "**time of the essence**." This means that failure strictly to comply with the time requirements of said provisions may result in the Purchaser losing his right to complete the purchase and forfeiting his contract deposit hereunder. Thus, a Purchaser who fails to cure a default within thirty (30) days after receipt of written notice of said default will both have the Purchase Agreement canceled and lose his contract deposit; however, Sponsor must make written demand for payment after default at least 30 days before forfeiture the deposit may be declared. Similarly, a Purchaser who fails to notify the Sponsor in the event he has failed to obtain mortgage financing within forty (40) days after executing the Purchase Agreement will be required to proceed to closing, notwithstanding the fact that purchaser has failed to obtain mortgage financing, and if such purchaser fails to proceed to closing, the contract deposit may be retained by the Sponsor.

After the Plan has been declared effective, the Sponsor will fix dates for closing title to all units for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first closing and setting such purchaser's closing date. Such notice will be served in compliance with the Attorney General's rules no less than 30 days prior to the closing date set therein. Sponsor will permit Purchasers to waive this 30-day provision by delivering to Sponsor's attorney written notice that Purchaser wishes to close prior to the expiration of the 30 day notice period. While no such waiver is included herein, Sponsor reserves the right to include such waiver in a subsequent amendment.

On closing, purchaser will be required to sign a Power of Attorney in favor of the Board of Managers as otherwise set forth in this Offering Plan. If Purchaser refuses at closing to sign such a Power of Attorney, the Purchase Agreement shall be deemed cancelled and all rights of the parties thereunder shall terminate except that the amount of the purchaser's down payment shall be paid over to the Sponsor as liquidated damages.

The Sponsor anticipates that the first closing of a unit will occur by May 1, 2022. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than April 30, 2023, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date.

However, if the first closing occurs on or before April 30, 2023, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. **PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.** In the event, however, that Sponsor cannot convey title to the unit on or before twelve (12) months from the date of the purchase agreement, affected purchasers will be offered a right of rescission.

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 Article 23-A of the General Business Law. Any conflict between the Purchase Agreement and the Offering Plan shall be resolved in favor of the Offering Plan. The Purchase Agreement may not be assigned or recorded, and any proposed assignment or recordation without express written permission of the Seller shall be deemed a default entitling Seller to cancel the contract and retain all sums deposited in connection with the Purchase Agreement. Sponsor at Sponsor's option may allow Purchaser to assign a contract; in the event of such assignment Purchaser shall pay an assignment fee of \$1,500.00.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM.

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EFFECTIVE DATE

The offer to sell embodied in this Offering Plan is contingent upon the Plan being declared effective in accord with its terms and conditions, and the terms and conditions imposed by law.

For offerings of five or fewer units, the Plan shall be declared effective by personal service of notice on each purchaser or by commencement of service by mail stating that the plan was declared effective on a particular date, the percentage used to declare the plan effective, and a list of units being counted to meet the minimum percentage under the terms of the Plan to declare it effective. To clarify, for offerings of five or fewer units, a closing may occur without the Sponsor submitting an amendment to the Department of Law to declare the Plan effective; however, Sponsor must comply with 13 NYCRR §20.5(e) when submitting a post-closing amendment pursuant to 13 NYCRR §20.5(f).

The Plan may be declared effective upon the execution of Purchase Agreements for 15% (in number, not common interest) of the residential units in the building to bona fide purchasers, including investors; therefore, in the case of this Plan, the Sponsor needs only to sell one (1) residential unit in order to declare the Plan effective. The count of Purchase Agreements towards the minimum number for effectiveness shall not include those: signed by Purchasers granted a right of rescission which has neither expired nor been waived; a Purchaser who has not had at least three (3) business days to review the Offering Plan and all filed amendments prior to executing a purchase agreement or had less than seven (7) days after delivering an executed purchase agreement together with the required deposit to rescind the purchase agreement and have the full deposit refunded immediately; with any Purchaser who is the Sponsor, the selling agent, or the managing agent, or is a principal for 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, employee, 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. Units purchased by an investor or for the purpose of resale shall be counted towards the minimum number of units required to declare the Plan effective.

Notwithstanding the fact that not all purchasers used for purposes of declaring the Plan effective may actually close, Sponsor must re-declare the Plan effective in order to

consummate the Offering Plan in accordance with 13 N.Y.C.R.R. § 20.1(c)(6). If all purchase agreements are either rescinded or terminated prior to the date of first unit closing, regardless of whether the condominium declaration has been recorded, then Sponsor must re-declare the Offering Plan effective.

The Plan must be declared effective upon the execution of Purchase Agreements for 80% (in number, not common interest) of the units, which, in the case of this Plan means both residential units. Prior to the sale of 80% of such Units, or prior to being declared effective, the Plan may be abandoned by the Sponsor at its option. The Sponsor cannot abandon the plan for any judgments or liens against the property resulting from acts of the Sponsor or any of its principals or which are known to the Sponsor on the date of the plan. If the Sponsor abandons the plan, the Sponsor will return all monies paid by Purchasers, including down payments and the cost of custom work, if any, together with interest earned, if any, within ten business days. The Sponsor will also file with the New York State Department of Law an amendment abandoning the Plan and form RS-3, detailing why the Plan was abandoned, and explaining all disbursements of funds. 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 must be disclosed. The funds must be returned within five (5) days after the amendment abandoning the Plan has been accepted for filing.

The Sponsor may not abandon the Plan after it has been declared effective for any reason other than: a defect in title which cannot be cured without litigation, or expenditure of an amount in excess of one-half of one percent (0.5%) of the total offering price, or substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than one-half of one percent (0.5%) of the total offering price, or the taking of any material portion of the property by condemnation or eminent domain; however, any stated dollar amount relied upon as a basis for abandonment after effectiveness must exclude any attorney's fees. Such title defects, violations, or substantial damage or destruction of the building by fire or other casualty, or determinations of any authority or regulatory association, which exist on the date of the presentation of the Plan, and are either known to the Sponsor, or are a matter of public record, shall be excluded from calculations under this section. Additionally, any dollar amount relied on as a basis for abandonment after effectiveness must exclude any attorney's fees. The Sponsor may also not abandon the plan on account of any judgments or liens against the property resulting from the acts of the Sponsor or any of its Principals, or which are known to the Sponsor or any of its Principals on the date of presentation of the Plan.

TERMS OF SALE

Upon closing, Sponsor will deliver to Purchaser a Bargain and Sale Deed with Covenants Against Grantor's Acts in the proper form for recording, as set forth in Part II of this Offering Plan. Title, together with the appurtenant interest in the Common Elements, will be conveyed at closing free and clear of all leases, mortgages, liens, encumbrances, and title exceptions other than the easement set forth in the aforementioned Deed, the Condominium Declaration, and any additional state of facts a subsequent accurate survey would show, provided that such additional state of facts does not render title unmarketable, and the permitted exceptions listed below.

- A. Assignment and Assumption of Membership Interests in CRFN 2015000287134
- B. Negative Covenant in CRFN 2017000299634
- C. Owners' Certification "Exhibit I" in CRFN 2019000098494
- D. Zoning Lot Description "Exhibit III" in CRFN 2019000098495
- E. Declaration of Condominium to be recorded
- F. Condominium Maps to be recorded.

No leases, mortgages, liens, encumbrances, or title exceptions other than those described will affect the property after closing.

Sponsor bought out the members of the previous owner of the subject premises, 120 Marcus Garvey LLC, and purchased the note to the previous owner's mortgage. Said mortgage was subsequently assigned to Jemcap Funding LLC, having an office at 360 Madison Avenue, Ste. 1902, New York, New York 10017 (the "Mortgage Lender") in the principal amount of \$650,000. Sponsor intends to satisfy the mortgage at or before the first unit closing with either the proceeds of sale of the first unit closing, the Sponsor's own funds, or a combination of the two sources of funding. The Mortgage Lender has set no limits or requirements for Sponsor to sell rather than rent Units.

Risk of loss from fire or other casualty remains with the Sponsor until title is passed, unless and until the Purchaser is given the right of possession of a unit pursuant to a written agreement with the Sponsor. The Sponsor will restore the damaged unit to conditions represented in the Offering Plan before a purchaser will be obligated to close the sale of the unit. The Sponsor will notify a purchaser whether or not it (the Sponsor) will repair any damage resulting from a casualty prior to the closing of a unit within 15 days of said casualty. If Sponsor decides to restore the unit, the Sponsor shall have 15

days in which to restore the unit or such longer time as is required to accommodate the delivery of materials that must be ordered to complete any such repairs, so long as such longer period of time is reasonable. If the Sponsor decides not to restore the unit, the purchaser in such case would have the right to rescind. An interim lessee assumes the risk of loss to his/her personal property that is not covered by the condominium's insurance, and, unless the casualty resulted from the act of the Sponsor or those acting under the Sponsor, the interim lessee would be obligated to close the sale of the unit despite such damage to the personal property. Purchasers and interim lessees are advised to confer with an insurance adviser regarding obtaining property and liability insurance. No closing will occur unless and until a partial, temporary, or permanent Certificate of Occupancy for the unit to be closed has been issued.

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

A closing will take place only concurrently with the issuance of a temporary or permanent Certificate of Occupancy for the entire project, or issuance of a temporary or permanent Certificate of Occupancy for the unit closed or the building in which the unit is located.

The Declaration, By-Laws, and Floor Plans for the Condominium, and such other documents as are required by law, will be recorded with the New York City Register for the County of Kings in accordance with the New York Condominium Act prior to the first conveyance of title to a unit.

CLOSING COSTS AND ADJUSTMENTS

As set forth in the Purchase Agreement, the Purchaser will pay the following estimated closing costs at the time of Closing of Title for the Purchaser's Unit. These estimates are based on current costs and charges, which are subject to change:

- (a) If a Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium thereof which will vary depending upon the Purchase Price of the Unit. Rates set by the New York Board of Title Underwriters are \$723.00 on a Purchase Price of \$200,001.00 and approximately \$2.60 for each additional thousand dollars or fraction thereof. Mortgage title insurance is currently \$137.00 on a mortgage of \$100,001.00 and \$0.77 for each additional thousand dollars or fraction thereof. Where mortgage and fee title are obtained simultaneously the charge for mortgage insurance is reduced to 30% of the usual applicable rate, up to the amount of the fee insurance; the amounts provided reflect this. A purchaser may use any title insurance company of his or her own choosing without incurring any Sponsor-imposed penalties.
- (b) Fees for recording the Deed and Power of Attorney are \$42.00 for the first two pages, plus \$5.00 per page for every page thereafter, and a \$50.00 service charge per instrument. Additionally, there is a \$25.00 charge for recording the Real Property Transfer Tax Return along with the deed.
- (c) If the purchaser obtains a mortgage loan, the purchaser will pay a mortgage tax of 2.05% of the principal amount of the mortgage if the mortgage is under \$500,000.00; under New York State Law the lending institution is required to pay 0.25% so that the effective rate of a residential mortgage under \$500,000.00 will be 1.8%. If the residential mortgage is \$500,000.00 or over the rate will be 2.175%, minus the 0.25% lending institution's contribution for a mortgage tax rate of 1.925%. If a mortgage tax credit is or becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure to the benefit of the Sponsor. Accordingly, at closing, the Purchaser will reimburse the Sponsor for any mortgage tax credit allowed and will pay the balance of the mortgage recording tax as provided by law.
- (d) All legal costs, fees and expenses charged by the purchaser's attorney will be the sole responsibility of each purchaser.

(e) The New York City Real Property Transfer Tax ("NYCRPTT"), currently one (1%) percent of the Purchase Price of up to \$499,999, and 1.425% for those priced \$500,000 or above, will be the sole responsibility of the Purchaser. Sellers in general are obligated to pay the New York City Real Property transfer tax; however, the Purchaser will be obligated here to pay the New York City Real Property transfer tax, and therefore such payment by the Purchaser is deemed an additional consideration to the Seller, and so is in and of itself taxable, which will result in a "tax on a tax" effect or "grossed up" sale price.

(f) New York State Transfer Tax ("NYSTT"), currently \$4.00 per \$1,000.00 of the Purchase Price of a Unit less existing and continuing mortgage. However, the terms of this Offering Plan and the PURCHASE AGREEMENT included in Part II herein transfer the statutory obligation to pay the NYSTT to the Purchaser. The New York State Tax Law Section 1404(a) (the "Amended Tax Law") has been amended as of July 1, 2021. Pursuant to the Amended Tax Law, transfer taxes shall not be payable, directly or indirectly, by the Purchaser unless the same is explicitly provided for under the Purchase Agreement between Sponsor and Purchaser. The Purchase Agreement located in Part II of this Offering Plan explicitly provides that the Purchaser shall be responsible for paying the NYSTT. Therefore, the Purchase Agreement imposes this obligation upon the Purchaser.

(g) At closing, each Purchaser will be required to make a contribution to the Working Capital Fund in an amount equal to two months' common charges for the unit purchased.

(h) All costs with regard to any mortgage that the Purchaser will place on their Unit (i.e., loan origination fees, commitment fees, application fees, appraisal fees, credit reports, survey fees, bank attorney fees, tax service fees, bank document preparation fees, etc.) will be their own and sole responsibility.

(i) All closings will occur at a location designated by the Sponsor's Attorney. Under no circumstances will Sponsor or its Attorney be required to close at any place other than a location designated by Sponsor's Attorney. If the closing takes place anywhere other than at the office of Sponsor's counsel, an additional travel fee of \$500.00 will be charged for attending the closing. Sponsor's attorney will charge \$150.00 fee for the preparation of ACRIS New York City and State transfer tax forms. In the event that a scheduled closing must be adjourned, Seller's attorney will charge Purchaser a \$500.00 fee per adjournment.

(j) An apartment with a purchase price of \$1,000,000.00 or higher will be required to pay the New York State Mansion Tax of 1% of the purchase price. To the extent that the “grossed-up” consideration causes the consideration to exceed \$1,000,000.00, this New York State Mansion Tax will be due. Effective July 1, 2019, conveyances of residential real property with a consideration of two million (\$2,000,000.00) dollars or more will be subject to a supplemental Mansion Tax. Below is a table showing the break-down of the supplemental Mansion Tax charges for residential real property with considerations up to \$9,999,999.99:

Consideration	New York Mansion Tax (including supplemental Mansion Tax)
\$1,000,000.00 or less	Not subject to tax
\$1,000,000.00 to 1,999,999.99	1%
\$2,000,000.00 to 2,999,999.99	1.25%
\$3,000,000.00 to 4,999,999.99	1.5%
\$5,000,000.00 to 9,999,999.99	2.25%

(k) On March 31, 2019, New York State announced additions to the base real estate transfer tax (“transfer tax”) on certain conveyances of real property within New York State occurring after July 1, 2019. These amended tax rates apply only to conveyances of real property in cities with a population of 1 million or more (which includes only New York City as of this date). The additional transfer tax applies only to conveyances of residential real property when the consideration for the conveyance is \$3 million or more, and conveyances of any other property when the consideration for the conveyance is \$2 million or more. For conveyances of residential real property where the consideration for the entire conveyance is \$3 million or more, a tax rate of \$1.25 for each \$500 of the sale price or fractional part thereof is added to the base rate of \$2.00 for each \$500 or fractional part thereof. Purchasers of real property with a consideration of \$3 million or more shall be responsible for paying the base transfer tax and additional transfer tax. The purchaser’s payment of the base transfer tax will itself be deemed additional consideration, resulting in a “tax on a tax” effect. Purchasers are advised to consult with their own counsel concerning transfer taxes and other closing costs.

(l) At closing, each Purchaser shall pay a reimbursement fee of \$2,500.00 to the Sponsor as partial reimbursement for the costs of preparing and filing the Offering Plan.

ALL COSTS FOR RECORDING CHARGES, MORTGAGE, TRANSFER, AND OTHER TAXES, ARE SUBJECT TO CHANGE. THESE CHARGES ARE NOT SET BY THE SPONSOR, AND SPONSOR SHALL NOT BE LIABLE ON ACCOUNT OF ANY INCREASE IN SUCH CHARGES.

Purchasers of a Residential Unit shall pay to the Sponsor's Attorney at closing a fee of \$2,500.00 for the preparation of closing documents. In addition, Purchasers shall pay \$150.00 to the Sponsor's Attorney for the preparation of the New York City and State real estate transfer tax returns. If the Purchaser's lender requires a completed condo questionnaire and the Sponsor's attorney is asked to complete it, then the Sponsor's attorney will charge a fee of \$250.00 for completing the condo questionnaire. If a purchaser fails to close on the date set for first closing or adjourns a scheduled closing date on less than three (3) days' notice, there shall be a late closing adjournment fee of \$500.00 added to the above. Sponsor at Sponsor's option may allow Purchaser to assign a contract; in the event of such assignment Purchaser shall pay an assignment fee of \$1,500.00. The above closing fees are cumulative to the extent applicable to an individual closing.

If the Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Unit, the Sponsor will place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes (or estimates thereof based on current assessments) due for the next ensuing six months (or until the Units are separately assessed, whichever is shorter), provided, however, that as closings occur, the portion of such funds held in escrow which represent the portion allocable to the Unit being sold shall be released; and interest accrued on such escrow, if any, shall inure to the benefit of, and belong to, the Sponsor. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable; the Sponsor shall be entitled to reimbursement from unit owners for any taxes paid on their behalf. The amount of the real estate tax escrow will be disclosed in the post-closing amendments until the units are separately assessed.

Except as specifically set forth herein, the Sponsor will pay all costs and expenses incurred in connection with this Plan, the creation of the Condominium and the initial sale of units.

A numerical example of closing costs allocable to a typical Unit is set forth on the next page. "Grossed up" prices have been used for the New York City Transfer Tax and New

York State Documentary Stamp Tax. Said example is for illustrative purposes only and is not intended to be comprehensive.

SAMPLE CLOSING COSTS

\$949,000.00 Purchase Price

\$759,200.00 Mortgage

Mortgage and Fee Title Insurance	\$ 3,316.00
Deed and Power of Attorney Recording	\$ 250.00
Mortgage Recording Tax	\$ 14,615.00
New York City Transfer Tax	\$ 13,770.00
New York State Documentary Stamp Tax	\$ 3,796.00
Working Capital Fund Contribution	\$ 800.00
Reimbursement Fee	\$ 2,500.00
<u>Document Preparation Fee</u>	<u>\$ 2,500.00</u>
TOTAL:	\$ 41,547.00

In addition to the foregoing, the Purchaser will, of course, be responsible for any fees charged by their own bank and their own attorney, and additional fees incurred because of default or failure to close at the scheduled time or place. Purchaser will also be responsible for the mortgage recording charge which is calculated on the basis of \$42.00 for the first two pages, plus \$5.00 per page for every page thereafter, and a \$50.00 service charge.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

The Sponsor will complete the work set forth in this Plan relating to the building and the apartments contained therein in conformity with and in accordance with the Building Plans and Specifications, and all applicable New York City Administrative Code requirements, and subject to procurement of all applicable and proper permits required, if any. In the event any housing, building, or fire department violations arise prior to closing, all such violations, if any, will be cured prior to closing. The Sponsor may make changes in design, layout, and arrangement of apartments, and substitute equipment and materials, except that the Sponsor may not (i) substitute materials or equipment of lesser quality or design, or (ii) change the size, location of buildings or units, other improvements, or common elements, if such changes adversely affect the public areas, or affect the percentage of common interest, or adversely affect the value of, any unit to which title has been closed, or for which a Purchase Agreement has been fully executed and is in effect, unless all affected purchasers consent in writing to such change, and all affected purchasers are given the opportunity to rescind their contracts and receive a refund of the deposit or down payment given to the Sponsor. All representations under the Offering Plan, and all obligations pursuant to the GBL, and any additional obligations under the Offering Plan that are to be performed subsequent to the closing date, will survive delivery of the Deed.

The Sponsor shall obtain a Temporary or Final Certificate of Occupancy prior to the closing of the first unit. If Temporary, the Sponsor shall continue to renew the Temporary Certificate of Occupancy until it procures the Final Certificate of Occupancy. If the first unit closing takes place prior to issuance of the Final Certificate of Occupancy, the Sponsor is required to maintain all deposits and funds in the special escrow account required by GBL section 352-e(2-b) unless the Sponsor's engineer, architect, or other qualified expert certifies that a lesser amount will reasonably be necessary to complete the work needed to obtain a Final Certificate of Occupancy, in which case the sum exceeding the amount so certified by the Sponsor's engineer, architect, or other qualified expert may be released from the special escrow account. Alternatively, the Sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law.

While the Sponsor will endeavor in good faith to sell all units in a reasonably timely manner, the Sponsor is retaining the unconditional right to rent rather than sell units. Thus, Sponsor may never sell more than the 15% of units required to declare the plan

effective. As a result of this, the 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. The condominium Board does not have the right to approve or disapprove Purchasers, so there is no limit on the number of owners who may purchase for investment rather than personal occupancy. There may always be a substantial percentage of owners who are non-residents. Owner-occupants and non-resident owners, including Sponsor or purchasers for investment, may have inherent conflict on how the condominium should be managed because of their different reasons for purchasing (i.e., purchase as home as opposed to purchase as investment). There are no obligations regarding marketing of units, and the Sponsor's Mortgage Lender has set no limits or requirements for Sponsor to rent rather than sell Units.

The New York State Housing Merchant Implied Warranty Law (General Business Law Article 36-B) does not apply to this offering because that statute applies only to new single family homes or new for sale units in a multi-unit residential structure which is five (5) stories or less in which title is transferred to purchasers under a cooperative or condominium regime. As this building is a mixed-use building containing both residential and commercial units, this statute is not applicable. Sponsor remains under a duty to construct the premises in accordance with all applicable codes, filed plans, and specifications, and, for items not covered by local building codes, locally accepted building practices for such items. Any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. All representations under this Offering Plan and such additional obligations under the Offering Plan that are specifically to be performed subsequent to the closing date, shall survive delivery of the deed.

Each prospective purchaser may have the building and apartments therein inspected by an architect or engineer of their own choosing, and at their own expense, to determine the quality of materials and workmanship.

Unless the Plan has been abandoned pursuant to the EFFECTIVE DATE section of this Offering Plan, Sponsor will repair any damage from casualty or other cause that occurs prior to the closing of a unit. The Housing Merchant Implied Warranty Law described above pertains to latent defects that only a standard engineering inspection would not have revealed. A Purchaser is under the obligation to inspect the unit prior to closing. Sponsor will have no liability for patent damage to a unit that a standard engineering inspection would not have revealed that is not reported prior to closing. With regard to patent damage to a unit which is reported prior to closing, Sponsor will, as set forth

above, repair all such damage within fifteen (15) days after closing (or such longer time as is required to accommodate the delivery of materials which must be ordered to complete any such repairs). In the event Sponsor fails to perform such obligation, Purchaser may enforce same in a court of competent jurisdiction. Latent defects to a Unit and any limited common elements allocated to such Unit are covered by the Housing Merchant Implied Warranty as described above and in Part II of this Offering Plan.

The Sponsor will pay for the authorized and proper work involved in the conversion of the property that the Sponsor is obligated to complete under the Plan. All mechanics' liens that are lodged against the property by virtue of work done by the Sponsor, or on the Sponsor's behalf, will be promptly discharged or appropriately bonded. Sponsor guarantees payment of all common charges and assessments with respect to unsold units. Such guarantees will remain in effect until all units are sold. Sponsor warrants and represents that it has adequate financial resources to meet its obligations with respect to any unsold unit.

The Sponsor agrees to pay all common charges, special assessments, and real estate taxes with regards to unsold units, and has sufficient financial resources to meet its obligations with respect to such unsold units, which source of funding includes both proceeds of the sale of units and existing financial resources of the Sponsor. No bond or other security has been furnished to secure Sponsor's obligations.

The property will be conveyed free and clear of all liens. The Sponsor will not dissolve or liquidate for a minimum of six (6) years. Copies of the plans, exhibits and documents referred to herein shall be kept on file at the office of the Attorney for the sponsor for a period of six (6) years after filing of the Declaration of Condominium. No bond or other security has been furnished to secure Sponsor's obligations hereunder. The Sponsor will repair any damage from a casualty or other cause that occurs prior to the closing of any unit, and no Purchaser shall be required to accept a damaged unit. In the event of dissolution or liquidation of the Sponsor, or transfer of 20% or more of the total number of residential units in the condominium, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those units under the Offering Plan, applicable laws, or regulations.

Sponsor bought out the members of 120 Marcus Garvey LLC, the previous owner of the subject premises, and purchased the note to 120 Marcus Garvey LLC's mortgage on the subject premises. Said mortgage was subsequently assigned to Jemcap Funding LLC, having an office at 360 Madison Avenue, Ste. 1902, New York, New York 10017 (the

"Mortgage Lender") in the principal amount of \$650,000. Sponsor intends to satisfy the mortgage at or before the first unit closing with either the proceeds of sale of the first unit closing, the Sponsor's own funds, or a combination of the two sources of funding. The Mortgage Lender has set no limits or requirements for Sponsor to sell rather than rent Units.

The Sponsor will defend any suits or proceedings against the condominium arising out of the Sponsor's acts or omissions, and the Sponsor does hereby indemnify the condominium, the Board of Managers, and individual unit owners therefore. Nothing contained herein shall limit the rights of the condominium that are granted pursuant to law and statute.

In the event the work on the building as set forth herein is not fully completed at the time the building becomes occupied, the Sponsor will have the right to enter the premises to complete its obligations under this Plan. Such entry shall be conducted in such a manner so as to produce a minimum of discomfort to those purchasers already in possession.

In the event the Sponsor finds it necessary to enter the property after closing of title to complete work, then such work will be performed between 8 A.M. and 6 P.M. on weekdays and non-holiday weekends. Damage caused by such work will be repaired in a good and workmanlike manner.

Sponsor will secure, and provide at closing, an agreed amount replacement value multi-peril hazard policy which will prevent the Condominium from being a co-insurer. The cost of such policy will be paid by the Condominium and is provided for in SCHEDULE B. Sponsor also agrees to deliver a set of "as built" plans to the Board of Managers upon election of the first Board of Managers after closing of the first unit. Sponsor will assign any manufacturer's warranties with respective equipment and appliances installed in any individual unit to the unit owner, and with respect to equipment and appliances installed in the common elements, same will be assigned to the Board of Managers.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive TCOs. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to

the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than an FCO. Sponsor does not anticipate that this scenario will occur, as the Sponsor has obtained the FCO for the building, issued September 10, 2021, CO Number 3049219-0000001.

CONTROL BY THE SPONSOR

The Sponsor's Control of the Board of Managers of the Condominium will be subject to the following:

The By-Laws are reproduced in Part II, beginning on page CBL1. A summary of certain pertinent provisions of these By-Laws is set forth below. The By-Laws limit the number of Managers on the Board of Managers (hereinafter called "Managers") to not less than three (3). They will be Alan Waintraub, Nir Muvdi, and Dalit Harkins. Mr. Waintraub is the principal of the Sponsor, and Mr. Muvdi and Mr. Harkins are associates of Mr. Waintraub. Mr. Muvdi and Mr. Harkins are not members of the Sponsor entity. The first Board of Managers to be elected by the Unit Owners shall consist of three (3) members.

At the time of the First Closing there will be three Managers designated by the Sponsor. However, the Managers will resign in favor of Managers who will be elected by the purchasers at a meeting to be convened within 60 days after First Closing. If the Sponsor still owns 50% or more of the residential units in the building at this time, a majority of the new Board of Managers will be Sponsor-appointees.

Transfer of control of the Condominium Board of Managers shall pass to unit owners other than the Sponsor at the earlier of the following:

- a) Thirty (30) days after the date by which both of the residential units have been conveyed to unit purchasers; or
- b) Three (3) years after the first conveyance of a residential unit to a unit purchaser.

So long as a majority of the Board of Managers consists of managers designated by the Sponsor or holders of unsold units, the Board:

1. Shall not eliminate or reduce the number of employees, insurance coverages, or any service to a level less than that provided in Schedule B unless a majority of Board members elected by bona fide unit purchasers vote in favor thereof.
2. Shall, to the extent of their authority as Board Members, use all reasonable efforts to cause the Building (including its equipment, services, and installations) to be kept operational, clean, and in a good state of repair and condition;

3. Shall not veto expenditures required to comply with applicable laws or regulations and/or expenses necessary for the health and safety of building residents or to remedy notice of violations of law, or order of an insurance carrier.

The Sponsor may exercise veto power over other expenses for a period ending not more than five (5) years after the closing of the first residential unit, or whenever the unsold residential units constitute less than 25% of the common interest, whichever is sooner. Additionally, the By-Laws do not include a provision that a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household that are unrelated to the Sponsor and its Principals after the end of the initial Sponsor control period.

Until the earlier of five years from the date of closing, or at the time at which the Sponsor or other Holder of Unsold Units owns units consisting of less than 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those described in SCHEDULE B, or which are required to comply with applicable laws or regulations, remedy any notice of a violation, or remedy any work order from an insurer. Additionally, so long as the Sponsor retains ownership of at least one residential unit in the building, the By-Laws, Declaration, and Rules and Regulations of the Condominium may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor.

While the Sponsor will endeavor in good faith to sell all units, Sponsor is not limiting the conditions under which it will rent rather than sell units after consummation of the offering plan. There is no commitment to sell more units than the 15% of the residential units necessary to declare the plan effective, which in the case of this Plan means one (1) residential unit. The Sponsor may not use commercial units to declare the Plan effective. Owner-Occupants, therefore, may never gain effective control and management of the condominium. Additionally, the By-Laws do not include a provision that after expiration of the initial Sponsor Control period, a majority of the Board of Managers must be Owner-Occupants or members of an owner occupant's household who are unrelated to the Sponsor and its Principals. Owner-Occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home, as opposed to purchase as an investment.

All Board Members shall serve without compensation. Any member of the Board of Managers who is a designee of the Sponsor, may contract or deal with Sponsor or a

partner, affiliate, or entity controlled by the Sponsor; however, such Board members shall remain under a fiduciary duty to act in the best interest of the condominium. Additionally, such Board Members shall be required to disclose the nature of their relationship(s) in dealing with the Sponsor to all unit owners.

BOARD OF MANAGERS

The Condominium shall be governed according to the By-Laws in Part II, beginning on page CBL1.

The By-Laws limit the number of Managers to not less than three (3) members. Prior to the expiration of the Control Period, the Board of Managers shall consist of three (3) members designated by the Sponsor. They will be Alan Waintraub, Nir Muvdi, and Dalit Harkins. Mr. Waintraub is the sole principal of the Sponsor and the sole member of the Sponsor entity. Mr. Muvdi and Mr. Harkins are business associates of Mr. Waintraub who are not members of the Sponsor entity. However, these Officers and Managers will resign in favor of Officers and Managers which will be elected by the Unit Owners at a meeting to be convened within 60 days after the First Closing; they may, however, be re-elected at such time. Each unit, residential or commercial, shall be entitled to elect one member of the Board of Managers. The By-Laws do not include a provision that, after the initial Sponsor control period, a majority of the Board of Managers must be Owner-Occupants or members of an Owner-Occupant's household who are unrelated to the Sponsor and its Principals. Purchasers for their own occupancy may never gain control of the Board of Managers. Owner-Occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home, as opposed to purchase as an investment. Please see the INTRODUCTION, RIGHTS AND OBLIGATIONS OF THE SPONSOR, CONTROL BY SPONSOR, and BOARD OF MANAGERS sections of this Offering Plan for a more complete explanation.

Managers shall be elected by a plurality of the votes at a meeting at which a quorum shall be present. When voting for Managers, each Condominium Unit shall be entitled to elect one manager to the Board of Managers. Transfer of control of the Condominium Board of Managers shall pass to unit owners other than the Sponsor at the earlier of the following:

- a) Thirty (30) days after the date by which both of the units have been conveyed to unit purchasers; or
- b) Three (3) years after the first conveyance of a residential unit to a unit purchaser.

Within thirty (30) days after transfer of control, a meeting will be held to elect new Managers unrelated to the Sponsor. The By-Laws do not include a provision that a

majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its Principals after the end of the initial Sponsor control period. Purchasers for their own occupancy may never gain control of the condominium.

Managers shall be elected by a plurality of the votes at a meeting at which a quorum shall be present. When voting for Managers, Condominium Unit shall be entitled to elect one manager to the Board of Managers. (On all other matters put to the vote at meetings of Unit Owners each unit owner shall be entitled to cast one vote for each .01% of common interest.) At such time as the Unsold Units constitute less than twenty-five (25) percent of the Condominium, but in no event later than the third anniversary of the Closing Date, not less than a majority of Managers shall be unit owners other than, and unrelated to, the Sponsor. Notwithstanding the foregoing, Sponsor may vote for Unit Owners from among the non-Sponsor related persons seeking election to the Board of Managers. Members of the Board of Managers shall serve without compensation, except for reimbursement for expenses actually incurred in the course of any furtherance of business for the Board of Managers.

The Board of Managers shall meet at least annually in March of each year, and at such regularly scheduled times as shall be adopted by resolution by the Board. Special meetings may be called on five (5) days written notice by any two Managers.

The Board Managers will be responsible for the operations of the affairs of the Condominium, including, but not limited to, the fiscal operation, repairs and maintenance of the common areas of the Property, replacement and capital improvements to the common areas of the Property, the hiring, supervision and discharging of employees and Managing Agent (if any), and the enforcement of the provisions of the By-Laws, and shall have the powers and duties necessary for the administration of such affairs. As per Article IV, Section 10 of the By-Laws, Board Members shall not receive any salary or other compensation from the Condominium for acting as such or for services rendered in an official capacity.

Any Manager may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate votes are at least 51% of the votes of the Condominium at a Unit Owner's meeting duly called for the purpose, provided, however, that the Manager(s) elected by the Holder(s) of Unsold Units can be removed only for cause by vote of a majority of the Unit Owners or without cause by the Holders of the Unsold Units.

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers against any liability or claims except those arising out of the bad faith or willful misconduct of a member or members of the Board of Managers. 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. 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 his/her interest in the Common Elements of all Unit Owners.

The principal officers of the Condominium shall be the President, Vice-President, Secretary, and Treasurer, all of whom shall be elected by the Board of Managers. The President and Vice-President (but no other officers) need be members of the Board of Managers. All officers shall serve without compensation or remuneration. The officers shall be elected annually by the Board of Managers, and each officer shall hold office at the pleasure of the Board of Managers or until succession, resignation, or death. Upon the vote of a majority of the Board of Managers, any officer may be removed with or without cause.

The President shall be the chief executive officer of the Condominium, and shall have all of the general powers and duties which are incident to the office of a president pursuant to Section 9B of the Real Property Law of the state of New York (New York's Condominium Act).

The Vice-President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him/her by the Board of Managers or by the President.

The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers, shall have charge of such books and papers as the Board of Managers may direct, and shall, in general, perform all the duties incident to the office of a secretary pursuant to Section 9B of the Real Property Law of the state of New York (New York's Condominium Act).

The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account,

and deposit of all moneys and other valuable effects in the name of the Board of Managers, or the Managing Agent, in such depositories as may from time to time be designated by the Board of Managers.

The Board of Managers, or the Secretary, shall keep detailed records of the actions and minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium. In addition, an annual audited financial statement of the Condominium and an income tax deduction statement certified by an independent Certified Public Accountant shall be rendered by the Board of Managers to all Unit Owners on March 1 of each calendar year.

The Secretary shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice shall state the purpose of the meeting as well as the time and place where it is to be held, and the notice will be given at least ten (10), but not more than forty (40) days prior to such meeting.

Each Unit Owner and each mortgagee of a Unit shall, upon prior request, be permitted to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium.

Both the Declaration and the By-Laws may be modified or amended by the vote of two-thirds (2/3) of the Unit Owners, as that term is defined in Article II, Section 8 of the By-Laws, at a meeting of Unit Owners duly held for such purpose. Anything herein contained to the contrary notwithstanding, so long as the Sponsor is the owner of one or more Unsold Units, the By-Laws may not be altered, amended, repealed, or added to without the consent of the Sponsor.

The Board of Managers shall be required to maintain hazard and casualty insurance on the building in an amount sufficient to ensure that the condominium shall not be a co-insurer (which generally means that the policy must be retained at replacement value), and it shall also maintain liability insurance in an amount which it deems appropriate. The proceeds of the hazard and fire insurance policy shall be payable to the condominium Board in the event of a loss amounting to \$100,000 or less and to the insurance trustee if the loss exceeds \$100,000. Such proceeds shall be applied to the repairing, restoring, or rebuilding of the building unless otherwise determined by unit owners. In no event shall the proceeds of any such insurance policy be paid to the holder of any mortgage on a unit unless there has been a determination by unit owners not to rebuild the building. The

insurance trustee, if any, shall be a bank or trust company having an office in the city and state of New York.

The Condominium shall continue, unless terminated by reason of casualty, loss, or by condemnation, until such time as the Condominium shall be legally abandoned and terminated as a result of the vote of Unit Owners owning at least eighty (80%) percent of the total votes of the Condominium, at which time the Property shall be subject to an action for partition by any Unit Owner, or any lienor, as if owned in common, and the net proceeds of the sale resulting therefrom shall be divided among all Unit Owners in proportion to their respective interests in the Common Elements, after first applying the share of the net proceeds of such sale otherwise payable to each Unit Owner to the payment of any liens on his/her Unit in the order of the priority of such liens.

Copies of the Declaration and By-Laws are set forth in Part II of the Plan. Any provisions that give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's board representatives cannot lawfully vote on that issue.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

The headings used in this Section are inserted only as a matter of convenience and in no way define or limit the scope of the information contained within this Section.

1. Sale, lease, and mortgaging of units by unit owners.

Unit Owners will have the right to sell, lease, or mortgage their units, without restriction, except as set forth herein, subject to the requirements that all Common Charges are current. A Unit Owner may only sell or lease the entire Unit. A Unit Owner may not sell or rent only a portion of a Unit. While lease of a condominium unit, like any other contract, is subject to regulation by certain state laws (General Obligations Law, Multiple Dwelling Law, etc.), the terms of the lease (including rent) will not be subject to any state or local rent regulatory laws.

2. No right of first refusal.

The Board of Managers does not have a right of first refusal with regards to the sale or lease of any unit.

3. Common charges and assessments.

The Board of Managers shall from time to time, but at least annually, prepare a budget for the Condominium determining the amount of the Common Charges payable by the Unit Owners. Common charges will be established by determining the operating budget for the coming year of condominium operation and allocating to each unit owner a percentage of that budget in accordance with their percentage of ownership for common interest in the condominium. The Common expenses 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. The Common Expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount of working capital and a general operating reserve. The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges payable by each of them, and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and to their mortgagees of record, if requested.

Under the provisions of Section 339-z of the Real Property Law, the Board of Managers on behalf of the Unit Owners shall have a lien on each Unit for unpaid Common Charges assessed against such Unit by the Board of Managers, together with interest thereon. Such lien shall be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on the first mortgage or record of such Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of a notice thereof in the Kings County Office of the City Register, and until all sums secured thereby with the interest thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six year period), whichever may be earlier. Such lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners in like manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board of Managers to recover the Unpaid Common Charges without foreclosing the lien. In the event the Sponsor is more than thirty (30) days in arrears on Common Charges for any unsold Unit during the time the Sponsor is in control of the Board of Managers, Sponsor will cause the Board of Managers to file a lien as provided for in section 339-aa of the Real Property law.

Under section 339-kk of the Real Property Law, the Board of Managers has the right to require the tenant in an apartment owned by a non-occupying owner to make rental payments directly to the Board of Managers where such non-occupying owner is in default on payments of common charges, assessments, or late fees for such unit for a period of 60 days after the expiration of any grace period after they are due. Payments by such rental tenant to the condominium pursuant to this statute relieves such rental tenant from the obligation to pay such rent to such non-occupying owner, and is an absolute defense in any nonpayment proceeding commenced by such non-occupying owner. The procedures by which the Board of Managers may enforce this right, including required notice, means of protest, and termination are set forth in the aforementioned section which is recited at Page RP1 of this Offering Plan.

No Unit Owner may exempt himself from liability for Common Charges or Expenses by waiver of the use or enjoyment of any of the Common Elements, or by abandonment of his Unit. The liability of each Unit Owner for the payment of the Common Charges and Expenses thereafter assessed or becoming due against the Unit shall terminate upon a permissible sale, transfer, or other conveyance of such Unit and the appurtenant interests in the Common Elements. In addition, any Unit Owner may, subject to the terms and conditions specified in the By-Laws, convey his/her Unit together with the said appurtenant interests to the Board of Managers or its nominee on behalf of all other Unit

Owners, and in such event be exempt from all Common Charges and Expenses thereafter assessed.

4. Repairs and Maintenance.

All maintenance or any repair to any Unit, ordinary or extraordinary, and to the doors and windows (except the painting and decoration of the side of the elevator doors and stairwell doors which do not face into a Unit), electrical (except Common Elements) within the Unit or belonging to the Unit Owner, shall be at the Unit Owner's expense, except for structural elements as specifically required herein. All maintenance, repairs, and replacements to the Common Elements (including the exterior walls of the Building) and the painting and decorating of the side of the elevator doors and stairwell doors which do not face into a Unit shall be made at the direction of the Board of Managers, and be proportionately charged to all the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse, or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Unit owners who enjoy use of a limited common element are responsible for regular repair and maintenance of such limited common element such as cleaning, painting, repair to surface damage, etc. Damage to the structural or mechanical systems serving such limited common element (except where directly caused by act or omission of the unit owner, their agents, employees, or invitees) are the responsibility of the condominium through the Board of Managers.

The owner of the commercial unit will be required to maintain heat supply to their premises on a 24 hour a day basis, so as to not create an undue heating burden on residential units within the building. In the event the commercial unit owner fails to maintain their heat supply on such a basis, the condominium board shall have the power to compel compliance with this requirement. The Sponsor and Board of Managers will comply with all applicable laws in any actions(s) which they undertake.

5. Additions, alterations, and improvements.

No Unit Owner may make any structural addition, alteration or improvement in his Unit without the prior written approval of the Board of Managers. As a condition of the granting of its consent to the above acts, the Board of Managers may require the Unit Owner to execute an agreement in form and substance satisfactory to the Board of Managers setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, including, without limitation, the days and hours

during which any work may be done. No application shall be filed with any governmental authority for a permit covering an addition, alteration, or improvement to be made in a Unit unless approved and executed by the Board of Managers; such approval, however, shall not result in liability on the part of the Board of Managers, or any of them, to a contractor, subcontractor, materialman, architect, or engineer, by reason of such addition, alteration, or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided that any alterations to such Unsold Units shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Non-structural alterations and improvements to Residential Units that do not affect the exterior of the Building or the value of other Units may be made without prior approval of the Board of Managers.

Unit owners may perform all standard repair and maintenance items within their apartments and standard home improvement items without permission of the Board of Managers. Thus, unit owners may repair or replace fixtures, equipment, cabinetry, flooring, sheetrock, etc., without permission of the Board of Managers. However, unit owners may not relocate plumbing, heating, electric, or other service lines affecting other units in the building during the course of such repairs or improvements without receiving Board permission.

6. Insurance.

The Board of Managers shall obtain and maintain: (1) hazard insurance with extended coverage, insuring the Building and Units (but not including furniture, furnishings, or other personal property supplied to, or installed by, Unit Owners), together with all service machinery contained therein covering the interests of the Condominium, The Board of Managers, and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the insured property without deduction for depreciation; (2) liability insurance for personal injury or property damage in an amount not less than one million dollars; and (3) such other insurance as the Board of Managers may determine. Each of the policies shall contain a New York standard mortgage 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 interests may appear, subject, however, to the loss payment provisions in favor of the Board of Managers in the event of casualty or condemnation. Unit Owners shall be required to carry casualty insurance protection for their furniture and the interiors of their Units and for personal liability coverage for their own benefit at their own expense and such policies must 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 other insurance carried by a Unit Owner. Please see SCHEDULE B for details of insurance coverage.

The proceeds of the hazard and fire insurance policy shall be payable to the condominium Board in the event of a loss amounting to \$100,000.00 or less and to the insurance trustee if the loss exceeds \$100,000.00. Such proceeds shall be applied to the repairing, restoring, or rebuilding of the subject premises unless otherwise determined by unit owners. In no event shall the proceeds of any insurance policy be paid to the holder of any mortgage on a unit unless there has been a determination by unit owners not to rebuild the building. The insurance trustee, if any, shall be a bank or trust company having an office in the City and State of New York.

7. Restrictions on occupancy and use.

Section 10 of Article VI of the By-Laws provide that the use of the Units shall be restricted to and be in accordance with the following provisions:

(a) A Unit Owner may only use his/her Unit for a purpose consistent with any applicable ordinance or statute, or regulation of a government authority that has jurisdiction over the Condominium, but in no event for a use that violates the By-Laws of the Condominium.

(b) The Common Elements shall be used for the furnishing of services and facilities for which they are reasonably suited and capable, and which are incident to the use and occupancy of Units.

(c) No nuisances shall be allowed on the Property, nor shall any use or practice be allowed that interferes with the peaceful possession or use of the Property by its residents or occupants.

(d) No improper, offensive, or unlawful use shall be made of the Property nor any part thereof. Violations of laws, orders, rules, regulations, or requirements, of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated by, and at the sole expense of, the respective Unit Owners or by the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property or comply with such laws.

(e) Each Unit Owner shall keep his Unit in a good state of cleanliness and repair in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof.

Each Unit Owner will have an undivided interest in the Common Elements in the respective percentages set forth in SCHEDULE A in Part I. Subject to the provisions of the By-Laws and Rules and Regulations, the Common Elements are appurtenant to, serve, and benefit each Unit to the extent of such Unit's percentage share of the Common Elements, and the Common Elements are for the common use of all Unit Owners.

Further restrictions on the use of Units are set forth in the By-Laws, which are set forth in Part II of the Plan, and in Rules and Regulations made in accordance with the By-Laws. Rules and Regulations concerning the use of the Units may be promulgated and amended from time to time by the Board of Managers as provided in the By-Laws. Such restrictions include a restriction that the unit shall be used for private residence only, or any home occupation use permitted under applicable zoning law, ordinances, building codes, or other governmental regulations. Units may not be used for any unlawful purpose, and any use which amounts to a violation of law or to rules, regulations, or requirements of any governmental agency having jurisdiction thereover shall be eliminated at the sole expense of the unit owner.

The Sponsor does not impose any restrictions on pets in the condominium.

8. Other material rights and obligations

A Unit Owner by acceptance of a Deed for a Unit shall have granted a right of access to the Unit and to all appurtenant areas, if any, to the Managing Agent and/or any other person authorized by the Board of Managers or the Managing Agent for the purpose of performing installations, alterations, or repairs to the mechanical or electrical services of other Common Elements in his/her Unit or elsewhere in the Building in which the Unit is located, to remove violations, cure defaults by a Unit Owner, and for any other purpose provided in the Plan, Declaration, or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) are at a time reasonably convenient to the Unit Owner. In case of emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, such entry shall not render the Board of Managers or its authorized agents liable for damage incurred in connection with

the exercise of such right of entry. Each Unit Owner will deposit with the President of the Board of Managers a key to his/her Unit to allow for entry in an emergency. The Board of Managers may designate responsible individual(s) to hold such keys.

Each Unit Owner shall be required to pay the Common Charges and Expenses levied by the Board of Managers. All Unit Owners, mortgagees, lessees, and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner, are subject to the By-Laws, the Declaration, and the Rules and Regulations. A copy of the Declaration and By-Laws and Rules and Regulations appear in Part II of this Plan. The violation of any of the Rules and Regulations or the breach of any By-Laws or provision of the Declaration shall give the Board of Managers, in addition to other rights set forth in specific provisions of the By-Laws, the right to: (i) enter any Unit in which, or as to which, such violations or breach exists and to abate and/or remove same summarily, at the expense of the defaulting Unit Owner. The Board of Managers shall not thereby be deemed guilty or liable for trespass nor be liable for any damage to the Unit, nuisances or fixtures incurred in connection with such rights unless such damage is caused by negligence on the part of the Board of Managers; or (ii) enjoin, abate, or remedy by appropriate legal proceedings, the continuance of any such violation or breach. The costs incurred by the Board by virtue of the exercise of its rights to correct such breaches or violations, including attorney's fees, shall be due upon demand from the Unit Owner in question, and shall constitute a Common Expense against his/her Unit.

At the time of closing, Purchaser will be required to execute a broad Power of Attorney in favor of the Board of Managers of the Condominium. This Power of Attorney will give the Board of Managers the right to acquire and otherwise administer defaulted, abandoned, or foreclosed units in the name of the condominium. It will also give the Board of Managers the right to execute amendments to the Condominium Declaration, Deeds conveying condominium property, filing for severance of tax lots, and other functions reasonable or necessary to effectuate the purposes set forth in the Condominium Declaration, on behalf of all of the unit Owners. Purchaser must sign the Power of Attorney at closing; failure to sign the Power of Attorney will be deemed a default and will result in cancellation of the transaction and possible loss of the down payment. Please see the POWER OF ATTORNEY set forth in Part II of this Offering Plan.

9. Smoking Policy.

New York City Local Law 147 went into effect on August 28, 2018 and requires buildings with three or more residential units to adopt written smoking policies. For

condominiums such as the subject premises, the Board of Managers must adopt such a policy. The policy for this condominium is as follows: Smoking is prohibited in all indoor and outdoor common areas throughout this building. Unit Owners are only permitted to smoke within their own units.

10. Arbitration

Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York, in accordance with the then existing rules of the American Arbitration Association (AAA) or any successor organization thereto. Disputes regarding the disposition of deposits, down payments, or advances received by Sponsor are examples of matters permitted to be determined by arbitration. 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. Parties may search the online profiles of the AAA's Panel of Mediators in an effort to agree on an independent arbitrator. In the event that the parties cannot mutually agree upon an independent arbitrator, or after such consultation, the issue is still unresolved, then such dispute or question shall be submitted to AAA, which will give any party the rights he is entitled to under New York law. The decision of the arbitrators so chosen shall be given within thirty (30) days after their selection or appointment. The foregoing does not in any way abrogate or modify the rights of Purchasers and Unit Owners pursuant to the Martin Act and governing regulations. For more information on the rules of the American Arbitration Association as it pertains to real estate, please see *Real Estate Arbitration Rules (Including a Mediation Alternative)*, American Arbitration Association, Inc., 2015, available online at <https://www.adr.org/sites/default/files/Real%20Estate%20Industry%20Rules%20%28Including%20a%20Mediation%20Alternative%29.pdf>. The single arbitrator will be an independent third party unrelated to either party in the dispute. The Condominium By-Laws do not provide for a waiver of jury trial. Please see Article IX of the BY-LAWS located in Part II of this Offering Plan.

REAL ESTATE TAXES

After the units are separately assessed, pursuant to Section 339-y of the Real Property Law, each Unit Owner will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor subject to, any lien for non-payment of taxes on any other unit. Units may not be separately assessed for the first year of condominium operation. On closing, Sponsor shall deposit with the Board of Managers a sum sufficient to pay all taxes due for the balance of the 2021/2022 tax year. The Board of Managers shall be authorized to pay such taxes as and when due from such escrow fund. As each subsequent individual condominium Unit is sold, the purchasers thereof, as a standard closing adjustment, shall reimburse the Sponsor for the portion of their tax liability paid by the Sponsor from the date of closing through the end of the 2021/2022 tax year. It is anticipated that Units will be separately assessed for the 2022/2023 tax year, and that individual Unit Owners (whether purchasers, holders of unsold shares, or the Sponsor) will pay the taxes thereof as set forth in the attached SCHEDULE A. The amount of the taxes deposited with the Board of the condominium will be disclosed in the post closing amendments until the units are separately assessed.

The Sponsor is not applying for any property tax exemption or abatement. The assessed value of real property in New York City is determined on January 5 of each year and is applied to the calculation of the annual taxes for the tax year commencing the following July 1 of that year. The first year of condominium operation is estimated to commence May 1, 2022. Although the Sponsor anticipates that renovation of the subject premises will be completed by the first year of condominium operation, **THE SPONSOR DOES NOT ANTICIPATE THAT THE REAL ESTATE TAXES FOR THE FIRST YEAR OF OPERATION WILL REFLECT THE FULL POST-COMPLETION ASSESSED VALUE OF THE PROPERTY. PURCHASERS ARE ADVISED THAT THEIR REAL ESTATE TAXES ARE LIKELY TO INCREASE IN THE SECOND YEAR OF CONDOMINIUM OPERATION TO REFLECT THE FULL POST-COMPLETION ASSESSED VALUE.**

As the first year of condominium operation is expected to commence on May 1, 2022 and the NYC property tax year commences on July 1st each year, the anticipated first year of condominium operation therefore encompasses a blended year consisting of two tax years (2021/2022 and 2022/2023). Therefore, the annual real estate taxes for the first year of condominium operation as listed in SCHEDULE A of this Offering Plan do not reflect the full post-completion assessed value of the building after completion of construction. The New York City Department of Finance (“DOF”) issued its Notice of Property Value

("NOPV") for the property to the Sponsor on January 15, 2021 for the 2021/2022 tax year. DOF determined an assessed value for the property of \$25,411, resulting in a tax liability of \$5,347.74 for the 2021/2022 tax year, based on a tax rate of 21.045%. In addition, Sponsor has received an estimate from Metropolitan Realty Exemptions, 381 South 5th Street, Brooklyn, NY 11211 of an estimated post-completion of construction assessed value for the 2022/2023 tax year for the entire building of \$44,766. This estimate assumes the current tax rate of 21.045% for Tax Class One properties, and therefore projects a total tax burden for the entire building of \$9,421 for the 2022/2023 tax year.

The commencement of the first year of condominium operation, May 1, 2022, coincides with the eleventh month of the 2021/2022 tax year. An annual tax liability of \$5,347.74 breaks down to a monthly tax liability of \$445.65 per month for the 2021/2022 tax year. The tax due from May 1, 2022, the commencement of the first year of operation, through June 30, 2022, the end of the 2021/2022 tax year, is \$891.30, which is calculated by multiplying the monthly 2021/2022 tax liability by the first two months of condominium operation, which coincide with the balance of the 2021/2022 tax year. The remainder of the first year of condominium operation, July 1, 2022 through April 30, 2023, coincides with the first ten months of the 2022/2023 tax year, which is anticipated to reflect the post-completion assessed value for the property. The tax due for the remainder of the first year of operation is estimated to be \$7,850.80, based on a monthly tax liability of \$785.08 per month for ten months, which monthly rate is calculated by dividing the estimated annual post-completion 2022/2023 tax liability by 12 months. Therefore, the tax burden for the entire building for the first year of condominium operation is estimated to be \$8,742, which reflects the sum of the tax burden for the period May 1, 2022 through June 30, 2022, plus the tax burden for the period July 1, 2022 through April 30, 2023. This estimated tax burden for the first year of condominium operation has been rounded to the nearest dollar amount.

There are no tax certiorari proceedings currently pending. Individual owners may challenge the assessment of their property by filing a tax protest in accordance with the rules of the New York City Tax Commission. The Board of Managers may also file a protest on behalf of all Unit Owners. While there is no specific section of the By-Laws dealing with review of real estate tax assessment, the general grant of power in the Board of Managers to operate the property in the best interest of unit owners is sufficient to delegate to the Board of Managers a right to file tax protests on behalf of all unit owners. The Building benefits from the limitations imposed by Sections 581 (which prevents a building from being assessed at a higher level than similarly situated rental properties

merely because of its status) and 1805 (which limits the annual increases due to changes in market value) of the Real Property Tax Law.

The projections set forth herein are based on current New York City Tax rates and assessment procedures. No guarantee or warranty is or can be made that the tax rates will not change in the future, or that the assessed value of the property will not rise due to changes in assessment practices and policies or increases in market value that are reflected in the assessed value.



Office: 381 South 5th Street, Brooklyn, NY 11211
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May 31, 2021

Vasik LLC
7 Marcus Drive
Monsey, NY 10952

RE: 120 Marcus Garvey Boulevard
Brooklyn, NY
Block & Lot: 1769 - 44

Letter of Opinion Regarding Real Estate Tax Liabilities
One (1) Retail and Two (2) Residential Condominium Units

Dear Sir,

You have requested us to advise you with our opinion in respect to determining the projected Annual Assessment and tax liabilities in regard to the above captioned real property according to our experiences.

The New York City Department of Finance assesses the values in regard to all New York City residential and commercial properties annually. Based on the assessor's determination of the assessment on taxable status date January 5th, the Department of Finance releases tentative assessments of the property value in January of every year and final assessments every May, prior to the beginning of each tax year, which commences July 1st.

Real Property tax rates set each year by the City Council are applied to these property values, to determine each homeowner's annual tax liability.

The property tax assessment process commences when the city's assessors determine the market value of the property. In regard to one-, two- and three-family homes (tax class 1), Finance estimates market values based on comparable sales. Finance's records indicate that the

METROPOLITAN Realty Exemptions, Inc.

assessor's assessment on market values, only deviate from actual sales prices by 15 percent or less.

In rendering this opinion, we have relied upon the following facts and information that you have provided us with:

- The subject property is located at 120 Marcus Garvey Boulevard, Brooklyn, NY 11206, and is known as Block: 1769, Lot 44, with the NYC Department of Finance ("DOF").
- The proposed is to renovate an existing mixed use house into 1 retail and 2 condominium units.
- There will be separate condominium tax lots filed with the DOF for each residential unit.
- The property is currently classed as Tax Class 1 with the DOF.
- Based on the explanation below, the DOF Surveyor's Office shall class the structure as a tax class one (1) and thus levy the assessed value on a 6% rate of the market value.

Tax Class 1 CAP

Per New York Real Property Tax Law Section 1805, tax class one (1) properties are subject to an assessment cap of 6%. Specifically, the law states that an assessor of any special assessing unit "shall not increase the assessed value of any tax class 1 property" in a single year by more than 6% of the previous year's assessed value, as listed on the assessment roll. Additionally, the assessor may not increase the tax class one (1) property's assessed value by more than 20% within any five-year period. The assessment cap does not apply to increases in assessed value due to physical alterations or the expiration of any tax exemptions or abatements.

We believe there will be a substantial increase in value for 2021/22 as a result of the new construction, and that such increase will be placed on the assessment roll immediately and not subject to the limitation on increases described above.

In future years increases in assessed value cannot exceed 6% annually and 20% over any five-year period.

In the event if the Department of Finance will change the classification to a Tax Class 2, the assessed value and property taxes will differ the amounts listed below.

Property tax is only levied on a portion of the market value. This portion is called the assessed value. In regard to 1-3 family homes and Condominiums with no more than three (3) dwelling units, provided such property was previous classified as class one (1), the assessed values are levied on 6% of the market value. In regard to all other properties, taxes are levied on 45% of the market value.

Post-Completion Proposed Full Real Estate Tax Liabilities

We have taken the following factors in account when formulating our opinion: (a) the recent tax assessment history on the property; (b) comparable condominium projects in the neighborhood which have been recently altered; (c) market conditions in the general area; (e) proposed estimate of the cost of construction; (f) calculation of the gross floor area mentioned above.

Considering the aforementioned factors, we are estimating that following completion of construction, the DOF will set the assessed value at approximately **\$44,766.**

METROPOLITAN Realty Exemptions, Inc.

Assuming the 2020/21 tax rate of 21.045% for tax class 1 (i.e., \$21.045 per \$100 of AV), the Projected Tax Liability will be approximately **\$9,421.**

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

Disclaimer

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

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

Sincerely yours,

A handwritten signature in black ink that reads "Martin Joseph". The signature is written in a cursive, flowing style.

Martin Joseph
Metropolitan Realty Exemptions, Inc.

DEDUCTIONS TO UNIT OWNERS, AND TAX STATUS OF CONDOMINIUM

Unit Owners who itemize their deductions should, for Federal Income Tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid, or accrued, under Sections 163 and 164 of the IRS Code. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the COUNSEL'S TAX OPINION LETTER, including the Tax Cuts and Jobs Act of 2017. On January 1, 2018, the new federal Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changes the previously existing Internal Revenue Code, including the taxes and deductions related to home ownership. The Federal Tax Cuts and Jobs Act of 2017 allows an itemized deduction of up to \$10,000.00 for the total of state and local property taxes and income or sales taxes. This maximum applies to both single and married filers. Purchasers should note that the \$10,000.00 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes, and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes, and real estate taxes exceed the \$10,000.00 threshold, a Unit Owner may not be able to realize a deduction for amounts over the \$10,000.00 threshold. The Tax Cuts and Jobs Act of 2017 limits deductible mortgage debt to \$750,000.00 for new loans taken out after 12/14/17, and interest paid on home equity debt is no longer deductible through 12/31/25; interest is still deductible on home equity loans (or second mortgages) if the proceeds are used for substantial improvement of the residence.

The Condominium will be governed by a Board of Managers. The Board of Managers will assess and collect Common Charges from the Unit Owners, and will have certain discretionary powers over the operating expenses and the application of the assessments. Sponsor's Counsel is of the opinion that the Condominium will not qualify as an exempt homeowner's association under section 528 of the IRS code. As a result, the condominium may be subject to Federal corporate income tax on its taxable income, if any. It is not presently anticipated that the condominium will have any income in excess of its expenses, as per SCHEDULE B included in this Offering Plan. It should be noted that the Condominium may, even if permitted to make an election under Section 528 of the Code, still be required to pay the minimum New York State and City corporation taxes, as well as income tax on any taxable income it may receive. For this purpose, "taxable income" is defined as the excess, if any, of (a) the gross income for the taxable year (other than "exempt function income" as defined below) over (b) the deductions allowed by the Code which are directly connected with the production of such gross income (excluding

"exempt function income") computed with certain modifications provided in Section 528. "Exempt function income" is defined as any amount received as membership dues, fees or assessments from owners of condominium housing units. Income such as interest earned as cash deposits would not be exempt function income. Sponsor does not anticipate that the condominium will have any excess of income (or "taxable income") after "exempt function income" for the first year of operation. Sponsor anticipates that the amount budgeted in the Yearly Reserve Fund shall also cover "minimum" New York City and State corporation and income taxes for the first year of operation in the event that the condominium is required to pay them. In the event that the condominium DOES have any excess of income (or "taxable income") after "exempt function income" for the first year of operation, it may be necessary to increase Common Charges or separately assess all Unit Owners.

The statements set forth herein are based upon an analysis of the Internal Revenue Code of 1986, as amended (the "Code"), New York State Tax Law, the Administrative Code of the City of New York, the applicable regulations promulgated or proposed thereunder, the current position of applicable administrative agency, in particular, the position of the IRS stated in published Revenue Rulings and Revenue Procedures, and judicial decisions. It is emphasized, however, that legislative, judicial, or administrative changes may be made which would require modification of such statements, or that the IRS or other applicable administrative agency may disagree with Counsel's interpretations and conclusions. A more detailed statement of the tax factors involved may be found in the COUNSEL'S TAX OPINION; however, each purchaser should consult with his or her own attorney with regard to tax consequences of this transaction.



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OPINION OF COUNSEL REGARDING TAX STATUS OF THE 120 MARCUS GARVEY CONDOMINIUM PURSUANT TO TITLE 13 NYCRR § 20.3(y)

The purpose of this document is to render an opinion with regard to 1) the availability of tax deductions for real estate taxes and mortgage interest under current federal, state, and city law; 2) the income tax status of the condominium; 3) the availability of real estate tax benefits for the condominium; and 4) the condominium's compliance with New York State Real Property Law Section 339(i).

This discussion assumes that the condominium in question, The 120 Marcus Garvey Boulevard Condominium, located at 120 Marcus Garvey Boulevard, Brooklyn, New York, is a validly-formed condominium under New York's Condominium Act (Article 9B of the New York State Real Property Law) consisting of one (1) commercial unit, and two (2) residential units.

1. Availability of Tax Deductions

A. Tax Deductions for Real Estate Taxes

Section 164(a) of the Internal Revenue Code has traditionally spoken to the issue of deductibility of real estate taxes: "Except as otherwise provided in this section, the following taxes shall be allowed as a deduction for the taxable year within which paid or accrued: (1) State and local, and foreign, real property taxes." I.R.C. § 164(a). The section further defines a State or local tax as "includ[ing] only a tax imposed by a State, a possession of the United States, or a political subdivision of any of the foregoing, or by the District of Columbia." I.R.C. § 164(b)(2).

New York, as one of the original 13 states, arguably traces its statehood back to 1776, and ratified the present United States Constitution in 1788. Clearly, its statehood is well-established. New York's 1964 Condominium Act clearly establishes the conceptualization of condominium units as real property, stating, "each unit and its

common interest, not including any personal property, shall be deemed to be a parcel and shall be subject to separate assessment and taxation.” N.Y. REAL PROP. LAW § 339-y. Each condominium unit is accordingly assigned its own block and lot; purchasers of condominium units take ownership of their units pursuant to real property deeds. Furthermore, the Condominium Act explicitly states, “each unit, together with its common interest, shall for all purposes constitute real property.” N.Y. REAL PROP. LAW § 339-g. Therefore, New York state and city property taxes on condominium units constitute potentially deductible real property taxes for federal income tax purposes.

With regard to deductions, New York tax law generally follows the federal system: “If federal taxable income of a resident individual is determined by itemizing deductions from his federal adjusted gross income, he may elect to deduct his New York itemized deduction in lieu of his standard New York deduction.” N.Y. TAX LAW § 615(a).

On January 1, 2018, the new federal Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changes the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. The Federal Tax Cuts and Jobs Act of 2017 allows an itemized deduction of up to \$10,000 for the total of state and local property taxes and income or sales taxes. This maximum applies to both single and married filers.

It is therefore my opinion that owners of residential units in this condominium who itemize their deductions will be eligible to deduct real estate taxes paid on said units for federal income tax purposes as well as New York state and city income tax purposes, subject to the limits imposed by the Tax Cuts and Jobs Act of 2017, the Internal Revenue Code, the New York tax law, and the specific taxpayer’s personal situation. Each potential purchaser is strongly encouraged to consult with his or her own tax advisor concerning the deductibility of real estate taxes in his or her specific situation.

B. Tax Deductions for Mortgage Interest

Prior to January 1, 2018, the general Internal Revenue Code rule concerning interest has been, “There shall be allowed as a deduction all interest paid or accrued within the taxable year on indebtedness.” I.R.C. § 163(a). While subsection (h) disallowed deductions for personal interest (I.R.C. § 163(h)(1)), it also clarified, “For purposes of this subsection, the term ‘personal interest’ means any interest allowable as a deduction under this chapter *other than* (D) any qualified residence interest (within the meaning of paragraph (3))” (emphasis mine). I.R.C. § 163(h)(2). Paragraph

(3) stated, “The term ‘qualified residence interest’ means any interest which is paid or accrued during the taxable year on (i) acquisition indebtedness with respect to any qualified residence of the taxpayer, or (ii) home equity indebtedness with respect to any qualified residence of the taxpayer.” I.R.C. § 163(h)(3). “Acquisition indebtedness” is further defined as “any indebtedness which (I) is incurred in acquiring, constructing, or substantially improving any qualified residence of the taxpayer, and (II) is secured by such residence.” I.R.C. § 163(h)(3)(B)(i). The subsection limited acquisition indebtedness to \$1,000,000.00. I.R.C. § 163(h)(3)(B)(ii). “Home equity indebtedness” was defined as “any indebtedness (other than acquisition indebtedness) secured by a qualified residence to the extent the aggregate amount of such indebtedness does not exceed (I) the fair market value of such qualified residence, reduced by (II) the amount of acquisition indebtedness with respect to such residence.” I.R.C. § 163(h)(3)(C)(i). The subsection limited home equity indebtedness to \$100,000.00. I.R.C. § 163(h)(3)(C)(ii).

The Tax Cuts and Jobs Act of 2017 limits deductible mortgage debt to \$750,000.00 for new loans taken out after 12/14/17, and interest paid on home equity debt is no longer deductible through 12/31/25; interest is still deductible on home equity loans (or second mortgages) if the proceeds are used for substantial improvements of the residence.

Again, here, New York tax law allows individuals who itemize their deductions for federal income tax purposes to elect to deduct their New York itemized deductions in lieu of their standard New York deduction. N.Y. TAX LAW § 615(a).

Given the provisions above, it is my opinion that purchasers who intend to use their units in this condominium for residential purposes and who itemize their deductions will generally be able to deduct their home mortgage interest for federal and New York State income tax purposes subject to the limits imposed by § 163 of the Internal Revenue Code as modified by the Tax Cuts and Jobs Act of 2017. Unit owners are strongly advised to consult with their own tax advisors regarding the effects of the Tax Cuts and Jobs Act of 2017 on their tax burdens and their prospective real estate purchases. I express no opinion with regard to mortgage interest deductibility for purchasers of non-residential units or purchasers of units for non-residential reasons, such as investment or resale. Such purchasers are also strongly advised to consult with tax professionals to see if mortgage interest may be deductible for them and their purposes under other provisions of the Internal Revenue Code.

These materials are difficult even for practitioners to comprehend, as is evidenced by the plethora of clarifying Revenue Rulings and discussions surrounding the pertinent provisions of the Internal Revenue Code. Potential purchasers are

strongly advised to consult with their own tax experts with regard to deductibility of mortgage interest, as § 163 contains several limitations on deductibility that may or may not apply to a given taxpayer's specific situation. This opinion is only intended to render a general opinion; purchasers' or owners' specific situations are well beyond the scope of this document and require a far more tailored analysis.

2. Income Tax Status of the Condominium

The Internal Revenue Code exempts "homeowners associations" from income taxes, and defines a "homeowners association" as "an organization which is a condominium management association. . . if (A) such organization is organized and operated to provide for the acquisition, construction, management, maintenance, and care of association property; (B) 60 percent or more of the gross income of such organization for the taxable year consists solely of amounts received as membership dues, fees, or assessments from (i) owners of residential units in the case of a condominium management association. . . (C) 90 percent or more of the expenditures of the organization for the taxable year are expenditures for the acquisition, construction, management, maintenance, and care of association property. . . (D) no part of the net earnings of such organization inures. . . to the benefit of any private shareholder or individual, and (E) such organization elects (at such time and in such manner as the Secretary by regulations prescribes) to have this section apply for the taxable year." I.R.C. § 528. Additionally, the section states that, "the term 'condominium management association' means any organization meeting the requirements of subparagraph (A) of paragraph (1) with respect to a condominium project substantially all of the units of which are used by individuals for residences." I.R.C. § 528(c)(2).

Given that this condominium consists of both residential and commercial units, it is my opinion that this condominium as managed by its Board of Managers will not qualify as a homeowners association within the meaning of I.R.C. § 528 and will not therefore be exempt from income taxes.

3. Discussion Regarding the Condominium's Compliance with New York State Real Property Law § 339(i)

Real Property Law § 339(i) governs allocation of common interest and provides four acceptable methods for allocating common interest among condominium units. The allocation of common interest to the units in this condominium has been made pursuant to Real Property Law § 339(i)(1)(iv), which allows for common interest to be

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.” N.Y. REAL PROP. LAW § 339(i)(1)(iv). It is my opinion that this condominium’s allocation of common interest complies with Real Property Law § 339(i)(1)(iv). This opinion is also based on expert factual determinations as required by § 20.3(i) of Title 13 NYCRR; specifically, Sponsor’s expert’s opinion included in the Offering Plan at the section entitled COMPLIANCE WITH REAL PROPERTY LAW 339(i)(1)(iv).

Conclusion

In my opinion, the condominium will not be eligible for tax-exempt status under I.R.C. § 528, although unit owners will potentially be eligible for the real estate tax deductions and benefits described above. However, this opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, the Sponsor’s counsel, the Board of Managers of the condominium, the selling agent, or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law, or Internal Revenue Service rulings, or the New York State tax law, as amended, and cause the unit owners not to be entitled to income tax deductions or the benefits described above.

Sincerely,

Claudia V. Murdoch

Claudia V. Murdoch

September 30, 2021

RESERVE FUND

No fund will be created on closing as a reserve for capital expenditures, however, the budget for the first year of condominium operation includes a budgeted line item in Schedule B located in Part I of this Offering Plan for a yearly Capital Reserve Fund; this item will start the gradual accumulation of a reserve fund through the collection of Unit Owners' common charges for repair and replacement of major systems or structural elements. The condominium shall maintain a separate account for the Capital Reserve Fund. The Sponsor will therefore also be contributing to this yearly Capital Reserve Fund through its payment of common charges for the unsold units from the date of first unit closing. The amount of such Capital Reserve Fund shall be disclosed in a post-closing amendment. Neither the Department of Law nor any other government agency has passed upon the adequacy of this fund. In the Sponsor's estimation, and in view of the fact that all building systems and components are new, it is anticipated that there will be no needed capital expenditures within the five (5) years immediately following the first closing of a condominium unit under the Offering Plan. However, in the event a need arises for capital expenditures such as renewal or replacement of building components or systems, or to remedy major building defects, or for premature deterioration of the roof, it will be necessary to raise needed capital either by assessing individual units or owners for the cost of such expenditures. While the Sponsor is in control of the Board of Managers, the Reserve Fund may not be used to reduce projected common charges in the Plan.

WORKING CAPITAL FUND

At closing of title to each unit, the purchaser of such unit will contribute to the working capital fund of the Condominium an amount equal to two months' common charges (see CLOSING COSTS AND ADJUSTMENTS). Sponsor will make the required contribution for all unsold units at the time of the closing of the first unit, and will be reimbursed therefore on each subsequent closing of a unit by the unit purchaser. No other substantial credit to the Sponsor is anticipated. The Sponsor will not be paid pursuant to an installment note. This Working Capital Fund will be used to make repairs and improvements and for other appropriate purposes as determined by the Board of Managers, particularly to meet emergencies not budgeted for in SCHEDULE B. While the Sponsor controls the Board of Managers (see CONTROL BY THE SPONSOR), the Working Capital Fund will not be used to reduce estimated Common Charges.

The Working Capital Fund will not be reduced by any closing adjustments to the Sponsor. All closing adjustments to the Sponsor will be paid in equal monthly installments over the twelve (12) month period following closing. All adjustments represent reimbursement for prepayment of expenses already included in the budget set forth herein, and therefore do not represent an additional expense to Condominium Purchasers.

No representation is made that the Working Capital Fund will be adequate to cover current or future expenses. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase Common Charges or separately assess all Unit Owners. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

MANAGEMENT AGREEMENT, CONTRACTS, AND LEASES

The Sponsor, VASIK LLC, 7 Marcus Drive, Monsey, NY 10952, will act as managing agent and manage the condominium during the control period free of charge to the Unit Owners. The condominium budget for the first year of operation does not include expenses for a managing agent. However, the Sponsor, acting as managing agent, shall have the right to establish reasonable fees for the processing of lease or sale applications, review of requests for permission to make improvements on individual units, and any other activity outside the normal course of building management. In addition, the managing agent shall be entitled to provide services (such as repair and maintenance) to individual unit owners when requested and shall be entitled to charge such individual unit owners (but not the condominium) for such services. At the end of the control period, the managing agent shall be required to transfer all books and records in its possession to the condominium Board of Managers or to any successor managing agent named by the condominium Board of Managers.

After control is transferred to the unit owners, due to the size of the building, it is expected that the building will be self-managing. If the Sponsor still owns 50% or more of the residential units in the building at this time, a majority of the new Board of Managers may be Sponsor-appointees. Should the Board of Managers elect at any time to employ the services of a managing agent, this will represent an additional cost of approximately 10%-15% of the annual operating budget, which would require a concomitant increase in the common charges.

The major duties to be provided by the managing agent shall include, but not be limited to maintenance of all condominium books and records; collection of monthly common charges and any special assessments levied by the condominium; payment of all condominium expenses from condominium funds; maintenance of condominium checking accounts; bookkeeping, payroll and tax reporting functions; inspections and inspection compliance; repair and maintenance of common elements; and the hiring and firing of condominium employees. In addition, the managing agent shall be entitled to, where in its sole and exclusive discretion such is needed, retain the services of outside professionals such as accountants, attorneys, etc., which expense shall be borne by the condominium. Additionally, where required items of repair or maintenance exceed the capabilities of building employees, the managing agent shall be entitled to contract for such services, which shall be paid for from condominium funds.

The managing agent shall be entitled to reimbursement for expenses incurred in the normal course of its functions, such as messenger and delivery charges, travel expenses, etc. In addition, the condominium shall indemnify the managing agent against any liability or obligation incurred for acts properly performed by it pursuant to the management agreement and name the managing agent as an additional insured under its insurance policy.

IDENTITY OF PARTIES

SPONSOR: The Sponsor of this project is Vasik LLC, a New York limited liability company formed on September 14, 2017, with offices located at 7 Marcus Drive, Monsey, New York 10952. The principal of the Sponsor is Alan Waintraub of the same address. Mr. Waintraub is an attorney by trade with ten years of experience owning and managing both residential and commercial real estate within the State of New York. Neither the Sponsor nor the principal of the Sponsor has previously been the Sponsor or the principal of the Sponsor of any Offering Plans in the state of New York during the preceding five years.

There are no convictions, bankruptcies, judgments, or injunctions against the Sponsor, Principal of the Sponsor, or entities in which the Principal of the Sponsor was a principal, that may be material to the Offering plan or to an offering of securities generally and that occurred within the fifteen (15) years prior to the submission of this Offering Plan. There are no felony convictions of any kind that have ever occurred against the Sponsor, Principal of the Sponsor, or entities in which Principal of the Sponsor was a Principal.

COUNSEL: Sponsor has engaged the Law Office of Claudia V. Murdoch, P.C., 117 Seventh Avenue, Brooklyn, New York 11215, to represent it in the preparation and filing of this Offering Plan. Kenneth Golden, P.C. will act as the Sponsor's closing attorney and will be the escrow agent for purchasers' down payments. Ms. Murdoch and Mr. Golden represent the Sponsor, not the Condominium, which is not represented by counsel.

ENGINEER: The engineer, Oscar Walters, Jr., P.E., with offices at Demerara Engineering, PLLC, 37-24 24th Street, Long Island City, New York, has examined the physical condition of the property and has rendered his report thereof as set forth in Part II starting at Page AR1. Mr. Walters is the founder of Demerara Engineering and has over 30 years of structural engineering experience and has extensive experience in preparing reports for new construction condominiums, as well as renovations of existing structures. Similar condominium projects that Mr. Walters has worked on include 135 Johnson Avenue, 359 7th Street, and 1419 Herkimer Street, all of which are located in Brooklyn, New York. The engineer has no relationship with or financial interest in the property, Sponsor, condominium, selling agent, or any other party interested in this transaction except for his fee for services rendered in connection with his report.

SELLING AGENT: The Sponsor is currently the selling agent for the plan. The Sponsor has not previously been the selling agent for any offering of condominium or cooperative interests in real property in or from the State of New York. Alan Waintraub, the sole principal of the Sponsor, has ten years of experience as a managing agent for buildings such as the subject premises. Similar properties that Mr. Waintraub has previously managed include 586 Liberty Avenue and 224 Fountain Avenue in Brooklyn, NY, and 113-17 Atlantic Avenue in Richmond Hill, NY.

GENERAL

The Plan does not knowingly omit any material fact or contain any untrue statement of any material fact. Exact copies are contained in Part II hereof of the Condominium Declaration, Purchase Agreement, Condominium By-Laws, and form of Unit Deed.

There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or any other person or persons that might become a lien against the Property or that may materially affect this offering, the Property, Sponsor's capacity to perform all obligations under the Plan, the Condominium, or the operation of the Condominium, except as disclosed elsewhere in this Offering Plan.

No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the units offered pursuant to the Offering Plan. No deposits or advances of funds have been taken by, or on behalf of, the Sponsor in connection with the reservation, sale, or transfer of any units offered pursuant to this Offering Plan.

None of the units in the subject premises are occupied by residential or commercial tenants as of the date of submission of this Plan to the Department of Law.

The Property has not been the subject of any prior cooperative or condominium offerings. There are no preliminary binding agreements entered with any purchasers, nor has any money been collected from any prospective purchasers. There has been no market test pursuant to Cooperative Policy Statement No. 1.

In accordance with the provisions of the laws of the State and City of New York, the Sponsor represents that the Sponsor, and the Selling Agent, will not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, age, marital status, national origin, or ancestry in the sale of the units offered by the Plan, or in the leasing of any apartment in the building.

Operable smoke detectors and carbon monoxide detectors will be installed in all apartments as per the New York City Administrative Code.

If there is a material amendment to the Offering Plan that adversely affects a purchaser, such purchaser shall have the right to rescind his/her purchase agreement within fifteen (15) days after the date of presentation by the Sponsor, which rescission shall be made by CERTIFIED MAIL - RETURN RECEIPT REQUESTED, and shall be deemed made on the date when notice of rescission is deposited with the United States Post Office. Sponsor shall return the deposit on contract to any purchaser who validly rescinds.

No person has been authorized to make a representation that is not expressly contained herein. This Plan may not be changed or modified orally.

DOCUMENTS ON FILE

Sponsor shall keep copies of the Offering Plan, all documents referred to in the Offering Plan, and all exhibits submitted to the Department of Law in connection with the Offering Plan on file and available for inspection without charge, and for copying at a reasonable charge, at the Sponsor's office as set forth in this Offering Plan, or at the office of the Sponsor's attorney, for a period of six (6) years from the date of first closing. The Sponsor shall deliver to the Board of Managers of the Condominium a copy of all documents filed with the appropriate recording office at the time of the first closing of a condominium unit.

REPORT TO UNIT OWNERS

The Board of Managers of the Condominium shall give annually to each and every Unit Owner:

- 1) On or before March 1st of each year a financial statement. During the period the Sponsor is in control of the Board of Managers, there shall be a certified financial statement prepared by a certified public accountant or public accountant.
- 2) Prior notice of the annual Unit Owners meeting, which shall occur in March, and which notice shall be no less than thirty (30) days prior to the scheduled meeting.
- 3) A copy of the proposed annual budget of the Condominium, no less than thirty (30) days prior to the date set for adoption thereof by the Board of Managers. During the time the Board is controlled by the Sponsor, this budget shall be certified by a qualified budget expert.

SPONSOR'S STATEMENT OF BUILDING CONDITION

The Sponsor hereby adopts the DESCRIPTION OF PROPERTY AND SPECIFICATIONS set forth in Part II of this Offering Plan. With reference to such material, a licensed architect or engineer prepared the description of property and building condition contained therein.

The Sponsor represents that it does not know of any defect or need for major repairs except as hereinafter set forth, and that, to the best of the Sponsor's knowledge, the following description accurately states the condition of the building and its equipment (see DESCRIPTION OF PROPERTY AND SPECIFICATIONS in Part II of the Plan).

The Property will be offered in its condition as described in this plan. Neither the Sponsor nor its Principal will have any obligation to make repairs or improvements except to the extent that the building or its systems do not conform to the conditions as described in the Plan. The Sponsor will cure, or cause to be cured, all violations of record against the Property on the closing date, eliminate all known dangerous or hazardous conditions, and comply with all work orders from mortgagees.

PART II

PURCHASE AGREEMENT

120 Marcus Garvey Boulevard, Brooklyn, New York 11206

Purchaser(s) _____

Address _____

Home Telephone _____ Business Telephone _____

Purchaser's S.S.No _____

Purchaser's Attorney _____

Attorney's Address _____

Attorney's Telephone No _____

Broker _____ Telephone No _____

Unit _____ Common Interest _____ % Common Charges \$ _____

Cash Purchase Price \$ _____

Down Payment (herewith) \$ _____

Balance Due on Closing \$ _____

I RECEIVED THE PLAN, AS AMENDED, AT LEAST THREE FULL BUSINESS DAYS, AND HAVE READ BOTH PARTS I AND II OF THE PLAN, BEFORE EXECUTION HEREOF BY ME.

1. OFFERING PLAN READ. As Purchaser, I have received and read the Offering Plan of Condominium Organization (the Plan) with respect to premises located at 120 Marcus Garvey Boulevard, Brooklyn, New York.

The Offering Plan for said premises, including all documents set forth in Part II thereof and any amendments thereto, is incorporated herein by reference with the same effect as if set forth at length. I hereby accept and approve the Plan (and all of said amendments

thereto, if any) and agree to abide and be bound by the terms and conditions thereof. The terms used herein shall have the same meanings as ascribed thereto in the Plan.

2. AGREEMENT TO PURCHASE. I hereby agree to purchase the above Unit and ____ percent of undivided appurtenant interest in the Common Elements of the Condominium in said premises.

3. DOWN PAYMENT AND BALANCE. Submitted herewith is my check to the order of "KENNETH GOLDEN, ESQ. AS ATTORNEY" for the amount of the above stated Down Payment. I agree that after the Plan becomes effective, as therein provided, I will pay the above-stated balance of said Cash Purchase Price on closing. The payment due on closing shall be by certified check or official check drawn on a New York City bank which is a member of the New York City Clearing Housing System. The check shall be delivered to the seller.

The Seller will give me prompt written notice thereof when the Plan either becomes effective or is abandoned, unless same has already been declared effective by a duly filed amendment to the Plan submitted to me.

4. MANNER OF PAYMENT AND BALANCE. Provided that I shall have paid the full Cash Purchase Price for said Unit, as provided herein, and shall not be in default hereunder, I am to receive a Deed for the Unit, at the Closing to this Unit. The date of the commencement of my obligations under such Deed, including the payment of Common Charges, shall be the date on which I acquire title to such Unit. At the time the deed is delivered, I shall execute the Power of Attorney to the Board of Managers of the Condominium in the form contained in the Plan and whatever other documents are reasonably necessary to convey the Unit to me, such as real property transfer tax forms.

5. PAYMENTS HELD IN TRUST AT NAMED BANK. The Seller will hold all monies received by it directly or through its agents, employees or escrow agent, in trust, in compliance with the trust fund provisions of section 352-h and section 352-e(2)b of the General Business Law, until actually employed in connection with the consummation to the Offering Plan. All such monies will be deposited Bank of America, a bank authorized to do business in the State of New York, at its branch located at 9053 Sutphin Blvd., Jamaica, New York 11435. The name of the account is KENNETH GOLDEN, ESQ. NEW YORK IOLA ATTORNEY TRUST ACCOUNTS. The funds so deposited will be released by the escrow agent, an attorney at law, only for the purposes of, and in conformity with the consummation of this Plan, or returned to me as herein provided. I shall be entitled to any interest earned on the sums deposited by me. Unless the escrow account is of an IOLA type, I shall be entitled to any interest earned on the sums deposited by me unless

otherwise agreed to by the parties hereto. However, it is not anticipated that any interest will be earned.

All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account set forth herein. However, Purchaser should note that such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event the Purchaser is entitled to a rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras (except for any unexpended portion of sums deposited for such purpose), provided the Offering Plan is consummated. In the event the plan is abandoned by the Sponsor, all sums deposited with the Sponsor, including those used for upgrades or extras, shall be returned to the Purchaser. See the PROCEDURE TO PURCHASE Section of this Offering Plan for a more complete explanation.

The Escrow Agreement is attached hereto as Exhibit B.

6. THIS PARAGRAPH HAS BEEN INTENTIONALLY OMITTED.

7. THIS AGREEMENT IS CONTINGENT. It is agreed that this Purchase Agreement is contingent upon the Plan being declared effective.

8. ABANDONMENT OF PLAN. The Plan may be abandoned by the Seller at any time prior to its being declared effective, and thereafter only for reasons heretofore set forth in the Plan. The Plan shall be abandoned by amendment duly filed with the Department of Law of the State of New York and upon notice to all prospective purchasers who have signed the Purchase Agreement.

9. REFUND AND LIMITATION ON CLAIMS. If the Plan is abandoned or does not become effective within twelve (12) months from the date of presentation and is not extended, this Agreement shall be deemed canceled and the Plan terminated and I am to receive back, not later than five (5) days thereafter, in full, all monies paid by me hereunder. Upon such payment no party shall have any claim against any other party or person, the Sponsor, the Seller, or the agent, and all parties shall be released from all obligations hereunder and under the Plan.

10. DEFAULT AND LIQUIDATED DAMAGES. I agree that if I shall fail to pay the balance of the Cash Purchase Price when due, as herein provided, or, if I am otherwise in default hereunder as such term is defined herein, the Seller may elect to cancel this Agreement by written notice to me at my residence or at the address stated above, by certified mail, and at the expiration of 30 days after the date of mailing thereof (unless I shall have theretofore paid the balance of the Cash Purchase Price in full) said notice shall be effective and this Agreement shall be deemed canceled and all rights of the parties thereunder shall terminate except that the amount of my Down Payment shall be paid over to the Seller as liquidated damages, such liquidated damages not to exceed 10% of the Cash Purchase Price plus the cost of any special work in the Unit ordered by me, together with any interest earned thereon. However, it is not anticipated that any interest will be earned. TIME IS OF THE ESSENCE TO REMEDY SUCH DEFAULT WITHIN SAID THIRTY (30) DAY PERIOD. The notice of default is hereby deemed a notice to vacate as well if I occupy the Unit under the terms of an Interim Lease. In the event of such cancellation, the Seller shall have the right to sell said Units to another purchaser as though this Agreement had never been made and without accountability to me for the proceeds received on any sale to another.

11. CLOSING DATE AND PLACE. The closing of title shall occur on the date and at the time and place in the City and State of New York as Sponsor shall designate to Purchaser on not less than thirty (30) days' prior written notice. Sponsor shall have the right, from time to time, to adjourn such time and date for closing on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than ten (10) business days-prior written notice of the new scheduled date and time for closing.

The Sponsor anticipates that the first closing of a unit will occur by May 1, 2022. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than April 30, 2023, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for this first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date.

However, if the first unit closing occurs before April 30, 2023, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. **PROSPECTIVE PURCHASERS SHOULD**

THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

In the event that a Purchaser does not close on the Closing Date set forth in the Notice of Closing, the Sponsor elects not to cancel the Purchase Agreement or if the Sponsor approves the Purchaser's request to adjourn the Purchaser's Closing to his Unit, interest shall accrue on the unpaid amount of the purchase price from the Closing Date until such amount is paid. The interest rate shall be ten percent (10%) per annum. This rate shall be in effect for as long as there is any unpaid amount owing towards the full purchase price.

12. APPORTIONMENT OF CHARGES. At the Closing, the parties shall apportion, as of the day preceding the date of actual closing, the Common Charges, real estate taxes and other charges under the By-Laws, utility charges (if any) due to the Condominium and the use and occupancy charge, if any, to the Unit. Assessments will not be apportioned and will be payable by the party who is the owner of the Unit when the same became due and payable. A letter from the Condominium or its Managing Agent as to status of Common Charges, utility or other charges shall be sufficient for purposes of determining the adjustments as herein described.

In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit will inure to the benefit of the Sponsor. Accordingly, on the Closing Date, I will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount financed, if any. The Sponsor will be reimbursed to the extent of any mortgage tax credit allowed.

13. CLOSING COSTS. Purchaser shall be responsible for paying all costs as outlined in the Section of this Offering Plan entitled Closing Costs and Adjustments. Pursuant to the amendment to the New York State Tax Law Section 1404(a) effective July 1, 2021 (the "Amended Tax Law"), the New York State Transfer Tax shall specifically be payable by the Purchaser/grantee pursuant to the terms of the Offering Plan and this Purchase Agreement. The New York City Real Property Tax ("NYCRPTT") shall also be paid by the Purchaser/grantee pursuant to the terms of the Offering Plan and this Purchase Agreement, and the amount of the NYCRPTT shall be deemed additional consideration for the unit purchased, resulting in a "grossed up" sales price for a "tax on a tax" effect.

14. ENTIRE AGREEMENT, OPPORTUNITY TO EXAMINE, NON-ASSIGNABILITY. This Agreement is the entire contract between the parties hereto as set forth herein and in the Plan and as the Plan may be amended from time to time. The only representations

made to me are those contained herein and in the Plan, as may be amended. I have not relied upon any representations, statements, or warranties, written or oral, as to any matter or estimate that is not set forth herein and in the Plan. I have had at least three days to read and review the Offering Plan and all amendments and have had the opportunity to examine all the documents filed as Exhibits, volume A, B and C to the Plan. This Agreement is not assignable by me without prior written consent of the Seller and shall bind and apply to the parties hereto and their personal legal representatives, successors and assigns and may not be amended, changed or discharged orally.

15. CONFLICTS WITH THE PLAN. Conflicts between this Agreement and the Plan shall be resolved in favor of the Plan.

16. CONDITIONS FOR BINDING AGREEMENT. This Agreement shall not be binding on me or on the Seller until a fully executed copy thereof shall have been delivered to me. If this Agreement shall not be accepted within twenty (20) days of the date hereof by the delivery to me of such endorsed and fully signed copy, this Purchase Agreement shall be deemed to be rejected and canceled and my deposit shall be promptly refunded to me.

17. CONDITIONS FOR CLOSING. It is a condition of this closing that:

- (a) There shall be no claims or liens against the Unit at the time of the Closing, except for Permitted Encumbrances as described in the Plan; and
- (b) The Seller has full right and authority to sell and transfer the Units.

18. WHEN TITLE PASSES. I shall acquire no right, title or interest in the aforesaid Unit until (i) the entire Cash Purchase Price has been paid in accordance with the terms hereof, and (ii) I have otherwise performed, observed and complied with the terms and conditions of this Agreement.

At the Closing of Title the Seller shall deliver to me a bargain and sale deed, with covenants against the grantor's acts, conveying the Unit to me such deed to be in the form contained in Part II of the Plan, executed and acknowledged by the Seller in form for recording.

19. IDENTIFICATION OF PURCHASER. I represent that I am a person over 18 years of age. The term "I" shall read as "we" and "purchaser" shall be read as "purchasers" if more than one person are purchasers, in which case our obligations shall be deemed joint and several. I further represent to the Condominium and to all of the persons to who are Unit Owners that I am purchasing the Unit for my own account and that Sponsor will

have no interest, direct or indirect, in the Unit being purchased hereunder.

20. BONA FIDE PURCHASER. I certify that I have agreed in good faith to purchase the above-described Unit with no discriminatory re-purchase Agreement or other discriminatory inducement.

21. AGREEMENT SUBJECT TO MORTGAGES. I agree that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any building loan mortgage or development loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, incidental thereto, or to protect the security thereof, to the full extent hereof without the execution of any further legal documents by me. The subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. Notwithstanding anything to the contrary contained in this paragraph, however, on the Closing Date the only mortgage to which the Unit will be subject will be the mortgage(s) obtained by me.

22 MORTGAGE FINANCING. This Contract will be conditional on Purchaser obtaining such loan in an amount not more than \$ from an institutional lender. Purchaser shall apply for said loan within five (5) business days after receipt of a fully executed copy of this Contract, and shall have forty (40) days from the signing of said Contract to obtain said mortgage commitment. Purchaser agrees to accept any commitment offered by the aforementioned lending institution provided same is in at least the amount set forth above, and the purchaser has reasonably determined he/she can satisfy the conditions set forth therein. In the event Purchaser fails to obtain such commitment within forty (40) days from the date of execution of the Contract, either party may cancel this Purchase Agreement on five (5) business days written notice to the other party, whereupon this Purchase Agreement shall become null and void, and the down payment shall be returned to the Purchaser. Under New York law, when a financing commitment is not fulfilled through no fault of a Purchaser, and the financing commitment lapses or expires prior to closing, and if the Purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused. Sponsor, therefore, must grant to such Purchaser a right of rescission and a reasonable period of time to exercise such right. So long as the Purchaser notifies the Sponsor within five (5) business days of the lending institution's refusal to extend the commitment, the Sponsor shall grant to the Purchaser a right of rescission. **IN THE EVENT THAT SPONSOR'S ATTORNEY DOES NOT RECEIVE**

SUCH NOTICE OF FAILURE TO OBTAIN FINANCING WITHIN FIVE BUSINESS DAYS AFTER EXPIRATION OF THE FORTY-DAY-PERIOD SET FORTH ABOVE (OR ANY EXTENSION THERETO), PURCHASER SHALL BE REQUIRED TO CLOSE WHETHER OR NOT PURCHASER RECEIVES FINANCING.

23. AMENDMENTS. After acceptance of my Purchase Agreement and so long as I am not in default hereunder, there shall be no change in the amount of the Cash Purchase Price, size or layout of the Unit I intend to purchase, without my written consent first being obtained. If there is a material change in the size or quality of common areas, I shall be given written notice thereof by certified mail, return receipt requested, and I shall have fifteen (15) days therefrom to rescind my Purchase Agreement and obtain return of my Down Payment by so notifying the Sponsor or Selling Agent in writing by certified mail, return receipt requested. Notice of an amendment may also be given by overnight delivery service, or fax, and regular mail, and shall be deemed made when received, or when delivery is attempted. Notice of an amendment hereunder may be made by delivering a copy thereof and notice of its acceptance for filing to the attorney for the purchaser rather than directly to the purchaser in the form or manner set forth above.

24. CAPTIONS. The captions used herein are inserted only as a matter of convenience and for reference and in no way define, limit or described the scope of this Purchase Agreement or the intent of any provision hereof.

25. RECORDING OF DEED AND POWER OF ATTORNEY. At the Closing of Title, I will deliver the executed deed received from Seller and an executed and acknowledged power of attorney to the representative of the title company, if any, or to Seller for recording in the Office of the Register of the City of New York, County of Kings, together with any recording and/or filing fees. Such deed and power of attorney will be in the form set forth in the Plan.

26. RISK OF LOSS. Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the purchaser is given the right of possession of that unit pursuant to a written agreement with the Sponsor. The Sponsor will notify a purchaser whether or not it (the Sponsor) will repair any damage resulting from a casualty prior to the closing of a unit within 15 days of said casualty. In the case of an interim lessee, if the Sponsor is not obligated to repair any such damage, the Sponsor will make insurance proceeds available to the interim lessee purchaser, subject to the rights of the condominium Board.

27. SURVIVAL. The Closing of Title to the Unit and the delivery of the deed thereto shall be deemed full compliance by the Seller with each and every term of this Purchase

Agreement, except as to any item specifically listed and excepted therefrom.

28. EXECUTION OF FORMS. It shall be a condition of this contract that I shall execute and deliver to the Sponsor's attorney all forms and papers required by the State of New York and City of New York in connection with the purchase of the Unit including but not limited to the "RPT" form.

29. LAWS. The laws of the State of New York shall govern this transaction.

30. PURCHASER'S REMEDIES. In the event that the Sponsor shall for any reason (except for willful default) be unable to convey and deliver the Unit in accordance with terms of the Purchase Agreement, (except for any failure to perform any obligation imposed by applicable statute or regulation, or a failure to perform Sponsor's obligations under the Offering Plan) the sole remedy of the Purchaser shall be to rescind the Purchase Agreement and be refunded the entire downpayment with interest plus the cost of title searches, if any.

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

Nothing contained in the Purchase Agreement or the Plan shall be construed to waive a Purchaser's right to abrogate Sponsor's obligations under Article 23-A of the GBL.

31. APPLIANCES AND EQUIPMENT. The Unit is being sold unfurnished, without window blinds or shades and will contain only the appliances and equipment described above and in the Plan. Furniture, wall coverings, furnishings, decorations and the like in or about any model Unit are for display purposes only and are not included in this sale. Residential Units will be offered with surface treatments as are specified in the DESCRIPTION OF PROPERTY AND BUILDING CONDITION set forth in the Offering Plan. Purchaser will be responsible for any repainting and touch-ups necessitated from moving in. Any floor plans or sketches shown to Purchaser (including those contained in the Plan) are only approximations of the Units dimensions and arrangement, and Purchaser should not rely thereon. Sponsor shall not be liable for minor variations from any floor plans or sketches.

There will be no modifications or extras unless agreed to in writing by the parties. All modifications and alterations must be approved by Sponsor in writing and, if approved, shall be performed by Sponsor at Purchaser's expenses (payable in the manner to be set forth in addendum to this Agreement or separate agreement).

32. CONSTRUCTION

A. The construction of the building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the architectural "plans and specifications" (defined in the Plan), subject to the right reserved by Sponsor to modify and amend the Plan and the "plans and specifications" in order to substitute materials, equipment or fixtures of equal or better quality and design, provided only the approval of any governmental authorities having jurisdiction thereover and the construction lender are first obtained (if required). The issuance of a Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the "plans and specifications". However, nothing herein contained shall excuse Sponsor from its obligations to correct any defects in construction in accordance with the conditions set forth in the Plan in the section entitled "RIGHTS AND OBLIGATIONS OF THE SPONSOR."

B. The construction of the Building and the Unit and the correction of any defects in construction to the extent required under the Plan are the sole responsibility of the Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and "plans and specifications" as indicated in the Plan in "RIGHTS AND OBLIGATIONS OF THE SPONSOR," and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in said section. Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications. Any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

33. PRE-CLOSING WALK-THROUGH INSPECTION OF UNIT. At least ten (10) days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for a standard pre-closing walk-through inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or his/her duly authorized agent shall attend such walk-through and shall complete, date and sign the Inspection Statement (in the form set forth as Exhibit A to this Agreement) and deliver same to the Selling Agent at the conclusion of the walk-through. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to so sign and deliver the completed inspection Statement, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full

acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in the "RIGHTS AND OBLIGATIONS OF THE SPONSOR."

34. NOTICES. All notices, elections, consents, demands and communications (collectively called "notices" or individually called "notice") shall be delivered personally or given in writing by registered or certified mail, return receipt requested, postage prepaid, and, if sent to Purchaser, addressed to Purchaser at Purchaser's address given in the preamble to this Agreement and, if sent to Sponsor, addressed to the Sponsor's Attorney as indicated in this Plan. Either party may, by written notice to the other, change the address to which notices are to be sent. Unless otherwise provided herein, all notices shall be deemed given when personal delivery is effected or when deposited in any branch station or depository maintained by the U.S. Postal service in the City and State of New York, except that a notice of change of address shall be deemed given when actually received. Notice may also be given by overnight delivery service or e-mail and regular mail, and shall be deemed effective when received or when delivery is attempted. Any notice required to be given hereunder may be given to the attorney of the respective parties.

35. BROKER. Purchaser represents to Sponsor that the Selling Agent is the only broker or sales agent with who Purchaser has dealt in connection with this transaction. Sponsor agrees to pay the commission due the Selling Agent pursuant to separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than Selling Agent, on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. The provisions of this Paragraph 35 shall survive the Closing.

36. ASSIGNMENT AND RECORDATION. This contract may not be assigned or recorded, and any proposed assignment or recordation without express written permission of the Seller shall be deemed a default hereunder entitling Seller to cancel the contract and retain all sums deposited pursuant hereto. Sponsor at Sponsor's option may allow Purchaser to assign a contract; in the event of such assignment Purchaser shall pay an assignment fee of \$1,500.00.

37. NOLIEN. No lien or encumbrances shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder. This Agreement shall not be recorded and any purported recordation hereof by Purchaser shall constitute an Event of Default.

38. INVALIDITY. Invalidity or unenforceability of any portion or portions of this Agreement shall not affect the validity or enforceability of the other portions, which shall all be deemed valid and enforceable to the fullest extent of the law.

39. STRICT COMPLIANCE. Any failure by Sponsor to insist upon strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Sponsor, notwithstanding any failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

40. COUNTERPART AND PDF ACCEPTABLE. This Agreement may be executed in multiple counterparts, each of which shall constitute an original, and all of which when taken together shall constitute one original. Delivery via facsimile or PDF transmission of a counterpart of this Agreement as executed by the parties making such delivery shall constitute good and valid execution and delivery of this Agreement for all purposes.

41. SMOKING POLICY. Pursuant to Local Law 147, the subject premises' smoking policy is as follows: Smoking is prohibited in all indoor and outdoor common areas throughout this building. Unit Owners are only permitted to smoke within their own units. Purchaser acknowledges and agrees to abide by this policy.

DATE: _____, 20____.

Purchaser

Purchaser

APPROVED AND ACCEPTED
VASIK LLC

By: _____
Name:
Title:

ESCROW AGENT:

By: _____

Name: Kenneth Golden

EXHIBIT A
PRE-CLOSING INSPECTION STATEMENT

We/I, the named purchaser/s in a contract for Unit _____ at 120 Marcus Garvey Boulevard, Brooklyn, New York, certify that we/I have this day inspected said unit, and agree to accept same in its present condition, subject to completion or repair of the items set forth on the list attached hereto.

The attached list of repair items is consented to, and we agree to complete same prior to closing.

APPROVED AND ACCEPTED
VASIK LLC

By:

EXHIBIT B
ESCROW AGREEMENT FOR CONTRACT DEPOSIT

AGREEMENT made this _____ day of _____, 20____, by and among _____ ("PURCHASER"), VASIK LLC ("SPONSOR") as Sponsor of the Offering Plan, and KENNETH GOLDEN, ESQ. ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale condominium units at the premises located at 120 Marcus Garvey Boulevard, Brooklyn, New York, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Section 352-e(2-b), 352-(h) and the Attorney General's regulations promulgated thereunder; and,

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 ESCROW AGENT has established an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of Unit(s) _____ at premises 120 Marcus Garvey Boulevard, Brooklyn, New York at Bank of America, a bank authorized to do business in the State of New York, at its branch located at 9053 Sutphin Boulevard, Jamaica, New York 11435. The name of the account is KENNETH GOLDEN, ESQ. NEW YORK IOLA ATTORNEY TRUST ACCOUNTS.

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: KENNETH GOLDEN, ESQ. All designated signatories are admitted to practice law in the State of New York. All of the signatories on the Escrow Account have an address of 148-55 Hillside Avenue, Jamaica, New York 11435, and a telephone number of (718) 739-2000.

1.3 ESCROW AGENT and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4 Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5 The escrow account is an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments that identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of KENNETH GOLDEN, ESQ. AS ATTORNEY, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby and which cannot be deposited into such Escrow Account shall be returned to PURCHASER promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall not be deemed to have been delivered to Escrow Agent pursuant to the terms of this Agreement.

2.2 ESCROW AGENT is hereby obligated to send a notice of all Deposits received by ESCROW AGENT to PURCHASER within ten (10) business days of receipt of same. Such notice shall set forth the Bank, the account number, and initial interest rate, if any, earned thereon. If the PURCHASER does not receive notification of such deposit within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, NY 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with these regulations and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-e(2-b) and 352-h.

3.2. ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

3.2.1 pursuant to terms and conditions set forth in the Purchase Agreement and this Agreement upon closing of title to the unit;

3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER;
or

3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If ESCROW AGENT is not directed to release the Deposit pursuant to paragraph 3.2 above, and ESCROW AGENT receives a request by either SPONSOR or PURCHASER to release the Deposit, then ESCROW AGENT must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If ESCROW AGENT has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and ESCROW AGENT shall provide further written notice to both PURCHASER and SPONSOR informing them of said release. If ESCROW AGENT receives a written notice from either PURCHASER or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, ESCROW AGENT shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, ESCROW AGENT shall have the right at any time to deposit the Deposit contained in the Escrow Account with the Clerk of the county where the unit is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

3.4 SPONSOR shall not object to the release of the Deposit to:

3.4.1 PURCHASER, if PURCHASER timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 PURCHASER after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven (7) years after release of the Deposit.

4.2 Upon the 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 New York State Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the ESCROW ACCOUNT under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and PURCHASER, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL§§ 352(e)(2-b) and 352(h).

5.3 ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the unit to a designated attorney who is a member of or employed by ESCROW AGENT, within two (2) business days of tender of the Deposit by PURCHASER, using such transmittal forms as required by ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

6.3 SPONSOR shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from PURCHASER and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. PURCHASER shall be deemed to have consented to such cancellation;

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to PURCHASER of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW

AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

8.1 This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

10.1 Prior to release of the Deposit, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

12.1 SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without

limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ENTIRE AGREEMENT.

13.1 This Agreement, read together with GBL §§ 352-e(2-b) and 352-(h) and the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:
KENNETH GOLDEN, ESQ.

By: _____
Name: Kenneth Golden
Title: Escrow Agent

SPONSOR:
VASIK LLC

By: _____
Name:
Title: Principal of the Sponsor

PURCHASER:

By: _____
Name:

UNIT DEED

THIS INDENTURE made the _____ day of _____, 20____, between VASIK LLC, 7 Marcus Drive, Monsey, New York 10952 (hereinafter "Grantor"), and
_____, (hereinafter "Grantee");

WITNESSETH:

That the Grantor, in consideration of Ten (\$10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Unit described in the attached Schedule A.

TOGETHER with any strips or gores adjoining the above described premises on any of the sides thereof;

TOGETHER with an undivided _____ percent interest in the Common Elements of the Property described in said Declaration (hereinafter called the "Common Elements");

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements now existing as a result of construction of the Buildings, or which may come into existence hereafter as a result of settling of the Buildings, or as a result of repair or restoration of the Buildings, or the Unit, after damage by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Buildings shall stand;

TOGETHER with an easement in common with the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the Property, and serving the Units;

TOGETHER with the appurtenances and all the estate and rights of the Grantor in, and to, the Unit;

TOGETHER with and subject to all easements of necessity in favor of the Unit, or in favor of other Units, or the Common Elements;

SUBJECT to easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, now existing as a result of construction of the Buildings, or as a result of repair or restoration of the Buildings, or any adjoining Unit, or of the Common Elements, after damage, condemnation, or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by, or with the consent of, the Board of Managers so that any such encroachments may remain so long as the Buildings shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units.

TOGETHER with and subject to easements, rights of way, restrictions and encumbrances created by the Declaration for THE 120 MARCUS GARVEY CONDOMINIUM recorded in the Office of the City Register of the City of New York on the day of , 20 , at CRFN .

SUBJECT to the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Office of the City Register of the City of New York, which provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having time, any interest, or estate in the Unit, as though such provisions were recited and stipulated at length herein;

AND the Grantor covenants that the Grantor has not done or suffered anything whereby the said premises have been encumbered in any way whatsoever, except as aforesaid;

TO HAVE AND TO HOLD the same unto the Grantee, and the heirs or successors and assigns of the Grantee, forever.

The use for which the Unit is intended is that of a residence and/or professional office as permitted by the By-Laws and the Declaration.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws

are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Condominium Act shall control.

The Grantor, in compliance with Section 13 of the Lien Law, covenants that the Grantor will receive the consideration for this conveyance, and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvements, and will apply the same first to the payment of the cost of the improvements before using any part of the same for any other purpose.

IN WITNESS WHEREOF, the Grantor has duly executed this Deed the day and year first above written.

VASIK LLC

By:

Name:

Title:

STATE OF NEW YORK)
COUNTY OF) SS.:

On the day of , 20 , before me, the undersigned personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

NOTARY PUBLIC

POWER OF ATTORNEY

THE UNDERSIGNED, the Owner of Unit No. _____ in the Condominium known as THE 120 MARCUS GARVEY CONDOMINIUM, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration recorded the _____ day of _____, 20____, in the Office of the City Register of the City of New York at CRFN _____ in the floor plan of file as Map No. _____, do hereby nominate, constitute, and appoint persons who may from time to time constitute the Board of Managers of THE 120 MARCUS GARVEY CONDOMINIUM jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate, or otherwise, on behalf of all Owners of Units whose Owner in said Property, in accordance with their Common Interests, any Unit whose Owner desired to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners in all other assets of the Condominium as defined in the aforementioned Declaration, or any Unit, which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, and on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do, if the undersigned were personally present. In more particular delineation of, but not in derogation or limitation of, the power set forth above, the Board of Managers, notwithstanding bankruptcy of any Unit Owner, specifically has the power to do any act or thing, and execute any document necessary to effectuate the purposes set forth in the Declaration referenced above including, but not limited to, Amendment of said Declaration, execution of the Deed conveying condominium property, filing for a severance of tax lots, and any other document or thing reasonable or necessary to effectuate the aforementioned purposes.

The acts of majority of such persons shall constitute the acts of said attorneys-in-fact.

The Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned, has executed this Power of Attorney this _____ day of _____, 20____.

STATE OF NEW YORK)
COUNTY OF _____) SS.:

On the _____ day of _____, 20____, before me, the undersigned personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

NOTARY PUBLIC

SAMPLE INTERIM LEASE

AGREEMENT made this day of , 20__ between VASIK LLC,
(hereafter SPONSOR) and , (hereinafter PURCHASER);

WITNESSETH:

WHEREAS, SPONSOR is the Sponsor of a condominium conversion of premises located at 120 Marcus Garvey Boulevard, Brooklyn, New York; and,

WHEREAS, PURCHASER has executed a Purchase Agreement for Unit _____ at said premises; and,

WHEREAS, PURCHASER wishes to occupy said apartment prior to the closing of the transaction;

NOW, THEREFORE, in conformity with the terms and conditions of the Offering Plan filed with the Attorney General of the State of New York, the parties agree as follows:

- 1) Commencing on _____, and terminating as hereinafter specified, PURCHASER shall have the right to use and occupy the aforementioned apartment.
- 2) PURCHASER shall pay a fee for use and occupancy of the apartment of \$_____ per month. It is understood that this use and occupancy fee is not rent, and that no landlord-tenant relationship has been created between the parties, and that this agreement is not governed or subject to any rent regulatory laws.
- 3) The use and occupancy fee for the month in which closing occurs shall be adjusted at closing. No portion of the use and occupancy fee will be applied to the purchase price of the apartment.
- 4) The terms of the Offering Plan, and all related documents in effect as of the date hereof are incorporated in and made a part of this agreement.
- 5) As of the date of this Agreement, risk of loss to the apartment and its contents by fire or other hazard shall be determined pursuant to the terms of the Offering Plan.

- 6) PURCHASER shall pay all utility costs and make any repairs to the apartment for which s/he would be obligated as owner. SPONSOR will not be responsible for ordinary wear and tear to the apartment during the PURCHASER'S occupancy.
- 7) PURCHASER may not make any alterations to the apartment without SPONSOR'S written consent.
- 8) This lease will terminate on the happening of the earliest of the following:
- a) Closing;
 - b) Rescission of the Purchase Agreement by PURCHASER;
 - c) Default by PURCHASER.
- 9) Upon a default by PURCHASER of the Purchase Agreement that is not cured within 15 days after notice thereof, or rescission by PURCHASER, PURCHASER'S right to occupy the apartment will terminate, and PURCHASER must vacate the apartment within thirty (30) days after mailing of Notice to Vacate by the SPONSOR. Such notice must be by certified mail, return receipt requested, to the apartment. PURCHASER agrees to pay SPONSOR \$_____ per day for each day s/he remains in possession beyond the 30th day following mailing of the Notice to Vacate in conformity with this section. SPONSOR is hereby irrevocably authorized to deduct said per diem sum directly from any amounts being held as a security deposit hereunder. Nothing contained herein shall be construed so as to limit SPONSOR's ability to have PURCHASER evicted from the premises and to pursue any other legal remedy available to SPONSOR; nor shall anything herein be construed as a waiver by the SPONSOR of his right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement.
- 10) Any default under this agreement will be a default under the Purchase Agreement, and any default under the Purchase Agreement will be a default under this agreement. Any such default will terminate PURCHASER'S right to use and occupancy, and will also terminate PURCHASER'S right to purchase the apartment, and may result in loss of the down payment.

11) This agreement may not be assigned, and may not be changed, except by signed, written instrument. This agreement is the entire agreement between the parties as regards use and occupancy of the apartment pending closing.

12) If any term of this agreement differs from the Offering Plan as accepted for filing by the Attorney General of the State of New York, the offering plan shall be controlling.

13) Pursuant to Local Law 147, the subject premises' smoking policy is as follows: Smoking is prohibited in all indoor and outdoor common areas throughout this building. Unit owners are only permitted to smoke within their own units. Purchaser acknowledges and agrees to abide by this policy.

IN WITNESS WHEREOF, the parties hereunto set their hands this
day of _____, 20____.

SPONSOR
VASIK LLC

PURCHASER

TAX ESCROW AGREEMENT

AGREEMENT made this 19th day of October, 2021, by and between VASIK LLC (hereinafter "Sponsor"), and THE BOARD OF MANAGERS OF THE 120 MARCUS GARVEY CONDOMINIUM (hereinafter "The Board");

WITNESSETH:

WHEREAS, Sponsors are the Sponsors of the Offering Plan for the conversion to condominium ownership of the land and building located at 120 Marcus Garvey Boulevard, Brooklyn, New York; and,

WHEREAS, The Board is The Board of Managers charged with governing the operation of said condominium; and,

WHEREAS, the individual condominium units located at the aforementioned property have not been separately assessed for real estate tax purposes prior to the closing of the first unit located thereat; and,

WHEREAS, pursuant to the terms of the Offering Plan for said condominium conversion Sponsor desires to secure their obligation to pay real estate taxes for the unsold units;

NOW, THEREFORE, the parties agree as follows:

1. On the first closing of a unit at the premises, Sponsor will deposit in escrow with The Board in a special segregated escrow account to be maintained by The Board in The Board's own name, an amount equal to real estate taxes attributable to the unsold units for the six month period immediately following such closing.

2. The Board is irrevocably authorized to pay such real estate taxes as are assessed against the premises from the escrow account when such taxes are due and payable.

3. The funder of the escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment.

4. Upon each subsequent closing of the units, the Sponsor may collect the estimated amount of taxes attributable to such unit for the balance of the six month period from the purchaser thereof.

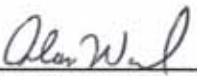
5. If the escrow was kept in an interestbearing account, the interest earned thereon belongs to the Sponsor.

6. The escrow account shall be maintained in accord with all laws, rules, and regulations of the State of New York, specifically including, but not limited to, the General Business Law, and shall be deemed held for the benefit of the condominium.

IN WITNESS WHEREOF, the parties set their hands the date above first written.

VASIK LLC

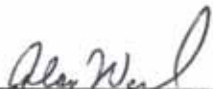
By:



ALAN WAINTRAUB

THE BOARD OF MANAGERS OF THE
120 MARCUS GARVEY CONDOMINIUM

By:



ALAN WAINTRAUB

DEMERARA ENGINEERING, PLLC
37-24 24TH STREET, SUITE 231
LONG ISLAND CITY, NEW YORK 11101
1212.383.4897

ENGINEER'S DESCRIPTION OF PROPERTY

Premises known as
120 Marcus Garvey Boulevard
Brooklyn, New York 11206

Date: June 30, 2022



a) Location and use of property:

(1) Address:

120 Marcus Garvey Boulevard Brooklyn, NY 11206

(2) Block and lot number:

Tax Block: 1769

Tax Lot: 44

(3) Zoning:

The site is located in a R6A, which is a general residence district, in a C2-4 commercial overlay. The current zoning is R6A, which is a general residence district.

Zoning Exhibits I and III are requested with every DOB filing for New Buildings and Alterations. In the Exhibits, the Building Department Applicant and owner of Lot makes a statement of ownership of the Zoning Lot as well as the physical Lot and its description. CRFN number 2018000347709 2018000347710 of the recorded Exhibits are to be noted on the Certificate of Occupancy, pursuant to the zoning resolution of the City of New York effective as of December 15, 1961, and as subsequently amended.

This building is a Quality Housing project and meets the following program criteria.

REQUIRED/PERMITTED	PROPOSED
Windows shall be double glazed	Complies
Refuse disposal	Not required for 9 dwelling units or less
Fifty percent of the square footage of a corridor may be excluded from the definition of floor area if a window with a clear, non-tinted, glazed area of at least 20 square feet is provided in such corridor	Inapplicable. Daylight in corridors not provided.
Density in Corridors Fifty percent of the square footage of a corridor serving dwelling unit on such story may be excluded from the definition of floor area if less than # number of dwelling unit server by corridor per story as per ZR28-31	Inapplicable
Common Laundry room may be excluded from floor area	Inapplicable. No common laundry room provided.
Recreation Space	Not required for 9 dwelling units or less

(4) Permissible use.

The New York City Zoning Resolution permits Use Group 2 Residential Use and Use Group 6C Commercial (Retail) Use as a matter of right. This property and proposed use will comply with all zoning and use requirements at closing.

(b) Status of construction:

The Commercial Unit is Handicapped accessible. The Residential Units are not Handicapped accessible.

(1) Year built:

The building was originally built prior to year 1938. This building is currently under reconstruction. Construction began in April 2019. The existing foundation and certain existing exterior walls remain. The existing foundation and exterior walls are in good condition. The entire interior of the building, with exceptions to the common staircase, shall be new. The common staircase is in good condition. Construction has been completed as of May 2021.

(2) Class of construction:

This building will comply with 1968 NYC Construction Code for Construction Class IIB. Construction Class IIB includes buildings and spaces in which the exterior walls, fire walls, exit ways, and shaft enclosures are of noncombustible materials having the required fire-resistance ratings; and in which the floors, roofs, and interior framings are wholly or partly of wood, or are of other combustible or noncombustible materials, having the required fire-resistance ratings.

(3) Certificate of Occupancy, type and number:

There is a permanent Certificate of Occupancy # 3049219 dated 09/10/2021.

(4) Alteration permit numbers and description of work done:

Construction is permitted under an Alteration Building Permit, application number # 321918644 filed on 01/23/2019 to reconstruct the existing 3 story + cellar building and add an horizontal extension at the rear left hand side of the building as shown on the floor plans,

(c) Site:

(1) Size:

The lot is 16.50 X 80' and has a lot area of 1320 s.f.

(2) Number of buildings and use:

There shall be one building on the site. There shall be a total of 1 commercial unit +2 dwelling units.

(3) Streets owned or maintained by the project:

There are no streets owned or maintained by the project. The streets are owned by the NYC.

(4) Drives, sidewalks and ramps:

(i) Paving:

The public driveways adjacent to the property are asphalt.

(ii) Curbing:

The public sidewalks and curbing are concrete.

(iii) Catch basins, drainage:

There are no catch basins inside the property.

(iv) Street lighting:

Street lighting is provided by the City of New York and is adequate for all safety public needs.

(v) The aforementioned items are in conformity with local fire district, town or municipal building codes.

(d) Utilities:

Water and Sewer

Water supply and combined sewer servicing the building will be provided by the City of New York and shall be paid by the condominium unit owners as part of the common charges. There shall be one water meter for water and sewer serving the entire building. The connector from the building to the street shall be a 1.5" copper pipe.

Gas

Gas service is provided by National Grid. There shall be individual meters for gas consumption serving each apartment. Gas utilized for cooking and dryer within the units shall be billed directly to the condominium unit owner. The connector from the building to the street shall be a 1.5" steel pipe.

Electricity

Electricity is provided by Consolidated Edison. There shall be individual meters for electric consumption serving each apartment. Electricity utilized within the units shall be billed directly to the condominium unit owner. There shall be a separate meter for electricity utilized for the common elements and the charge shall be paid by the condominium unit owners as part of the common charges. The connector from the building to the street shall be a 2" galvanized steel pipe.

Telephone

Telephone service is provided on an individual basis to each unit by local providers. Each condominium unit owner will be billed directly by provider.

Cable Service and TV

A cable service provider will provide TV and internet service to the building. Each condominium unit owner will be billed directly by provider.

(e) Sub-soil conditions:

- (1) No uneven foundation movement or settling has occurred.
- (2) There is no evidence of moisture or seepage or ground water infiltration.
- (3) There is no danger from flooding either due the water table in the area or due to the overflow of other bodies of water. The project is not designated as a flood zone by any local, state or federal agency. The property has not flooded in the past 10 years.
- (4) There is no land subsidence, expansive soils, hazardous materials or environmental restrictions on the property.

(4) The soil down to 14' below grade level is classified as class 3B which has a bearing capacity of 2-4 Tons. The soil down to 30' below grade level is classified as class 3A which has a bearing capacity of 3-6 Tons.

(f) Landscaping and enclosures:

(1) Grass cover:

There shall be no grass covers.

(2) Plantings:

There shall be no plantings at the premises.

(3) Trees:

There shall be no street trees at the premises.

(4) Fencing:

There shall be a 6' high, finished wood fence enclosing the rear yard.

(5) Gates:

There shall be no gates at the premises.

(6) Garden walls:

There shall be no garden walls at the premises.

(7) Retaining walls:

There is a retaining wall enclosing the exterior front stairs at the cellar. Retaining walls is new, 1' concrete finished with EIFS on the exposed sides.

(8) Display pools and fountains:

There shall be no display pools and fountains at the premises.

(g) Building size:

(1) Total height:

The building shall have an approximate height of 38'-6" measured from the adjoining grade to the top of the roof parapet.

(2) Crawl spaces:

There shall be no crawl spaces.

(3) Number of sub-cellars and cellars:

There shall be one cellar to the building.

(4) Number of floors:

The building shall be comprised of 3 stories.

(5) Equipment rooms:

There shall be an electric room and gas room at the cellar.

(6) Parapet:

The parapet shall be 3'-6" in height.

(h) Structural system:

(1) Exterior of buildings:

New foundation shall be 12" reinforced concrete on 18" X 12" reinforced concrete footing, 3,500 PSI minimum. There is no underpinning. There shall be no subgrade drainage system. Foundation walls and floor slab have a vapor barrier for moisture and ground infiltration protection. The existing foundation is concrete and is in good condition.

(i) Walls:

- The existing walls are 2 layers of brick, 4" foam spray insulation (R14), steel framing and 1 layer 5/8" gypsum board. The existing walls are in good condition.
- There shall be new walls at the rear of the west side of the building at the 1st thru 3rd floors. The side walls shall be 8" CMU, 2.5" continuous insulation (R12) extruded polystyrene, 4" 20 gauge galvanized steel studs spaces max 24" o. c. , 1 layer 5/8" gypsum board.
- There shall be new walls at the rear of the 1st thru 3rd floors. The rear wall shall be EIFS, 1.5" continuous insulation (R7.5) extruded polystyrene, weather resistant barrier, 1 layers 5/8" thick gypsum board, R19 fiberglass BATT insulation between 6" 20 gauge galvanized steel studs spaced max 24" o.c., 1 layers of 5/8" gypsum wall board.
- All exterior walls are 2-hour fire rated.
- Sound insulation between interior walls is inapplicable since there is only one unit per floor.
- Local Law 11 of 1998 is inapplicable.

(ii) Floors

- All floors are new.
- Cellar floor shall be 4" reinforced concrete over rigid foam boards (R-12) and compacted gravel and stone.
- The basement thru 3rd floors shall be rigid foam boards (R-12 continuous insulation), 3/4" thick concrete panels, 8" c-joists with BATT Insulation (R-19) between furring channels 1/2 " deep, 2 layers of 5/8" gypsum board.

(iii) Windows:

Window shall be manufactured by Pella. Windows shall be casement. Glass shall be double glazed. Windows shall have thermal break U Factor 0.28, SHGC 0.27. Frames and hardware shall be aluminum. There shall be no sills or lintels. Window guards and screens shall not be provided.

Light and air is provided in each unit in compliance with all applicable codes.

A minimum of 10% of a habitable room area is for light.

A minimum of 5% of a habitable room is for air.

There shall be no lot line windows.

Windows shall have a 1-year manufacturer warranty.

(iv) Landmark status:

This building does not have Landmark status.

(2) Parapets and copings:

Parapets shall be 6" 20 gauge galvanized steel studs spaced max 24" o.c. with 2 layers of 5/8" gypsum wall board finished with EIFS on both the interior and exterior sides. Coping shall be metal. The 2nd floor terrace shall be enclosed by parapet

walls. There shall be a 42" high painted iron railing enclosing the roof and bulkhead roof.

(3) Chimneys and caps:

There shall be no chimney. All areas requiring ventilation shall be direct vented. There shall be a 4" steel flue serving the residential HVAC system.

(4) Balconies:

There shall be no balconies.

(5) Exterior entrances:

(i) Exterior doors and frames:

There shall be one main entrance serving the residential units. Unit 1 shall have their own private entrance. Entry doors shall be storefront style, swinging type, double glazed with thermal break, with aluminum frame. Main residential entry door shall be self-closing and shall be equipped with a self-locking device. Unit 1's entry door shall have a keyed lock.

(ii) Vestibule doors and frames:

None.

(iii) Exterior stairs:

None

(iv) Railings:

None.

(v) Mail boxes:

Mailboxes shall be U.S. Postal Service approved located inside the building.

(vi) Lighting:

Lighting shall be LED and shall be adequate.

(6) Service entrances:

There is a service entrance leading from grade level down to the cellar utility rooms.

(i) Doors and frames

The door to the hatch shall be an iron swinging door with standard lockset. The door to the cellar shall be a iron swinging door with standard lockset.

(ii) Gates:

There shall be no gates.

(i) Exterior stairs:

Stairs shall be concrete.

(iv) Railings:

Stair handrail shall be iron.

(7) Roof and roof structures:

(i) Type of roofs for all areas:

The roof of the building shall be a flat type roof. The roof manufacturer shall be Firestone.

(a) Material:

The 2nd floor roof terrace, roof and roof bulkhead shall be 2 layers of rubber roofing over dragon boards (magnesium oxide panels).

(b) Insulation:

The roof insulation shall be 5" ISO Insulation and shall have an R-30 Value.

(c) Surface finish:

The terraces and roofs shall not be finished for walking by the Sponsor. The surface finish for the private terrace shall be the sole responsibility of the purchasers.

(d) Bond or guarantee:

There shall be a 10-year manufacturer's warranty on material and a 3-year manufacturer warranty on labor. The warranty period shall begin on the date of installation.

(e) Flashing materials including counter flashing:

The roof flashing and counter flashing shall be aluminum.

(ii) Drains:

(a) Location, material and type:

There shall be 1, 4" diameter cast iron primary roof drain. There shall be 1, 4" diameter, cast iron secondary overflow roof drain.

(b) Gutters and leaders:

There shall be aluminum gutters and leaders serving the 2nd floor terrace and roof bulkhead.

(iii) Skylights:

There shall be two (2) venting curb-mounted skylights serving Unit 3. Skylights shall be at the roof. Skylights shall be 3'-8" x 3'-9" in size. Skylight shall be of double paned, tempered, LowE3 glass with thermal break-.53 U-Factor, with wire mesh over and under. Frame shall be aluminum. Skylight shall be manufactured by Velux, model # VCM 3434 with a 1-year warranty.

(iv) Bulkheads:

(a) Stairs:

Bulkhead shall be EIFS, 1.5" continuous insulation (R7.5) extruded polystyrene, weather resistant barrier, 3.5" 20 gauge galvanized steel studs spaced max 24" o.c., 2 layers of densglass sheathing.

(b) Elevator:

None.

(c) Other:

There shall be 2 fixed iron, access ladders, one leading from the roof to the 2nd floor terrace as 2nd means of egress and another leading from the roof to the bulkhead.

(v) Metal work at roof levels:

- Metal work at roof shall include the condensers, drains and vents.
- There shall be a 42" high painted iron railing enclosing the roof and bulkhead roof and enclosing the skylights at the roof.

(vi) Rooftop facilities:

The rooftop shall be allocated as a limited common element to Unit 3. Said limited common elements shall be shown on the Certificate of Occupancy as an accessory to residential space in compliance with the Building Bulletin.

There shall be no rooftop antennae, cell phone towers, satellite dishes, lightening protection equipment, etc.

Rooftop access is designed in compliance with 2014 NYC Fire code, Section FC 504.4

(8) Fire escapes:

None. There shall be a fixed iron ladder leading from roof to 2nd floor terrace as 2nd means of egress.

(9) Yard and courts:

There shall be a rear yard. It shall be allocated as a limited common element to Unit 1.

(i) Paving:

The rear yard shall be earth.

(ii) Drainage:

The concrete portion shall be pitched to drain the water away from the building. The grass cover portion shall absorb the storm drain.

(iii) Stairs:

There shall be a 2" concrete riser leading to the rear yard.

(iv) Railings:

None.

(v) Fencing:

There shall be a 6' high, finished wood fence enclosing the rear yard.

(v) Retaining walls:

None.

(10) Interior stair:

(i) Number of stairs of each type:

There shall be one common staircase serving the 1st through 3rd floors. Common stairs are existing and are in good condition. Egress stairs shall be in compliance with all applicable codes.

ii) Enclosure:

The stairs shall be partially enclosed by building walls and partially enclosed by partitioning walls composed of metal frame with 4" foam-spray insulation (R14) with 2 layers of 5/8" thick gypsum board on each side. Enclosure shall be 2-hour fire-rated.

(iii) Stair construction:

The stairs shall be constructed of iron with wood treads.

(iv) Stringers:

The stringers shall be iron.

(v) Treads:

The treads shall be wood.

(vi) Risers:

The risers shall be iron.

(vii) Guard rails:

None.

(viii) Balustrade:

The handrails shall be iron.

Unit Stairs

➤ **Interior stairs within Unit 1:**

Stairs within Unit 1 are existing and in good condition. Stairs lead to and from cellar/1st floor.

ii) Enclosure:

The enclosure shall metal frame with 4" foam-spray insulation (R14) with 2 layers of 5/8" thick gypsum board on each sides side. Enclosure shall be 2-hour fire-rated.

(iii) Stair construction:

The stairs shall be constructed of iron and with wood treads.

(iv) Stringers:

The stringers shall be iron.

(v) Treads:

The treads shall be wood.

(vi) Risers:

The risers shall be iron.

(vii) Guard rails:

None.

(viii) Balustrade:

The handrails shall be iron.

➤ **Interior stairs within Unit 2:**

Unit 2 is a flat unit located at the 2nd floor only and does not include any private stairs.

➤ **Interior stairs within Unit 3:**

Stairs within Unit 3 are new.

Stairs within Unit 3 leading to the roof (convenience stairs) include winder stairs. Said stairs are not required egress stairs and are therefore compliant with all applicable codes.

Nevertheless, this fact shall be disclosed as a Special Risk in the Offering Plan, since, as designed, the narrow side of the treads converges to a point. This creates a hazardous condition that might result in falls.

(ii) Enclosure:

The enclosure shall metal frame with 4" foam-spray insulation (R14) with 2 layers of 5/8" thick gypsum board on each sides side. Enclosure shall be 2-hour fire-rated.

(iii) Stair construction:

The stairs shall be constructed of wood.

(iv) Stringers:

The stringers shall be wood.

(v) Treads:

The treads shall be wood.

(vi) Risers:

The risers shall be wood.

(vii) Guard rails:

None.

(viii) Balustrade:

The handrails shall be wood.

(11) Interior doors and frames:

(i) Unit entrance and interior doors and frames:

Apartment entry doors and frames shall be 1.5-hour fire rated, self-closing, aluminum with keyed lock. Interior doors and frames in the apartments shall be combustible, solid wood with passage, privacy and dummy locks, as appropriate.

(ii) Corridor doors and frames:

None.

(iii) Stair hall doors and frames:

None.

(iv) Cellar doors and frames:

Cellar and roof doors and frames shall be 1.5-hour fire-rated, self-closing, steel, swinging type doors.

(12) Elevators:

There shall be no elevator.

(i) Auxiliary facilities:

(1) Laundry rooms:

(i) Location and number of rooms:

The residential Units shall have a laundry closet.

(ii) Clothes washers and dryers, number and type:

Sponsor will provide hookups for a standard, stackable gas washer/dryer. The actual washer/dryer shall be the sole responsibility of the purchaser.

(iii) Room ventilation:

Not applicable.

(iv) Dryer ventilation:

Dryers shall have an exhaust vent which terminates to the outside.

(2) Refuse disposal:

(i) Incinerator(s):

There shall be no incinerators.

(ii) Compactor(s):

There shall be no compactors.

(iii) Approvals by authority having jurisdiction:

Not applicable.

(iv) Initial storage location:

There shall be trash cans at the building frontage for initial storage location.

(v) Pick-up schedule, and whether public or private provider:

Refuse will be the responsibility of the condominium unit owners. Refuse will be brought by the occupants to the front of the building. Refuse shall be picked up on Tuesdays, Thursdays and Saturdays, recycling shall be picked up on Thursdays, by the NYC Sanitation Department, a public provider.

(j) Plumbing and drainage:

(1) Water supply.

The building is provided with a metered domestic 3" combined water service connected to the City of New York Water Distribution System. Service shall copper. Hot and cold water piping shall be properly insulated with as in compliance with code. Main shut off valve shall be located at the cellar.

(2) Fire protection system:

This building will be fully sprinklered. A wet sprinkler system shall be installed.

(i) Standpipes:

None.

(ii) Hose racks, hoses and nozzles:

None.

(iii) Sprinkler heads:

There will be sprinklers installed in the apartments in living rooms, bedrooms, kitchens, hallways, and miscellaneous other spaces, in accordance with NYC Building Code.

Sprinkler heads will be of upright, pendant, concealed, or sidewall types, depending on the locations and installation conditions equipped with a fusible link set to go off at a temperature of 160 degrees Fahrenheit.

(iv) Siamese connection:

There shall be a Siamese connection at the building frontage.

(3) Water storage tank(s) and enclosures:

There shall be no water storage tanks.

(4) Water pressure and how maintained:

This building relies on normal NYC water pressure for raising the water to all floors. There shall be no pumps.

(5) Sanitary sewage system:

Sanitary sewage system is a gravity system, connected to a street sewer main.

(i) Sewage piping:

The service is a combination, new, 6" diameter, cast iron pipe for Sanitary Sewage and Storm Drainage.

(ii) Sewage pumps:

There shall be no sewage pumps.

(iii) Sewage disposal:

The sewage system carries sewage from each unit.

(6) Permit(s) required:

The Plumbing Permit shall be obtained through the course of work.

(7) Storm drainage system:

The sewage system carries both storm water and sewage from each unit. The storm water run-off from the roofs shall be collected into the drains which drain into the combined sanitary and storm drainage system.

(i) Catch basins:

There shall be no catch basins inside the property.

(ii) Yard and roof drains:

There shall be no yard drains.

There shall be 1 drain at the 2nd floor terrace and 2 drains at the roof.

(iii) Piping:

The service is a combination, new, 6" diameter, cast iron pipe for Sanitary Sewage and Storm Drainage.

(iv) Eject or sump pumps:

There shall be a sump pump for the cellar by Submersible Pre-Plumbed Sewage Basin System, model # THD1075, ½ HP.

(k) Hot water:

Each unit shall be provided with an electric hot water heater. The hot water heaters shall be manufactured by GE, model # GE40M06AAG with a capacity of 40 gallons, and an energy efficiency rating of 0.92, which is adequate for the projected usage within the units. There shall be a limited 6-year warranty on tank and parts and a 2 year warranty on labor. The hot water distribution system shall be insulated with 1.5" fiberglass insulation. Insulation is in compliance with all applicable codes.

(l) Gas supply:

(1) Type:

The gas supplied is natural gas.

(2) Meters:

There are separate meters for each unit.

(3) Piping:

Piping is new 1 1/2" black iron pipe.

(m) Air conditioning and heating:

The cooling systems adequacy is to maintain a 72 degree temperature when the heat temperature outside is 93 degree.

The heating system's adequacy is to maintain a temperature of 68 degrees from 6 a.m. to 10 p.m. and 55 degrees from 10 p.m. to 6 a.m.

Air conditioning and heating for the commercial unit shall be accomplished via a split system by Daikin. System shall be ducted. Ducts shall be pre-insulated. Condensers shall be series # RZTQ, cooling capacity of 36,000 to 45, 000 MBH, heating capacity of 40,000 to 49,000 MBH, 18 SEER. Condenser shall be located in the yard.

Air handlers shall be series # FXSQ, with a cooling capacity 7,500 MBH and heating capacity of 8,500 MBH. Air handler shall be floor standing type.

System shall have a 1-year manufacturer warranty.

Air conditioning and heating for the residential unit shall be accomplished via an HVAC system. System shall be ducted. Ducts shall be pre-insulated.

Each Unit shall have one (1) condenser by Goodman, model # VSX130481AD, 4 Tons, with an EER of 11. Condenser serving Unit 2 and 3 shall sit on steel brackets attached to the roof parapet walls to prevent equipment vibration and noise from reverberating in the apartments below.

Each Unit shall have one (1) furnace by Goodman, model # CAFF48060C6D6, 4 Tons. Furnace shall be floor standing type.

System shall have a 1-year manufacturer warranty.

There shall be one, 2-day programable thermostats by Honeywell provided for each Unit.

Exterior metals, including structures, bracing, and attachments, are corrosion resistant.

(n) Ventilation:

The interior bathrooms and kitchens shall be properly ventilated by exhaust fans through vent ducts. Exhausts shall be manufactured by Braun. Kitchen exhaust shall produce 150 CFM. Bathroom exhaust shall produce 50 CFM. Exhaust equipment shall be NYC MEA or BSA approved. The noise emission rating for the mechanical equipment shall typically be 3 sones or less. The accessory space at the cellar shall be ventilated via the HVAC system. Dryers shall have an exhaust vent which terminates to the outside.

(o) Electrical System:

No generators shall be provided.

(1) Service from main service switchgear:

Main service is three phase, 208 Volts, 400 amps. Wiring shall be BX cable. Wire size shall vary between 12-2 to 3-2. Common areas shall have single phase, 208 Volts, 100 Amps. Common areas get single phase provided from the 3 phase 208 volts.

(2) Service to individual units:

Each unit is supplied with single phase, 208 Volts, 100 amps. Each unit will get single phase provided from the 3 phase 208 volts.

(3) Compartment switchgear:

The compartment switchgear is located at the cellar.,

(4) Unit service:

The electrical service is adequate for a full complement of modern appliances.

(5) Adequacy:

(i) Service:

There is an average of 15-20 circuits per apartment.

(ii) Lighting and fixtures:

There shall be LED high hats(s) in each bedroom, bathroom, corridor, kitchen, living rooms and all other miscellaneous spaces in compliance with the code.

(iii) Convenience outlets, appliance outlets:

There shall be approximately 5-10 outlets in each kitchen, 4-6 outlets in each bedroom, 4-6 outlets in each living room, and 1 outlets in each bathroom.

(p) Intercommunication and/or door signal systems, security closed circuit TV.

Each apartment is equipped with an audio/video intercom system. No other security systems shall be provided. Intercom system shall be manufactured by 2Easy, model # DT592 with a 1-year manufacturer warranty.

(q) Public area lighting:

Adequate lighting as required by the NYC Building Code will be provided at the entrances, stairhalls and other common spaces. Lighting shall be LED.

(r) Garages and parking areas:

There shall be no garages or parking facilities.

(s) Swimming pools:

There shall be no swimming pool at the premises.

(t) Tennis courts, playgrounds and recreation facilities.

There shall be no tennis courts, playgrounds or other recreation facilities.

(u) Permits and Certificates:

Builder shall retain the service of an architect or engineer for controlled inspections.

The following recurring inspections shall be done after the building is in operation.

- Sprinkler Monthly by Certified Sprinkler Inspector
- Residential Flow Test once 12 months by Certified Sprinkler Inspector
- RPZ annually by Licensed Backflow Tester
- Fire alarm semiannual inspection by Certified Technician.

(v) Violations:

All violations, if any, shall be removed prior to the first closing.

(w) Unit Information:

Unit No.	Usage	Unit Location	Gross Square Feet	Number of Bedrooms/Bathrooms	Limited Common Elements	
1	commercial	Cellar 1 st floor	708 879	0/3 half	Rear yard	380 sf
2	Residential	2 nd floor	721	1/1	Terrace	115 sf
3	Residential	3 rd floor roof	786 82	2/1	roof	731 sf

(a) Living/dining rooms shall have the following finishes:

Floors: $\frac{3}{4}$ " thick select oak over $\frac{3}{4}$ " thick underlayment with polyurethane finish.

Walls, ceilings: Gypsum board, primed and painted with 1 layer of quality paint.

(b) Bedrooms shall have the following finishes:

Floors: $\frac{3}{4}$ " thick select oak over $\frac{3}{4}$ " thick underlayment with polyurethane finish

Walls, ceilings: Gypsum board, primed and painted with 1 layer of quality paint.

Closets: Closets are finished with a minimum of 1 shelf and/or rod.

(c) Kitchens shall have the following finishes:

Floors: $\frac{3}{4}$ " thick select oak over $\frac{3}{4}$ " thick underlayment with polyurethane finish

Walls, ceilings: Gypsum board, primed and painted with 1 layer of quality paint.

Cabinets: Wood.

Countertops: Formica.

Sink: Stainless steel.

Appliances: Sponsor will provide the following appliances or equivalent.

- Electric Oven by Frigidaire, model # FFEH3054US.

- Gas Cooktop by Empava empv30gc5b706.
- Refrigerator by GE, model # GTS21FGKWW 31 Inch Top-Freezer
- Dishwasher by Frigidaire, model # FDPC4221AS 24 Inch Full Console

(d) Bathrooms shall be equipped as follows:

Tub: American Standard, Model # 2390.202ICH020
 Shower: Delta, model # T17264.
 Vanity/Sink: Wyndham,, Model #531947.
 Toilet: Fine Fixtures, model #WT12RM.
 Floors: Tiled.
 Walls: Tiled.
 Ceilings: Gypsum board, primed and painted with 1 layer of quality paint.

(x) Finish schedule of spaces other than units:

The common utility rooms at the cellar shall be finished as follows, floors shall be concrete and the walls and ceilings shall be painted.

(y) Safety and warning devices:

Smoke and carbon monoxide detectors provided for each dwelling unit shall be hard wired as per local Law 62/81 and R.S. 17 of the NYC Building Code. The FA central system shall be located in the cellar and shall be monitored by an FDNY approved central station as required by code.

(z) Additional information required:

- (1) A plot plan showing landscape features, street, and outside dimensions of the building, are herewith attached.
- (2) Floor plans for each line or type of unit drawn to scale, indicating room dimensions and unit boundaries, are herewith attached.
- (3) The cellar shall have an approximate floor to ceiling height of 7'-0". The 1st floor shall have an approximate floor to ceiling height of 12'-6". The 2nd floor shall have an approximate floor to ceiling height of 9'-1". The 3rd floor shall have an approximate floor to ceiling height of 8'-9".

Further Development

The sponsor shall not construct any additional units or phases after completion of the structure, as per DOB approved plans.

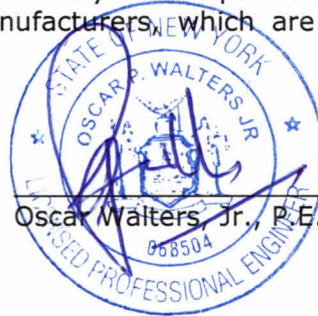
Asbestos:

See attached ACP-5. Portions of the premises affected by the work is free of asbestos containing material (ACM).

Lead-based paint:

This statement is to disclose that there will be no lead paint in this building construction of this condominium, as per approved plans. There is no *known* lead in the building. However, buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. It is possible that the existing to remain portions of the original building, built prior to 1938, consisting of the existing foundation, portions of the exterior wall, and the common public exist stair, may still contain lead. See Special Risk 44 for more details.

This report may not be construed as a guarantee or warranty. The sponsor reserves the right to provide different equipment by different manufacturers, which are equal to or better, than those listed above.



Oscar Walters, Jr., P.E.



NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373
ASBESTOS ASSESSMENT REPORT



1. NYC DOB Job # (if applicable) _____ **Control Number: 3925671**
2. Premise No. 120 Street Name Marcus Garvey Blvd Borough Brooklyn Zip 11206
3. AKA _____ Type of Facility Residence BIN 3049219 Block 01769 Lot 0044
4. Building Owner Vasik LLC Address 8809 82nd Avenue
5. City Glendale State NY Zip 11385 Contact Person Issac Assyag
6. Tel. # (718) 810-8833 Fax # _____ Email _____
7. Work Type General Construction

Description of the Entire Scope of Work
Alt 1 Condominium Conversion

8. I, ANTHONY RIZVI, have conducted an asbestos investigation on
Name of Certified Asbestos Investigator
- 01/09/2022 9:00AM-9:15AM in accordance
Date(s)
- with Sections 1-16 and 1-28 of the NYC DEP Asbestos Control Program Rules and declare that at said facility address, the
- ☒ a. the premises or the portion(s) of the premises, included in the scope of renovations was/were determined that there was no asbestos-containing materials (ACM) present
- ☐ b. premise (or portions thereof) affected by the work contains 10 square feet or less or 25 linear feet or less of ACM.
Specify locations in section 9: Note: This material must be abated as a minor project in accordance with relevant provisions of the DEP Asbestos Rules.
- ☐ c. asbestos is present and will not be disturbed during construction activity. Specify the quantity and area where asbestos is present. Specify amount: _____ sq. ft _____ linear ft.
- ☐ d. entire building is free of asbestos containing material (ACM).

9. RESULTS OF ASBESTOS BUILDING SURVEY:

Floor	Section of Floor(s) Surveyed	Material Assumed to Contain ACM and/or Sampled	Number of Samples Analyzed	Asbestos Present	Assumed ACM	Square Feet	Linear Feet	Abated	Scope of Work Applied
Building Floors-001 to 002	interior	Ceiling Plaster/Sheetrock/Joint compound	5	No	No				

I hereby declare the information provided herein is true and complete

ANTHONY RIZVI 1/18/2022 144822 9/24/2022
DEP Certified Asbestos Investigator's Signature Date Certificate Number Expiration Date

Tel. # (347) 847-4684 Fax # _____

Email acrizvi@buffalo.edu

The investigator shall assume that some or all of the areas investigated contain ACM, and for each area that is not assumed to contain ACM, collect and submit for analysis bulk samples in accordance with §§ 1-36, 1-37, and 1-44 of the DEP Asbestos Rules and EPA publications 560/5-85-024 and 560/5-85-030a and 40 CFR 763.86.



Is it a Build-It-Back project? ☐ Yes, App ID # _____ ☒ No



25968642



NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373
ASBESTOS ASSESSMENT REPORT



Building Floors-001 to 002	interior	Ceramic tile grout	2	No	No				
Building Floors-001 to 002	interior	Exterior caulk	2	No	No				
Basement	interior	Brick mortar	3	No	No				
Roof	Exterior	Roofing materials includes roof membrane/flashing/ and tar	2	No	No				

10. ANALYTICAL LABORATORY:

NAME	ELAP # (NYS DOH CERTIFICATION)	DATE(S) SAMPLES ANALYZED
Atlas Environmental	11999	1/11/2022

11. NYS DOL Asbestos Handling license # 286720 Company Name Charlesquest LLC

12. Comment

I hereby declare the information provided herein is true and complete

ANTHONY RIZVI 1/18/2022 144822 9/24/2022
DEP Certified Asbestos Investigator's Signature Date Certificate Number Expiration Date

Tel. # (347) 847-4684 Fax # _____

Email acrizvi@buffalo.edu

The investigator shall assume that some or all of the areas investigated contain ACM, and for each area that is not assumed to contain ACM, collect and submit for analysis bulk samples in accordance with §§ 1-36, 1-37, and 1-44 of the DEP Asbestos Rules and EPA publications 560/5-85-024 and 560/5-85-030a and 40 CFR 763.86.

SEAL
OF THE
NYC
CERT
ASBE
INVE:



Is it a Build-It-Back project? ☐ Yes, App ID # _____ ☒ No



25968642



Certificate of Occupancy

CO Number:3049219-0000001

This certifies that the premises described herein conforms substantially to the approved plans and specifications and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified. No change of use or occupancy shall be made unless a new Certificate of Occupancy is issued. *This document or a copy shall be available for inspection at the building at all reasonable times.*

A.	Borough: BROOKLYN Address: 120 MARCUS GARVEY BLVD Building Identification Number(BIN): 3049219	Block Number: 1769 Lot Number(s): 44 Additional Lot Number(s): Application Type: A1 - ALTERATION TYPE 1	Full Building Certificate Type: Final Date Issued: 09/10/2021
This building is subject to this Building Code: 1968			
This Certificate of Occupancy is associated with job# 321918644-01			
B.	Construction Classification: I-B: 3 HOUR PROTECTED Building Occupancy Group classification: B - BUSINESS Multiple Dwelling Law Classification: Not Available		
	No.of stories: 3	Height in feet: 35	No.of dwelling units: 2
C	Parking Spaces and Loading Berths: Open Parking Spaces: Not Available. Enclosed Parking Spaces: Not Available. Total Loading Berths: Not available		
D	This Certificate is issued with the following legal limitations: Restrictive Declaration: None Zoning Exhibit: 2019000098494, 2019000098495 BSA Calendar Number(s): None CPC Calendar Number(s): None		
Borough Comments:			

Borough Commissioner

Commissioner



Permissible Use and Occupancy

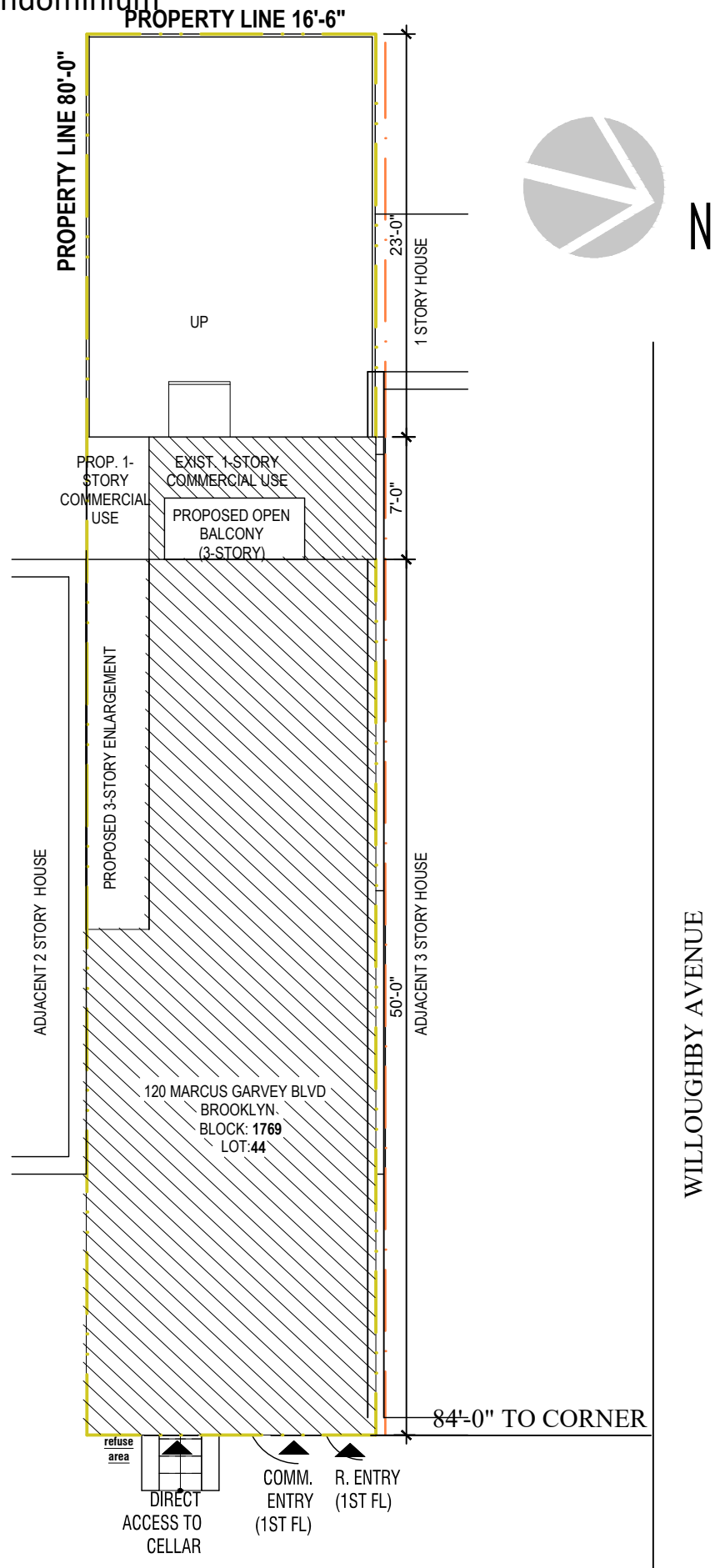
FLOOR	Occ Group	Max. Persons Permitted	Live Loads (lbs per sq ft)	Zoning Use Group	Dwelling or Rooming Units	Job Reference	Certificate of Occupancy Type
Cellar	U	NA	OG	6F	0	321918644	Final
Description of Use:	Storage of non combustible materials MECHANICAL ROOM AND ACCESSORY SPACE FOR STORE ON 001				Exceptions:		
Floor 1	B	23	100	6C	0	321918644	Final
Description of Use:	Business and Service COMMERCIAL SPACE (RETAIL - USE GROUP 6C)				Exceptions:		
Floor 2	R-3	N/A	40	2A	1	321918644	Final
Description of Use:	One/Two Family Dwelling ONE(1) FAMILY DWELLING				Exceptions:		
Floor 3	R-3	N/A	40	2A	1	321918644	Final
Description of Use:	One/Two Family Dwelling ONE (1) FAMILY DWELLING				Exceptions:		
Roof	S-2	N/A	40	2B	0	321918644	Final
Description of Use:	Storage of non combustible Materials MECHANICAL SPACE,ACCESSORY RESIDENTIAL				Exceptions:		

CofO Comments: TWO (2) FAMILY DWELLING WITH STORE ON THE FIRST FLOOR. EXH I 2019000098494 EXH III 2019000098495.

Borough Commissioner

Commissioner

The 120 Marcus Garvey Blvd Condominium
 120 Marcus Garvey Blvd
 Brooklyn, NY 11206



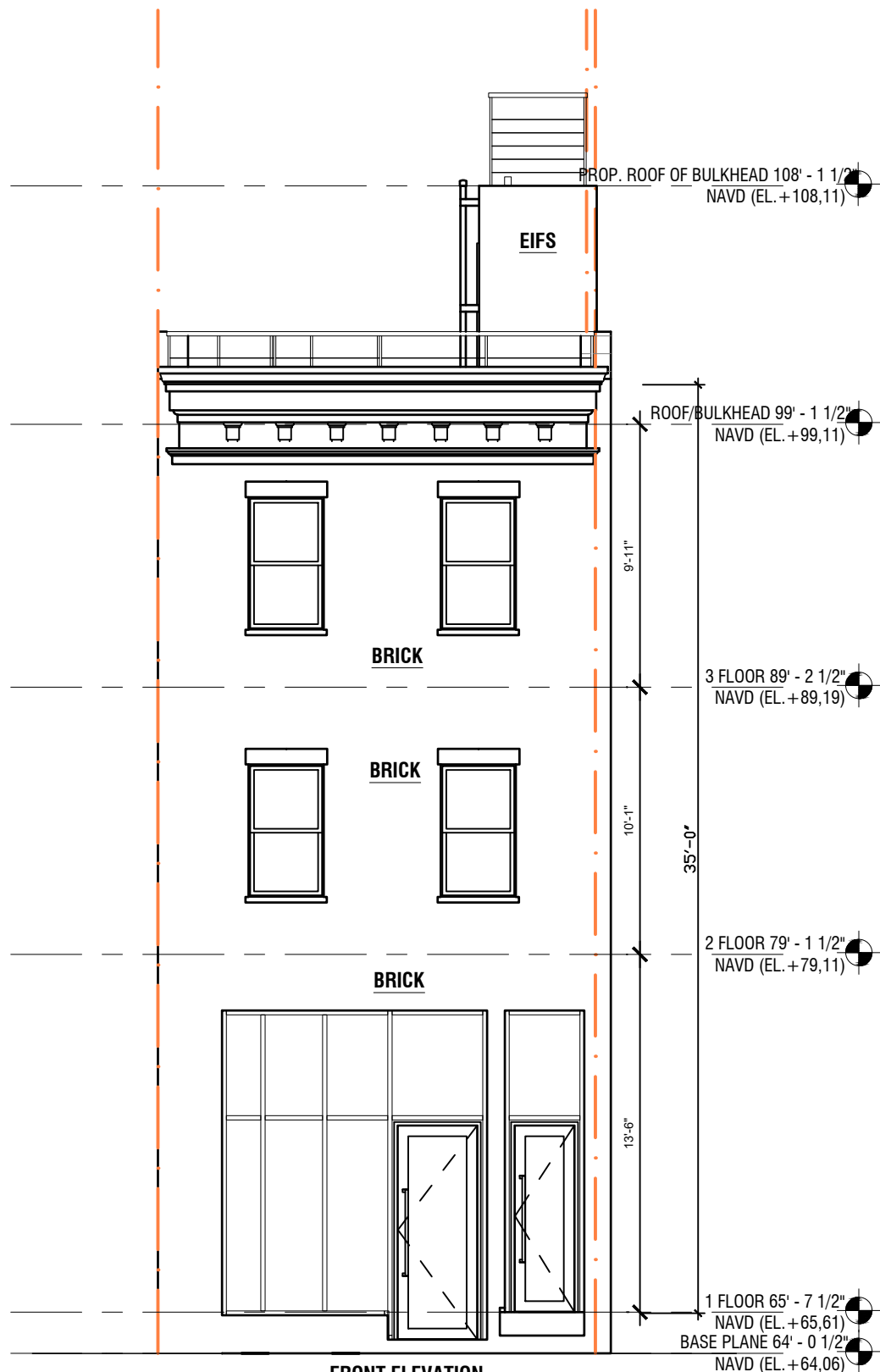
These plans are copies of the NYC DOB plans for application No. 321918644 filed by others. Plans attached herewith are provided only for the purpose of describing the Condominium Units.

SITE PLAN

MARCUS GARVEY BLVD

Demarara Engineering, PLLC
 37-24 24TH Street, Suite 231
 Long Island City, NY 11101

The 120 Marcus Garvey Blvd Condominium
 120 Marcus Garvey Blvd
 Brooklyn, NY 11206

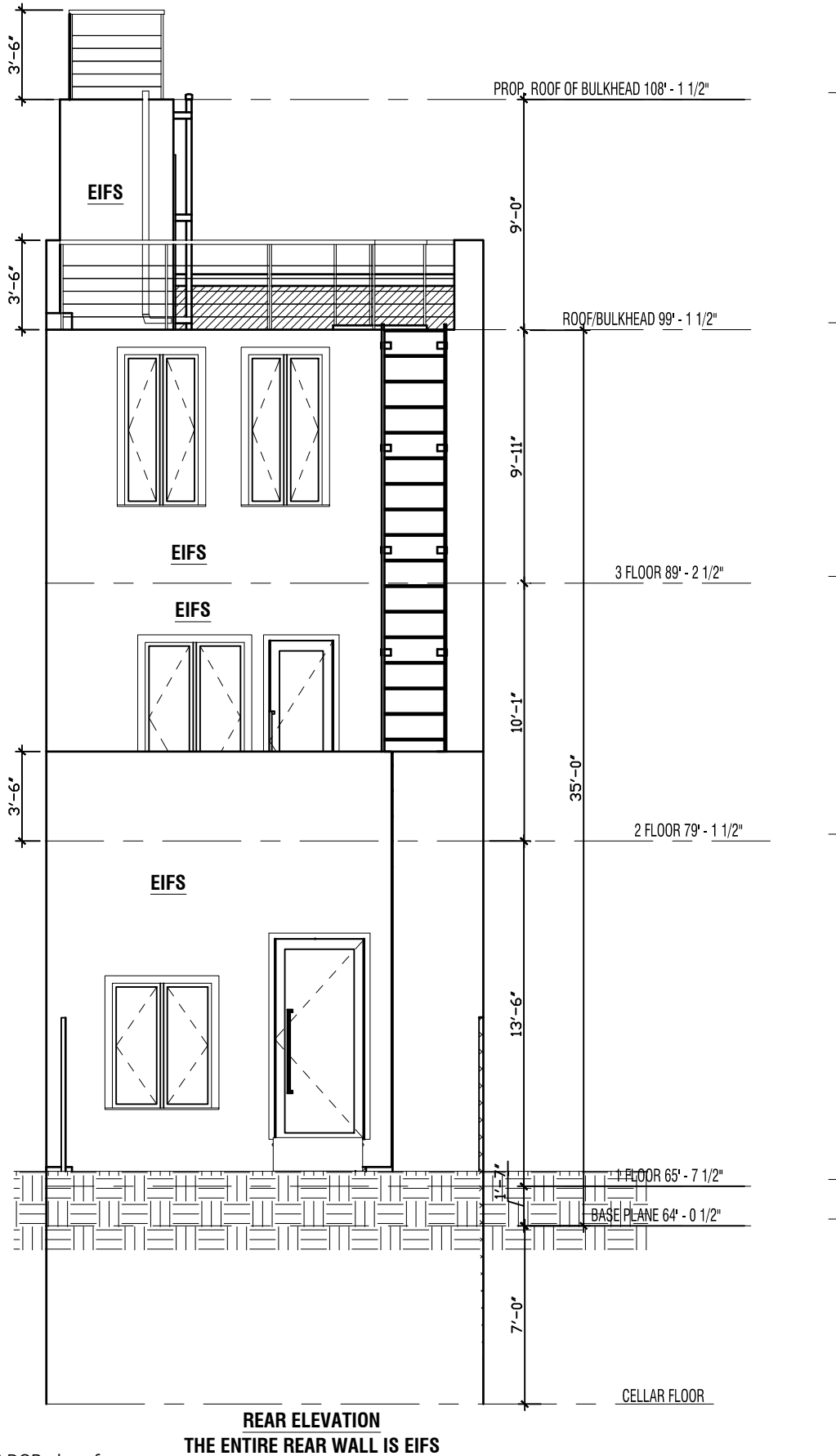


FRONT ELEVATION
THE ENTIRE FRONT WALL IS EIFS

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 Long Island City, NY 11101

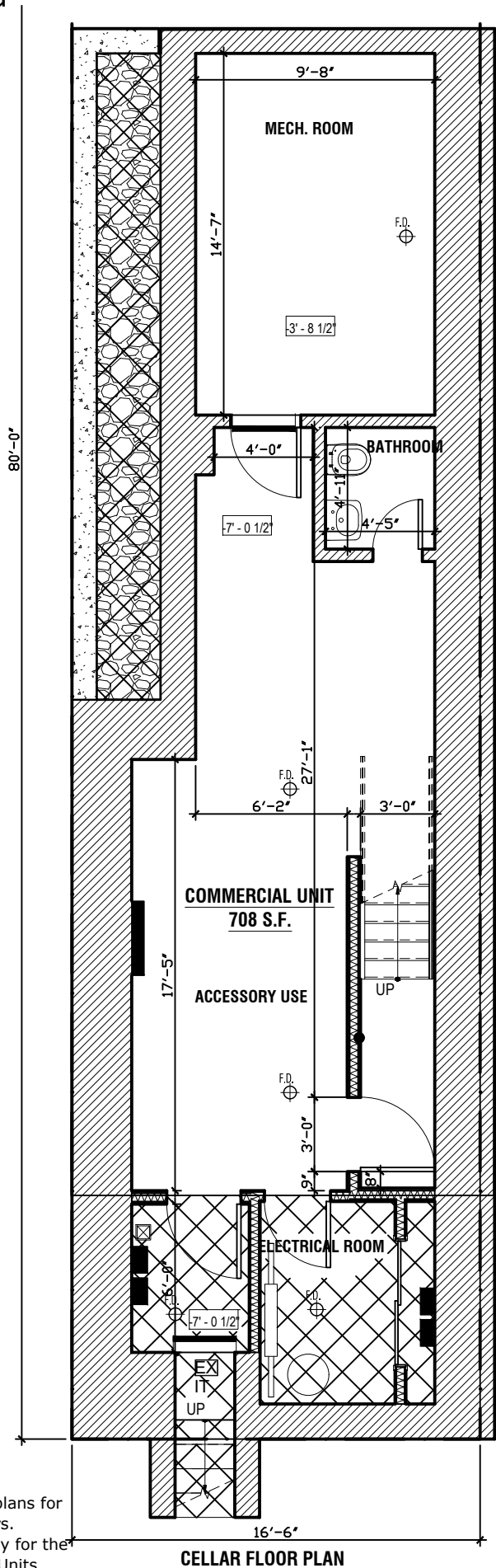
The 120 Marcus Garvey Blvd Condominium
 120 Marcus Garvey Blvd
 Brooklyn, NY 11206



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 120 Marcus Garvey Blvd
 Brooklyn, NY 11206

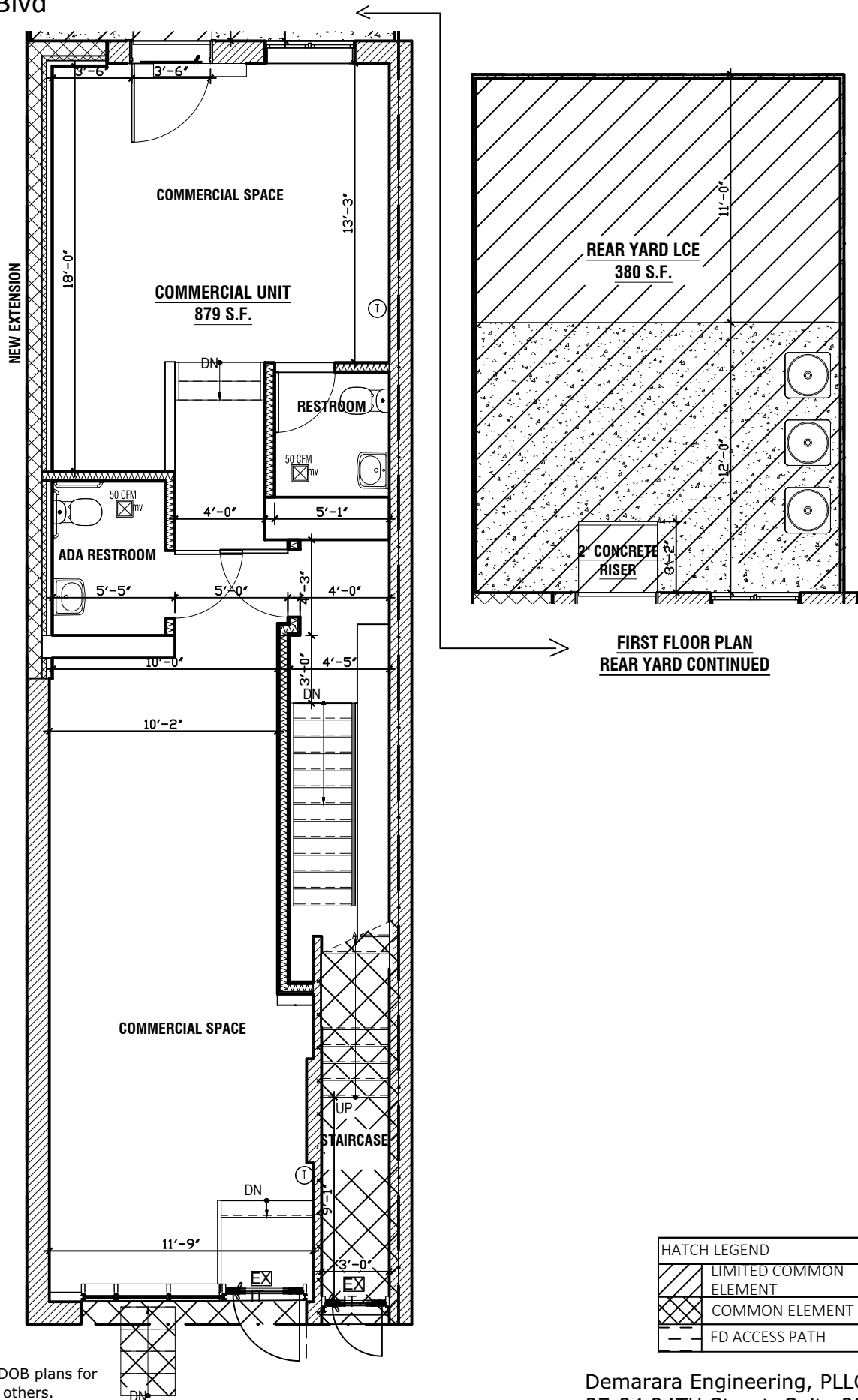


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HATCH LEGEND	
	LIMITED COMMON ELEMENT
	COMMON ELEMENT
	FD ACCESS PATH

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 Long Island City, NY 11101

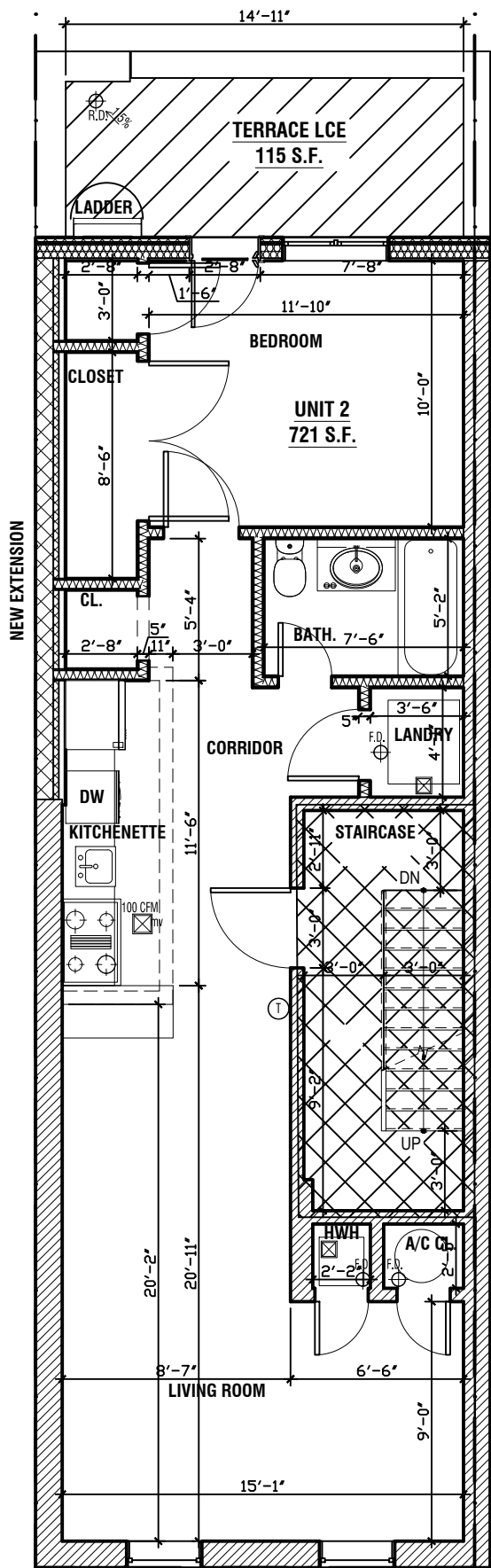
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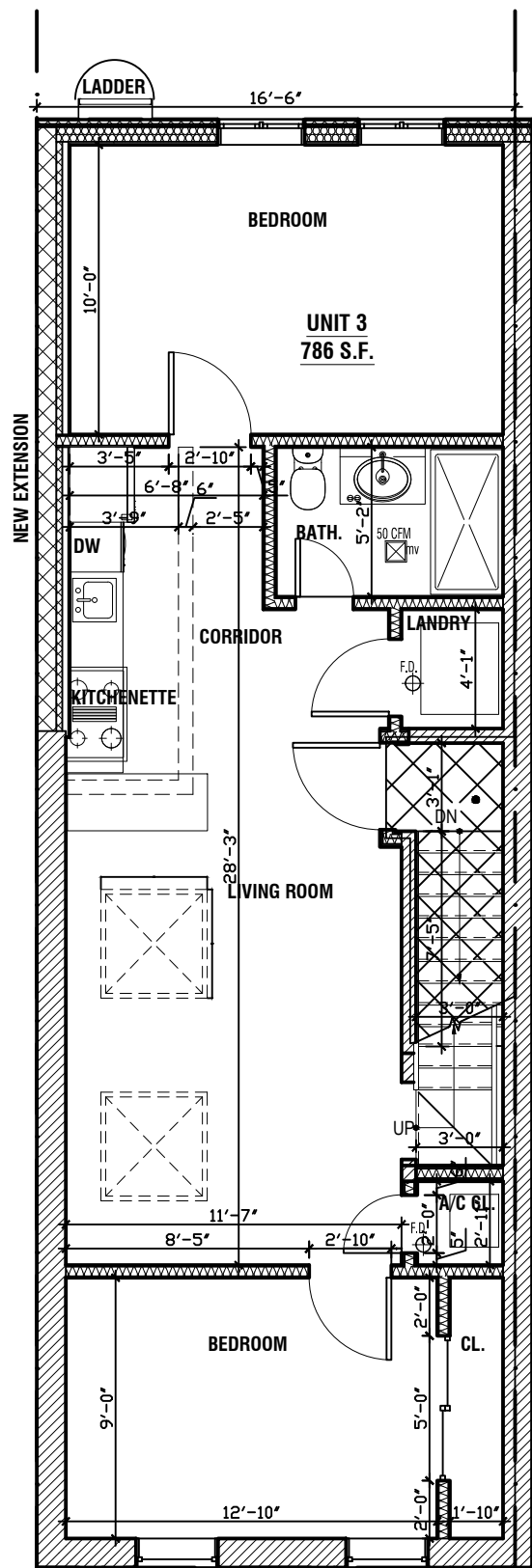
HATCH LEGEND	
	LIMITED COMMON ELEMENT
	COMMON ELEMENT
	FD ACCESS PATH

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SECOND FLOOR PLAN
 Laundry appliance graphic is not provided and for location purposes, only.

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 Long Island City, NY 11101

The 120 Marcus Garvey Blvd Condominium
 120 Marcus Garvey Blvd
 Brooklyn, NY 11206



THIRD FLOOR PLAN

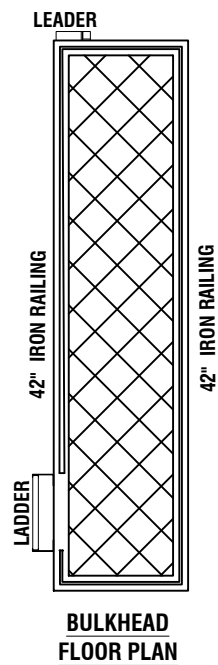
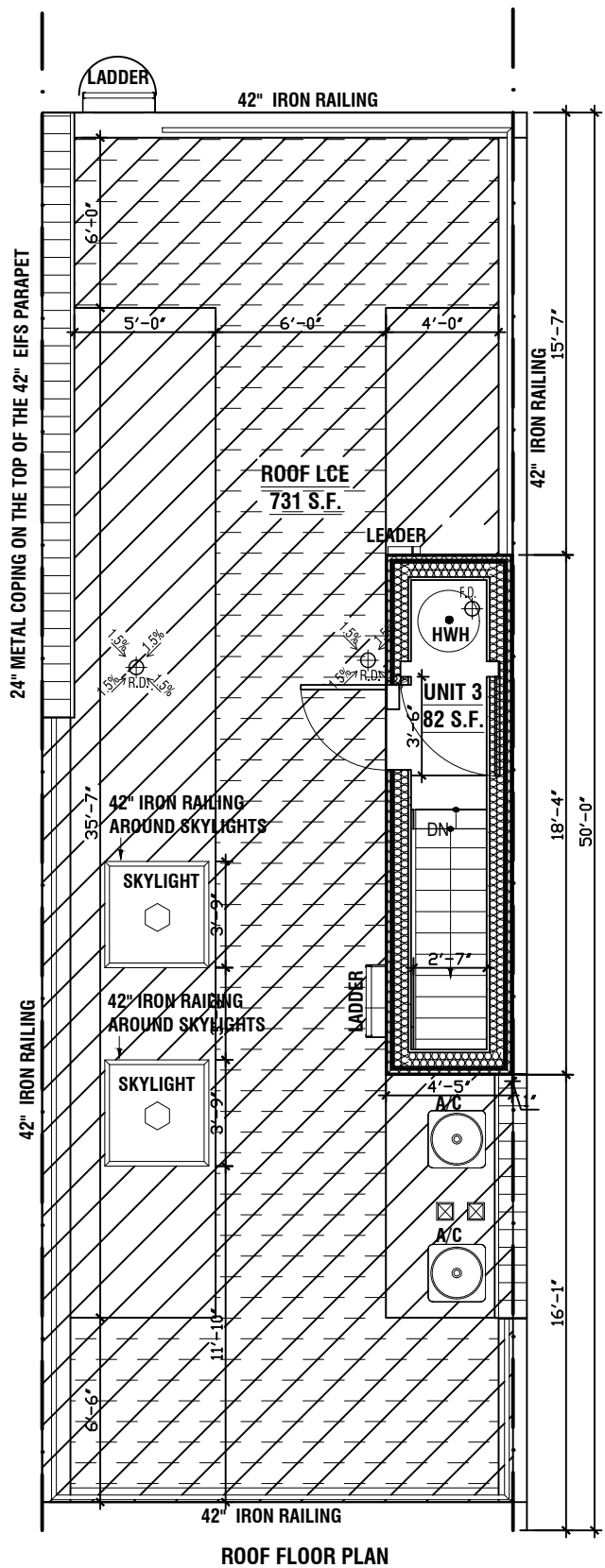
Laundry appliance graphic is not provided and for location purposes, only.

HATCH LEGEND	
	LIMITED COMMON ELEMENT
	COMMON ELEMENT
	FD ACCESS PATH

These plans are copies of the NYC DOB plans for application No. 321918644 filed by others. Plans attached herewith are provided only for the purpose of describing the Condominium Units.

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The 120 Marcus Garvey Blvd Condominium
120 Marcus Garvey Blvd
Brooklyn, NY 11206



HATCH LEGEND	
	LIMITED COMMON ELEMENT
	COMMON ELEMENT
	FD ACCESS PATH

These plans are copies of the NYC DOB plans for application No. 321918644 filed by others. Plans attached herewith are provided only for the purpose of describing the Condominium Units.

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Long Island City, NY 11101

New York Real Property Law, Article 9-B.

§339-kk. Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to

the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2004**

No. 1

Introduced by Council Members Perkins, Lopez, Quinn, Reed, Boyland, Rivera, Brewer, Jackson, Liu, Yassky, Barron, Reyna, Clarke, Sanders Jr., Recchia Jr., Vann, Katz, Gerson, Gioia, Baez, DeBlasio, Serrano, Foster, Monserrate, Jennings Jr., Seabrook, Addabbo Jr., Moskowitz, Koppell, Martinez, Gonzalez, Espada Jr., Gentile, Avella, Comrie Jr., Weprin, Nelson, James, the Speaker (Council Member Miller) and the Public Advocate (Ms. Gotbaum).

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to childhood lead poisoning prevention, including the avoidance and remediation of lead-based paint hazards in housing and day care facilities, the repeal of local law number 38 for the year 1999 and the repeal of subdivision h of section 27-2013 and section 27-2126 of such code.

Be it enacted by the Council as follows:

Section 1. This local law shall be known and may be cited as the New York City Childhood Lead Poisoning Prevention Act of 2003.

§2. Local law number 38 for the year 1999 is hereby REPEALED.

§3. Local Law number 1 for the year 1982 is hereby REPEALED.

§4. Local law number 50 for the year 1972 is hereby REPEALED.

§5. Subchapter 2 of chapter 2 of title 27 of the administrative code of the city of New York is amended by adding a new article 14 to read as follows:

Article 14

Lead Poisoning Prevention and Control

§27-2056.1 *Statement of Findings and Purposes.*

§27-2056.2 *Definitions.*

§27-2056.3 *Owners' Responsibility to Remediate.*

§27-2056.4 *Owners' Responsibility to Notify Occupants and Investigate.*

§27-2056.5 *Presumption.*

§27-2056.6 *Violation in a Dwelling Unit.*

§27-2056.7 *Audit and Inspection by Department following Commissioner's order to abate.*

§27-2056.8 *Violation in a Dwelling Unit Upon Turnover.*

§27-2056.9 *Department Inspections.*

§27-2056.10 *Department Implementation and Enforcement.*

§27-2056.11 *Work Practices.*

§27-2056.12 *Reporting.*

§27-2056.13 *Transmittal of Violations to the Department of Health and Mental Hygiene.*

§27-2056.14 *Request to the Department from the Department of Health and Mental Hygiene to Execute an Order Pursuant to § 17-147 of the Administrative Code.*

§27-2056.15 *Waiver of Benefit Void.*

§27-2056.16 *Exemption for Emergency Conditions.*

§27-2056.17 *Record Keeping Requirements.*

§27-2056.18 *Application of this article based on age of child.*

§27-2056.1 *Statement of findings and purposes. The council finds that lead poisoning from paint containing lead is a preventable childhood disease and a public health crisis. The council further finds that the hazard in*

dwelling that may occur from paint containing lead is subject to many factors, such as the age of a building and its maintenance. The Council also finds and declares that City government must focus on primary prevention as the essential tool to combat childhood lead poisoning and to achieve the goal of preventing children from suffering the adverse health and other effects of exposure to lead-based paint. The pursuit of primary prevention, which means eliminating lead hazards before children are exposed, has been recommended by the United States Centers for Disease Control and Prevention and promoted by leading experts in the field as a critical course of action to protect the health of young children. The Council, therefore, declares that resources must be directed to primary prevention, including identifying children who are most at risk.

The council recognizes that it cannot legislate a single maintenance standard for all dwellings to eliminate this hazard. Instead, the council by enacting this article makes it the responsibility of every owner of a multiple dwelling to investigate dwelling units for lead-based paint hazards and to address such hazards on a case-by-case basis as the conditions may warrant, taking such actions as are necessary to prevent a child from becoming lead poisoned. Having established this responsibility, the council finds that sufficient information exists to guide owners in making determinations about the existence of lead-based paint hazards. See, e.g., United States environmental protection agency, "Identification of Dangerous Levels of Lead; Final Rule" Federal Register, Vol. 66, No. 4 (January 5, 2001); United States department of housing and urban development, "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997).

The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 5,638 were newly identified with elevated blood lead levels of 10 micrograms per deciliter or above. The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 653 were newly identified at or above the department's environmental intervention blood lead level, which is a blood lead level equal to or exceeding 20 micrograms per deciliter in a single test or two reported blood lead levels between 15 and 19 micrograms per deciliter at least three months apart, and has also reported an overall incidence of 931 children tested with blood lead levels equal to or exceeding 20 micrograms per deciliter. When a child is identified with environmental intervention blood lead levels, the city is obligated to investigate potential sources of the lead poisoning, incurring the expense of an environmental investigation and often times also incurring the expense of medical treatment and remedial education, if necessary. The council finds that these blood lead levels among New York city children constitute a severe health crisis and has established as its goal the elimination of childhood lead poisoning by the year 2010.

In addition, the department of health and mental hygiene has reported for the year 2001 that only 29% of children in New York city are tested both at age one and age two for the disease of lead poisoning even though the testing of all children at age one and age two is mandatory under state law. The council finds that improved screening among these children is critical since children at these ages are at greatest risk for lead poisoning. The council declares that it is reasonable and necessary to increase the rate of blood-lead testing. This local law requires the department of health and mental hygiene to report to the council on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels.

The council further finds that the administration and enforcement of the City's lead poisoning prevention programs can be better coordinated. While it is intended that the department of housing preservation and development remain the agency responsible for the implementation and enforcement of this article, it is also intended that the department of health and mental hygiene shall have a significant role in the promulgation and interpretation of rules and in the development of necessary procedures pursuant to this article.

§27-2056.2 Definitions. Whenever used in this article the following terms shall have the following meanings:

(1) "Chewable surface" shall mean a protruding interior window sill in a dwelling unit in a multiple dwelling where a child of applicable age resides and which is readily accessible to such child. "Chewable surface" shall also mean any other type of interior edge or protrusion in a dwelling unit in a multiple dwelling, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where an occupant has notified the owner that a child of applicable age who resides in that multiple dwelling has mouthed or chewed such edge or protrusion.

(2) "Common area" shall mean a portion of a multiple dwelling that is not within a dwelling unit and is regularly used by occupants for access to and egress from any dwelling unit within such multiple dwelling.

(3) "Deteriorated subsurface" shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including, but not limited to, rotted or decayed wood, or wood or plaster that has been subject to moisture or disturbance.

(4) “Friction Surface” shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion and abrade, scrape, or bind when in relative motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

(5) “Impact Surface” shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

(6) “Lead-based paint hazard” shall mean any condition in a dwelling or dwelling unit that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

(7) “Lead-based paint” shall mean paint or other similar surface coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development “Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing” (June 1995, revised 1997) and the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, a laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

(8) “Lead-contaminated dust” shall mean dust containing lead at a mass per area concentration of 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the department of health and mental hygiene.

(9) “Lead-contaminated dust clearance test” shall mean a test for lead-contaminated dust on floors, window wells, and window sills in a dwelling, that is made in accordance with section 27-2056.11 of this article.

(10) “Peeling” shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

(11) “Remediation” or “Remediate” shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead-based paint, or other method approved by the commissioner of health and mental hygiene.

(12) “Rule” or “rules” shall mean a rule or rules promulgated pursuant to section 1043 of the New York city charter.

(13) “Turnover” shall mean the occupancy of a dwelling unit subsequent to the termination of a tenancy and the vacatur by a prior tenant of such dwelling unit.

(14) “Underlying defect” shall mean a physical condition in a dwelling or dwelling unit that is causing or has caused paint to peel or a painted surface to deteriorate or fail, such as a structural or plumbing failure that allows water to intrude into a dwelling or dwelling unit.

(15) “Window” shall mean the non-glass parts of a window, including but not limited to any window sash, window well, window jamb, window sill, or window molding.

§27-2056.3 Owners' Responsibility to Remediate. The existence of a lead-based paint hazard in any multiple dwelling where a child of applicable age resides is hereby declared to constitute a condition dangerous to life and health. An owner shall take action to prevent the reasonably foreseeable occurrence of such a condition and shall expeditiously remediate such condition and any underlying defect, when such underlying defect exists, consistent with the work practices established pursuant to section 27-2056.11 of this article, except where lead-contaminated

dust is present in such multiple dwelling and the department of health and mental hygiene has made a determination pursuant to paragraph six of subdivision c of section 27-2056.10 of this article.

§27-2056.4. Owners' Responsibility to Notify Occupants and to Investigate. a. In any dwelling unit in a multiple dwelling erected prior to January first, nineteen hundred sixty where a child of applicable age resides, and in any dwelling unit in a multiple dwelling erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight where a child of applicable age resides and the owner has actual knowledge of the presence of lead-based paint, and in common areas of such multiple dwellings, the owner shall cause an investigation to be made for peeling paint, chewable surfaces, deteriorated subsurfaces, friction surfaces and impact surfaces. Such investigation shall be undertaken at least once a year and more often if necessary, such as when, in the exercise of reasonable care, an owner knows or should have known of a condition that is reasonably foreseeable to cause a lead-based paint hazard, or an occupant makes a complaint concerning a condition that is likely to cause a lead-based paint hazard or requests an inspection, or the department issues a notice of violation or orders the correction of a violation that is likely to cause a lead-based paint hazard. The owner shall ascertain whether a child resides therein pursuant to the requirements of this section.

b. No occupant in a dwelling unit in such multiple dwelling shall refuse or unreasonably fail to provide accurate and truthful information regarding the residency of a child of applicable age therein, nor shall an occupant refuse access to the owner at a reasonable time and upon reasonable prior notice to any part of the dwelling unit for the purpose of investigation and repair of lead-based paint hazards.

c. All leases offered to tenants or prospective tenants in such multiple dwellings must contain a notice, conspicuously set forth therein, which advises tenants of the obligations of the owner and tenant as set forth in this section. Such notice must be in a manner approved by the department, the content of which shall, at a minimum, be in English and Spanish. The owner of such multiple dwelling shall provide the occupant of such multiple dwelling with the pamphlet described in subdivision b of section 17-179 of this code.

d. (1) The owner of such a multiple dwelling shall provide to an occupant of a dwelling unit at the signing of a lease, including a renewal lease, if any, or upon any agreement to lease, or at the commencement of occupancy if there is no lease, a notice in English and Spanish, the form and content of which shall be approved by the department of health and mental hygiene, inquiring whether a child of applicable age resides or will reside therein. If there is a lease, such notice shall be included in such lease or be attached as a rider to such lease. Such notice shall be completed by the occupant at the time of such signing of a lease, including a renewal lease, if any, or such agreement to lease, or at such commencement of occupancy.

(2) Where an occupant has responded to the notice provided by the owner pursuant to paragraph one of subdivision d of this section by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to subdivision e of this section during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead-contaminated dust.

e. (1) Each year, an owner of a multiple dwelling erected prior to January first, nineteen hundred sixty shall, no earlier than January first and no later than January sixteenth, except as provided for in subparagraph iii of paragraph two of this subdivision, present to the occupant of each dwelling unit in such multiple dwelling a notice inquiring as to whether a child of applicable age resides therein. Such notice, the form and content of which shall be approved by the department of health and mental hygiene, shall be presented as provided for in paragraph two of this subdivision, and shall be in English and Spanish.

(2) The owner may present the notice required by paragraph one of this subdivision by delivering said notice by any one of the following methods:

- (i) by first class mail, addressed to the occupant of the dwelling unit;
- (ii) by hand delivery to the occupant of the dwelling unit;
- (iii) by enclosure with the January rent bill, if such rent bill is delivered after December fifteenth but no later than January sixteenth; or
- (iv) by delivering said notice in conjunction with the annual notice required pursuant to section 17-123 of this code and the rules of the department of health and mental hygiene pertaining to the installation of window guards.

(3) (i) Upon receipt of such notice the occupant shall have the responsibility to deliver by February fifteenth of that year, a written response to the owner indicating whether or not a child of applicable age resides therein. If, subsequent to delivery of such notice, the owner does not receive such written response by February fifteenth, and does not otherwise have actual knowledge as to whether a child of applicable age resides therein, then the owner shall at reasonable times and upon reasonable notice inspect that occupant's dwelling unit to ascertain the residency of a child of applicable age and, when necessary, conduct an investigation in order to make that determination. Where, between February sixteenth and March first of that year, the owner has made reasonable attempts to gain access to a dwelling unit to determine if a child of applicable age resides in that dwelling unit and was unable to gain access, the owner shall notify the department of health and mental hygiene of that circumstance.

(ii) Where an occupant has responded to the notice provided by the owner pursuant to subparagraph (i) of this paragraph by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to this subdivision during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead contaminated dust.

(4) For calendar year two thousand four, an owner shall be deemed to have satisfied the provisions of paragraphs one through three of this subdivision if such owner delivers or has already delivered to each dwelling unit where a child under six years of age resides a notice identical or substantially similar to that required to have been delivered in calendar year two thousand three, (i) in the same manner as was required in calendar year two thousand three, and (ii) during the same periods of time in calendar year two thousand four as such notice was required to have been delivered during calendar year two thousand three.

f. The owner shall inform the occupant in writing of the results of an investigation undertaken pursuant to this section and shall provide a copy of any such report received or generated by an investigation. The owner shall retain a copy of each investigation report, for ten years from the date of such report and such report shall be made available to the department on request and shall be transferred by the owner to the owner's successor in title.

g. Any owner who violates the provisions of this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any violation of this section shall subject the owner to a civil penalty of not more than one thousand five hundred dollars per violation.

h. The department may, at its discretion, perform sample audits to determine compliance with the requirements of this section.

§27-2056.5 Presumption. a. In any multiple dwelling erected prior to January 1, 1960, it shall be presumed that the paint or other similar surface-coating material in any dwelling unit where a child of applicable age resides or in the common areas is lead-based paint. The presumption established by this section may be rebutted by the owner of the dwelling or dwelling unit by submitting to the department a sworn written statement by the owner supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the owner, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or any successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

b. The owner of a dwelling or a dwelling unit may apply to the department to have such dwelling or dwelling unit exempted from the presumption contained in subdivision a of this section when either (i) an inspection for lead-based paint in such dwelling or dwelling unit, performed in accordance with section 745.227 of title 40 of the code of federal regulations, or any successor regulation, has determined that there is no lead-based paint present in such dwelling or dwelling unit, or (ii) substantial alterations have been made to such dwelling or dwelling unit and such alterations have resulted in the removal or permanent covering of all lead-based paint in that dwelling or dwelling unit. The department shall by rule determine the requirements needed to qualify for such an exemption. Sections 27-2056.4, 27-2056.8 and 27-2056.9 of this article shall not apply to any dwelling or dwelling unit that has been granted an exemption by the department.

§27-2056.6 Violation in a Dwelling Unit. The existence of lead-based paint in any dwelling unit in a multiple dwelling where a child of applicable age resides shall constitute a class C immediately hazardous violation if such paint is peeling or is on a deteriorated subsurface.

§27-2056.7 Audit and inspection by department following commissioner's order to abate. a. When the department of health and mental hygiene issues a commissioner's order to abate pursuant to section 173.13 of the New York city health code or a successor rule that addresses lead-based paint hazards in a specific dwelling unit in a multiple dwelling, the department, within fifteen days of such order, shall notify the owner of the multiple dwelling where the dwelling unit is located that the owner shall, within forty-five days of the department's notice, provide to the department all records required to be maintained under this article. Upon the department's receipt of those records and a determination that there may exist uncorrected lead-based paint hazards in dwelling units where a child of applicable age resides, the department within ten days shall attempt to inspect such units to determine whether there are any violations of section 27-2056.6 of this article.

b. If the owner does not provide to the department the records as mandated by subdivision a of this section, the department shall within forty-five days of such failure attempt to inspect dwelling units where a child of applicable age resides to determine whether there are any violations of section 27-2056.6 of this article in such units.

c. The department is not required to undertake the procedures specified in this section in a particular multiple dwelling if it has done so in such building during the prior twelve month period.

d. Any owner who fails to comply with the provisions of this section in accordance with the rules of the department shall be liable for a class C immediately hazardous violation, and a civil penalty in an amount not to exceed one thousand dollars.

§27-2056.8 Violation in a Dwelling Unit Upon Turnover a. Upon turnover of any dwelling unit in a multiple dwelling erected prior to January 1, 1960 or a dwelling unit in a private dwelling erected prior to January 1, 1960 where each dwelling unit is to be occupied by persons other than the owner or the owner's family, the owner shall within such dwelling unit have the responsibility to:

(1) remediate all lead-based paint hazards and any underlying defects, when such underlying defects exist;
(2) make all bare floors, window sills, and window wells in the dwelling unit smooth and cleanable;
(3) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all doors and door frames; and

(4) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all windows, or provide for the installation of replacement window channels or slides on all lead-based painted friction surfaces on all windows.

b. All work performed pursuant to this section shall be performed pursuant to the safe work practices promulgated pursuant to section 27-2056.11(a)(3) of this article.

c. Any owner who fails to comply with the provisions of subdivision a of this section, or the rules of the department of health and mental hygiene or the department promulgated pursuant to section 27-2056.11(a)(3) shall be liable for a class C immediately hazardous violation.

§27-2056.9 Department Inspections. a. When entering a dwelling unit in a multiple dwelling constructed prior to January 1, 1960 for the purpose of investigating the existence of any violation of this code, the department shall make diligent efforts to ascertain whether a child of applicable age resides therein and shall request from the occupant an acknowledgement as to whether such a child resides in the dwelling unit. Whenever a child of applicable age resides in a dwelling unit, the department shall immediately perform a room-by-room inspection of the dwelling unit and record for each room in a report of such inspection whether the paint or other similar surface-coating material in each room is peeling or intact. For each room where peeling paint is found, the department shall also inspect for evidence of an underlying defect and shall indicate on the inspection report the peeling paint's location within the room, the condition of the subsurface below it, and the location of any underlying defect. When performing such inspection, the department need only inspect those portions of the dwelling unit where furniture or other furnishings do not obstruct the view of a surface, except when there is visible evidence that causes the department to believe that the obstructed surface has peeling paint. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

b. In any dwelling unit in a multiple dwelling erected prior to January 1, 1960 where a child of applicable age resides, the department shall conduct an inspection pursuant to subdivision a of this section no later than ten days after the department's receipt of a complaint describing peeling paint, or a deteriorated subsurface or underlying defect in the dwelling unit. The department shall make diligent efforts to ascertain whether a child of applicable

age resides therein. Where the department attempts to perform an inspection of a dwelling unit within the time period required by this subdivision but is unable to gain access, the department shall be required to make a reasonable attempt to gain access to such dwelling unit within five days of such attempt. If the department is unable to gain access to that dwelling unit during this additional time period, the department shall provide written notice to the occupant of such dwelling unit that no further attempts at access shall be made unless a new complaint is submitted.

c. Each inspector who performs an inspection pursuant to subdivision b of this section shall use an x-ray fluorescence analyzer during the course of that inspection to determine whether lead-based paint is present in such dwelling unit except that, for reasons beyond the control of the department, such x-ray fluorescence analysis is unable to be performed during such inspection, the department shall rely on the presumption set forth in subdivision a of section 27-2056.5 of this article. Where peeling paint is found during an inspection of a dwelling unit performed pursuant to subdivision a of this section, the department shall within ten days thereafter perform another inspection of such dwelling unit using an x-ray fluorescence analyzer to determine whether lead-based paint is present in such dwelling unit. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

d. The pamphlet developed by the department of health and mental hygiene pursuant to section 17-179 of this code shall be left at the premises of the dwelling unit at the time of an inspection made by the department pursuant to this section.

e. The department shall develop a pamphlet listing the work practices to be established pursuant to section 27-2056.11 of this article. Such pamphlet shall be delivered by the department in conjunction with all notices of violation issued pursuant to paragraph one of subdivision l of section 27-2115 of this code. Failure to include such pamphlet with such notices of violation shall not render null and void the service of such notices of violation. Such pamphlet shall also be made available to any member of the public upon request.

f. Notwithstanding any other provision of law, failure by the department or the department of health and mental hygiene to comply with any time period provided in this article or section 27-2115 of this chapter relating to responsibilities of the department and the department of health and mental hygiene, shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article.

§27-2056.10 Department Implementation and Enforcement. a. The department shall provide appropriate training for lead-based paint inspection and supervisory personnel. Department personnel who conduct a visual inspection pursuant to this article shall receive training which at a minimum, shall be the training approved by the United States department of housing and urban development for performance of visual inspections. Department personnel who perform lead-based paint inspections using XRF machines shall receive training required by the United States environmental protection agency pursuant to section 745.226(b) of title 40 of the code of federal regulations or successor regulations. Training of all inspection and supervisory personnel shall also include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and require that the individual has successfully demonstrated knowledge of the requirements of this article. The department shall provide for the continuing education of inspection and supervisory personnel.

b. The department, with the approval of the department of health and mental hygiene, shall promulgate a comprehensive written procedure to guide department personnel in implementing and enforcing this article. Where feasible, such procedures shall establish a uniform method for the department of health and mental hygiene and the department, following the method implemented by the department of health and mental hygiene, to describe violations and identify their location in a dwelling or dwelling unit. Such procedures shall include a methodology and a form to be used by department personnel when conducting an inspection to carry out and record an inspection pursuant to section 27-2056.9 of this article.

c. The department shall promulgate rules for the implementation and enforcement of this article and to effect compliance with all applicable provisions of this article, rules promulgated thereunder, and all applicable city, state or federal laws, rules or regulations. Such rules shall be subject to the approval of the department of health and mental hygiene prior to their promulgation and shall include, but not be limited to, establishing:

(1) uniform specifications and procedures to govern testing, including a standardized format for reporting such testing results, whenever paint or a similar surface-coating material is tested for its lead content, whether by or on behalf of an owner or an agency of the city of New York;

(2) procedures by which an owner shall comply with section 27-2056.4 of this article, including the form and content of the annual notice;

(3) procedures by which an owner shall submit rebuttal documentation to the department pursuant to 27-2056.5 of this article;

(4) procedures by which an owner may apply to the department to postpone the date by which a violation shall be corrected pursuant to subdivision l of section 27-2115 of this code, including, but not limited to, the stabilization of the paint which is the subject of the violation where an owner requests a second postponement of time to correct a violation in accordance with subdivision l of section 27-2115 of this code; and

(5) procedures to implement and to enforce compliance with paragraph two of subdivision l of section 27-2115 of this code, which shall include, but not be limited to, the requirement that an owner certify to:

(i) the correction of a violation of this article of the code, and

(ii) compliance with the rules promulgated by the department pursuant to section 27-2056.11 of this code; and

(6) procedures to be established by the department of health and mental hygiene to order or provide for the expeditious cleanup and removal of lead-contaminated dust when the department of health and mental hygiene determines that there is lead-contaminated dust in a dwelling unit where a child of applicable age resides, such child has an elevated blood level, and the department of health and mental hygiene determines that the source of that lead-contaminated dust is not a condition of the dwelling in which such dwelling unit is located.

§27-2056.11 Work Practices.

a. The department shall promulgate rules, with the approval of the department of health and mental hygiene, establishing work practices to which an owner shall be subject in each of the following circumstances:

(1) where an owner is performing work in order to comply with a notice of violation or order to correct issued by the department pursuant to this article, which shall be no less stringent than the safety standards required by the commissioner of health and mental hygiene whenever such commissioner shall order the abatement of lead-based paint hazards pursuant to section 173.13 of the health code or a successor rule. Such rules shall provide for temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall provide that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations, or any successor regulations.

(2) where an owner, other than in response to an order to correct or notice of violation issued by the department or the department of health and mental hygiene, is performing work that will disturb lead-based paint or paint of unknown lead content in a dwelling unit where a child of applicable age resides or in the common area of the multiple dwelling in which such dwelling unit is located, where such multiple dwelling was erected prior to January first, nineteen hundred sixty, or where the owner has actual knowledge of the presence of lead-based paint and such multiple dwelling was erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight.

(i) Except as provided in subparagraph (ii) of this paragraph, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely.

(ii) Where such work will disturb more than one hundred square feet of lead-based paint or paint of unknown lead content in a room in a multiple dwelling, or will involve the removal of two or more windows with lead-based paint or paint of unknown lead content, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto, or a successor rule, and shall include a requirement that lead-

contaminated dust clearance testing be performed at the completion of such work. Such rules shall also require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall require, in addition, that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations for the abatement of lead hazards, or any successor regulations. Such rules shall also provide that not less than ten days prior to the commencement of such work the owner of the premises, or the firm, shall file with the department of health and mental hygiene a notice of commencement so that the department of health and mental hygiene may, at its discretion, perform sample audits of such notices to determine that the firms performing the work are properly certified. Such notice shall be signed by the owner or by a representative of the firm, and shall be in a form satisfactory to or prescribed by the department of health and mental hygiene, and shall set forth at a minimum the following information:

(a) The address of the multiple dwelling and the specific location of the work within the multiple dwelling.

(b) The name, address and telephone number of the owner of the multiple dwelling in which the work is to be performed.

(c) The name, address and telephone number of the firm which will be responsible for performing the work.

(d) The date and time of commencement of the work, working or shift hours, and the expected date of completion; and

(e) Identification of the surfaces and structures, and surface area, subject to the work.

The rules shall also provide that any changes in the information contained in the notice shall be filed with the department of health and mental hygiene prior to commencement of work, or if work has already commenced, within twenty-four hours of any change. The rules shall provide that a copy of the notice of commencement shall be posted at the work site.

(iii) The provisions of this paragraph shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

(3) where an owner is performing work on turnover pursuant to 27-2056.8 of this article. Such rules shall include, but not be limited to, requiring lead-contaminated dust clearance tests at the completion of such work.

b. No person shall perform a lead-contaminated dust clearance test pursuant to this section unless such person is a third-party, who is independent of the owner and any individual or firm that performs the work, and has successfully completed a course approved or administered by the department of health and mental hygiene or by the United States environmental protection agency or the United States department of housing and urban development and obtained a certificate or other document issued by or acceptable to the department of health and mental hygiene.

c. The department, with the approval of the department of health and mental hygiene, shall promulgate rules requiring that all lead-contaminated dust clearance tests submitted to a laboratory for analysis include a sworn certification that such test was performed in compliance with all applicable rules and regulations and shall include any additional information that the department shall determine is necessary for the administration and enforcement of this section.

d. Where an owner is performing work pursuant to paragraph (1) of subdivision a of this section, all lead-contaminated dust clearance test results shall be filed with the department, and a copy shall be provided by the owner to the occupant of the dwelling unit. Where an owner is performing work pursuant to paragraphs (2) and (3) of subdivision a of this section, a copy of all lead-contaminated dust clearance test results shall be provided to the occupant of the dwelling unit. Copies of lead-contaminated dust clearance test results provided to the occupant of the dwelling unit pursuant to this subparagraph shall be in a form satisfactory to or prescribed by the department of health and mental hygiene that provides a sufficiently clear explanation of the meaning of such results.

§27-2056.12 Reporting. a. Within four months after the close of the first fiscal year after which this article takes effect and for every fiscal year thereafter, the commissioner shall provide to the council a written report on the department's implementation of this article during the preceding year. Such report shall include, at a minimum, an analysis of the department's program, a detailed statement of revenue and expenditures and statistical section designed to provide a detailed explanation of the department's enforcement including, but not limited to, the following:

(1) the number of complaints for peeling paint in pre-1960 dwelling units where a child of applicable age resides, disaggregated by city or non-city ownership of the building which is the subject of the complaint;

(2) the number of inspections by the department pursuant to this article, disaggregated by the city or non-city ownership of the building where the inspection occurred;

(3) the number of violations issued by the department pursuant to this article;

(4) the number of violations issued pursuant to this article that were certified as corrected by the owner, the number of such certifications that did not result in the removal of such violations, and the number of civil actions brought by the department against such owners; and

(5) the number of jobs performed in which violations issued pursuant to this article were corrected by the department, the total amount spent by the department to correct the conditions that resulted in the violations, and the average amount spent per dwelling unit to correct such conditions; and

(6) a statistical profile with geographic indexing, such as by community district, council district, and/or zip code, of multiple dwellings in which violations are placed, indicating the ages of the multiple dwellings and other factors relevant to the prevalence of lead-based paint hazards, which may include the prior lead poisoning of a child in the multiple dwelling, outstanding violations, and emergency repair charges.

b. The department of health and mental hygiene shall prepare a report on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels. This report shall be utilized by the department in its implementation of this article. Such report shall be submitted to the council within nine months after the close of each calendar year.

c. The department shall maintain a central register of all department orders to correct a violation under this article. Such register shall indicate, if applicable, the date of the complaint, address of the premises, and the date of each inspection and reinspection.

§27-2056.13 *Transmittal of Violations to the Department of Health and Mental Hygiene.* The department shall send a notice which shall be addressed to the dwelling unit in the multiple dwelling, when a dwelling unit is identified, for which a violation of this article was issued. Such notice shall include a telephone number for the department of health and mental hygiene. The department shall also refer to the department of health and mental hygiene the address of the unit in the multiple dwelling for which such violation was issued, the name of the complainant, if any, and the complainant's telephone number, if available. The department of health and mental hygiene, pursuant to section 17-179 of this code, shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

§27-2056.14 *Inspections by Department of Health and Mental Hygiene and Removal of Health Code Violations by Department of Housing Preservation and Development.* Whenever a report has been made to the department of health and mental hygiene of a person under eighteen years of age with an elevated blood lead level of fifteen micrograms per deciliter or higher residing in any dwelling unit, the department of health and mental hygiene shall conduct such investigation as may be necessary to identify potential sources of the elevated blood lead level, including but not limited to, an inspection of the dwelling unit where such person resides. If the department of health and mental hygiene issues an order to correct any violation, the department of health and mental hygiene shall notify the department of each dwelling unit in a dwelling for which the department of health and mental hygiene has issued an order to correct a violation. Where the owner of the dwelling or relevant dwelling unit within such dwelling fails to comply with an order of the department of health and mental hygiene to correct a violation placed by the department of health and mental hygiene, the department of health and mental hygiene shall certify such conditions to the department of housing preservation and development. The certification procedure shall be completed within sixteen days of the report of the elevated blood lead level. The conditions so certified shall be corrected within eighteen days of certification to the department.

§27-2056.15 *Waiver of Benefit Void.* a. No owner may seek to have an occupant of a dwelling unit waive the benefit or protection of any provision of this article. Any agreement by the occupant of a dwelling unit purporting to waive the benefit or protection of any provision of this article is void. Any owner who violates this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any owner who violates this section shall be liable for a civil penalty of not more than five hundred dollars per violation.

b. Notwithstanding any other provision of this article, nothing herein shall be construed to alter existing or future agreements which allocate responsibility for compliance with the provisions of this article between a tenant shareholder and a cooperative corporation or between the owner of a condominium unit and the board of managers of such condominium.

c. The provisions of this article, other than section 27-2056.14, shall not apply to a dwelling unit in a multiple dwelling where (i) title to such multiple dwelling is held by a cooperative housing corporation or such dwelling unit is owned as a condominium unit, and (ii) such dwelling unit is occupied by the shareholder of record on the proprietary lease for such dwelling unit or the owner of record of such condominium unit, as is applicable, or the shareholder's or record owner's family.

§27-2056.16 *Exemption for Emergency Conditions.* For emergency actions immediately necessary to safeguard against imminent danger to human life, health or safety or to protect property from further major damage, such as when a property has been damaged by a natural disaster, fire, structural collapse, cascading water, lack of utilities or other emergency conditions, occupants shall be protected from exposure to lead in dust and debris generated by such emergency actions to the extent practicable and the requirements of this article shall not apply. This exemption applies only to repairs immediately necessary to respond to the emergency. The requirements of this article shall apply to any work undertaken subsequent to or above and beyond such emergency actions.

§27-2056.17 *Record Keeping Requirements.* The owner of any multiple dwelling or dwelling that performs any work pursuant to this article shall retain all records relating to such work for a period of no less than ten years from the completion date of such work. The owner shall make any such records required to be retained by this section available to the department upon the department's request, and shall transfer such records to the owner's successor in title.

§27-2056.18 *Application of this article based on age of child.* For the purposes of this article, the term "applicable age" shall mean "under seven years of age" for at least one calendar year from the effective date of this section. Upon the expiration of such one year period, in accordance with the procedures by which the health code is amended, the board of health may determine whether or not the provisions of this article should apply to children of age six, and based on this determination, may redefine "applicable age" for the purposes of some or all of the provisions of this article to mean "under six years of age," but no lower.

§6. Section 27-2115 of the administrative code of the city of New York is amended by adding a new subdivision l to read as follows:

(l)(I) Notwithstanding any other provision of law, when the department serves a notice of violation to correct and certify a condition that constitutes a violation of article fourteen of subchapter two of this chapter, the notice of violation shall specify the date by which the violation shall be corrected, which shall be twenty-one days after service of the notice of violation, and the procedure by which the owner, for good cause shown pursuant to this subdivision, may request a postponement. The notice of violation shall further specify that the violation shall be corrected in accordance with the work practices established in accordance with section 27-2056.11 of this code. The notice of violation shall be served by personal delivery to a person in charge of the premises or to the person last registered with the department as the owner or agent, or by registered or certified mail, return receipt requested, or by certified mail with proof of delivery, to the person in charge of the premises or to the person last registered with the department as the owner or agent; provided that where a managing agent has registered with the department, such notice of violation shall be served on the managing agent. Service of the notice of violation shall be deemed completed three days from the date of mailing. Notification, in a form to be determined by the department, of the issuance of such violation shall be sent simultaneously by regular mail to the occupant at the dwelling unit that is the subject of such notice of violation. The department may postpone the date by which a violation shall be corrected upon a showing, made within the time set for correction in the notice, that prompt action to correct the violation has been taken but that full correction cannot be completed within the time provided because of serious technical difficulties, inability to obtain necessary materials, funds or labor, inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as may be necessary to make the required repair. Such postponement shall not exceed fourteen days from the date of correction set forth in the notice of violation. The department may require such other conditions as are deemed necessary to insure correction of the violations within the time set for the postponement. The department may grant one additional postponement of no more than fourteen days for the reasons authorized by this section so long as the paint or other condition which is the subject of the violation has been stabilized. The department is also authorized to promulgate rules establishing criteria for a postponement of the time to correct for a longer period of time where such postponement is requested because of one or more substantial capital improvements will be made that will, when completed, significantly reduce the presence of lead-based paint in such multiple dwelling or dwelling unit including, but not limited to, a requirement that the paint which is the subject of the violation is stabilized. The department shall provide to the owner and the occupant a written statement signed and dated by the person making

such decision setting forth the reasons for each postponement of the date by which a violation shall be corrected or the reason for the denial of such application for a postponement. Said written statement shall be part of the records of the department.

(2) Notwithstanding any other provision of law, the notice of violation shall direct that the correction of each violation cited therein shall be certified to the department. Such certification shall be made in writing, under oath by the registered owner, a registered officer or director of a corporate owner or by the registered managing agent. Such certification shall include a statement that the violation was corrected in compliance with paragraph one of subdivision a of section 27-2056.11 of this code and shall include a copy of the lead-contaminated dust clearance test results. All certifications shall be delivered to the department and acknowledgment of receipt therefor obtained or shall be mailed to the department by certified or registered mail, return receipt requested, no later than five days after the date set for correction, and shall include the date when each violation was corrected. Such certification of correction shall be supported by a sworn statement by the person who performed the work if performed by an employee or agent of the owner. A copy of such certification shall be mailed to the complainant by the department not more than twelve full calendar days from the date of receipt of such certification by the department. Failure to file such certification shall establish a prima facie case that such violation has not been corrected.

(3) Whenever the department shall issue a notice of violation to correct a condition that constitutes a violation of section 27-2056.6 of article fourteen of subchapter two of this chapter, the department shall within fourteen days after the date set for the correction of such violation conduct a final inspection to verify that the violation has been corrected. Where, upon conducting an inspection, the department determines that a violation has not been corrected, the department shall correct such violation within forty-five additional days of such inspection or in such shorter time as is practicable.

(4) Notwithstanding any other provision of law, the department shall not remove a violation from its records nor shall it be deemed that such violation has been corrected unless the records of the department contain written verification that the department has conducted a final inspection of the premises and that such inspection verifies that the violation has been corrected, and copies of lead-contaminated dust clearance test results whenever such tests are required by applicable law, rule or regulation. A copy of the report of the final inspection of a dwelling unit and the status of the violation shall be mailed or delivered to the occupant and the owner.

(5) Notwithstanding any other provision of law, a person making a false certification of correction of a violation issued pursuant to article 14 of subchapter 2 of this chapter, in addition to any other civil penalty, shall be subject to a civil penalty of not less than one thousand dollars nor more than three thousand dollars for each false certification made, recoverable by the department in a civil action brought in a court of competent jurisdiction. If the person making such false certification is an employee of the owner then such owner shall be responsible for such civil penalty. In addition, any such person making a false certification of correction shall be guilty of a misdemeanor punishable by a fine of up to one thousand dollars or imprisonment for up to one year or both.

(6) Notwithstanding any other provision of law, a person who violates article fourteen of subchapter two of this chapter by failing to correct such violation in accordance with paragraph one of subdivision a of section 27-2056.11 of this code shall be subject to a civil penalty of two hundred fifty dollars per day for each violation to a maximum of ten thousand dollars from the initial date set for correction in the notice of violation until the date the violation is corrected and certified to the department, and in addition to any civil penalty shall, whenever appropriate, be punished under the provisions of article three of subchapter five of this code. There shall be a presumption that the condition constituting a violation continues after the service of the notice of violation. The owner shall be responsible for the correction of all violations noticed pursuant to article fourteen of subchapter two of this chapter, but in an action for civil penalties pursuant to this subdivision may in defense or mitigation of such owner's liability for civil penalties show:

- (i) That the condition which constitutes the violation did not exist at the time the violation was placed; or*
- (ii) That he or she began to correct the condition which constitutes the violation promptly upon discovering it but that full correction could not be completed expeditiously because of serious technical difficulties, inability to obtain necessary materials, funds or labor, or inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as might be necessary to make the repair, provided that a postponement was granted pursuant to this subdivision; or*
- (iii) That he or she was unable to obtain a permit or license necessary to correct the violation, provided that diligent and prompt application was made therefor; or*
- (iv) That the violation giving rise to the action was caused by the act of negligence, neglect or abuse of another not in the employ or subject to the direction of the owner, except that the owner shall be precluded from showing in*

defense or mitigation of such owner's liability for civil penalties evidence of any acts occurring, undertaken, or performed by any predecessor in title prior to the owner taking control of the premises. Where the aforesaid allegations are made by way of mitigation of penalties, the owner shall show, by competent proof, pertinent financial data and efforts made to obtain necessary materials, funds or labor or to gain access, or to obtain a permit or license and such other evidence as the court may require.

If the court finds that sufficient mitigating circumstances exist, it may remit all or part of any penalties arising from the violations, but may condition such remission upon a correction of the violation within a time period fixed by the court.

(7) Notwithstanding any other provision of law, failure by the department to comply with any time period provided in this section relating to responsibilities of the department shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article

§7. Title 17 of the administrative code of the city of New York is amended by adding new sections 17-179, 17-180, 17-181, 17-185, and 17-186, to read as follows:

§17-179 Department Screening, Diagnosis, and Treatment. a. The department shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

b. The department shall develop a pamphlet explaining the hazards associated with lead-based paint and describing the procedures to be used in order for a violation of sections 27-2056.6 and 27-2056.7 of this code to be corrected. The pamphlet shall include appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information and to report unsafe lead-based paint work practices. Such pamphlet shall be made available in accordance with section 27-2056.9 of this code. Such pamphlet shall also be made available to any member of the public upon request.

§17-180 Training of Department Personnel. The department, in conjunction with the department of housing preservation and development, shall provide training for lead-based paint inspection and supervisory personnel. No department personnel shall conduct an inspection for lead-based paint pursuant to the health code unless that individual has received such training. At a minimum, such training shall (1) be equivalent to the training required under regulations issued by the United States environmental protection agency for the certification of lead-based paint inspectors and supervisors, (2) include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and (3) require that the individual has successfully demonstrated knowledge of the responsibilities of a certified inspector or certified supervisor, as the case may be, and the requirements of sections 173.13 and 173.14 of the health code or successor rules. The department shall provide for the continuing education of inspection and supervisory personnel.

§17-181 Lead-based paint; dry scraping and dry sanding prohibited. The dry scraping or dry sanding of lead-based paint or paint of unknown lead content in any dwelling, day care center or school is hereby declared to constitute a public nuisance and a condition dangerous to life and health. For the purpose of this section, dry scraping and dry sanding shall mean the removal of paint or similar surface-coating material by scraping or sanding without using water misting to reduce dust levels or other method approved by the department. The department shall promulgate such additional rules as necessary for the enforcement of this section.

§17-185 Inspection by the Department of Unsafe Work Practices. The department shall promulgate rules requiring the department to respond to complaints regarding unsafe lead-based paint work practices.

§17-186 Lead poisoning prevention in children. a. The department shall develop a brochure which, at a minimum, advises all appropriate medical providers of their obligations to screen and test children for lead poisoning according to all relevant federal, state and local laws, rules and regulations. Such pamphlet shall be distributed to all appropriate medical providers on an annual basis, starting on September 15, 2004.

b. The department shall develop a pamphlet regarding lead poisoning prevention in children. Such pamphlet shall, at a minimum, be printed in English and Spanish and shall include, at a minimum: (i) the manner in which children are most likely poisoned by lead; (ii) the effects of lead poisoning on a child's health; (iii) the intervals at which a child is required by New York state law to be tested for blood lead levels; (iv) the appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information; (v) the steps a parent or

guardian may take to protect his or her child from lead poisoning; and (vi) the requirement of landlords to inspect and repair lead-based paint hazards.

c. At a minimum, the department shall distribute the pamphlet produced pursuant to paragraph b of this section with each birth certificate furnished to the parent or guardian of a child pursuant to section 17-168 of this title. Such pamphlet shall also be made available to any member of the public upon request.

§8. Subdivision 1 of subsection a of section § 11-243 of the administrative code of the city of New York is amended to read as follows:

1. "Alteration" and "improvement": a physical change in an existing dwelling other than painting, ordinary repairs, normal replacement of maintenance items, [except that painting or repairs designated to eliminate the lead-based paint poisoning hazard shall be eligible for tax exemption and tax abatement under this section and] provided, however, that ordinary repairs and normal replacement of maintenance items, as defined by [regulations] rules adopted by the department of housing preservation and development pursuant to subdivision m of this section, shall be eligible for tax exemption and tax abatement under this section provided that repairs and maintenance items:

(1) were started and completed within a twelve-month period,

(2) were made to any common area of the dwelling premises concurrently with a major capital improvement thereto, as defined by [regulations] rules adopted by the department of housing preservation and development pursuant to subdivision m of this section, and

(3) require the issuance of a permit for at least one item thereof by any city agency, and

(4) the amount of money expended thereon shall not exceed two times the amount expended on the major capital improvement performed concurrently therewith.

"Alteration" and "improvement" shall also mean "an abatement" of lead-based paint hazards, as defined in part 745 of title forty of the code of federal regulations or any successor regulations, and shall include an "inspection" and "risk assessment" for lead-based paint hazards, as defined in such part, in a dwelling unit occupied by a child of applicable age, as established in accordance with section 27-2056.18 of this code, regardless of whether a child is or has been lead poisoned but shall not include any work performed to comply with a notice of violation issued for a violation of article fourteen of subchapter two of chapter .

§9. Title 17 of the administrative code of the city of New York is amended by adding a new chapter nine to read as follows:

Chapter 9
Lead-Based Paint in Day Care Facilities
Subchapter 1
Definitions

§17-900 Definitions.

Subchapter 2
Remediation of Lead-Based Paint Hazards in Day Care Facilities

§17-910 Presumption.

§17-911 Remediation.

§17-912 Department Rules.

§17-913 Annual Inspection.

Subchapter 1
Definitions

§17-900 Definitions. For the purpose of this chapter the following terms shall have the following meanings:

1. "Chewable surface" shall mean a protruding interior window sill in a day care facility that is readily accessible to a child of applicable age. "Chewable surface" shall also mean any other type of interior edge or protrusion in a day care facility, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where the operator of such day care facility has observed that a child under six years of age has mouthed or chewed such edge or protrusion.

2. "Day care facility" shall mean any facility used to provide day care service.

3. "Day care service" shall mean any service which, during all or part of the day, regularly gives care to seven or more children under six years of age, not all of common parentage, which operates more than five hours per week for more than one month a year. Day care service shall not mean a kindergarten or higher grade in a facility operated by the board of education.

4. "Deteriorated subsurface" shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including but not limited to, rotted or decayed wood, or wood or

plaster that has been subject to moisture or disturbance.

5. "Friction Surface" shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion, and abrade, scrape or bind when in motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

6. "Impact Surface" shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

7. "Lead-based paint" shall mean paint or other similar surface-coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997) and the PCS released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

8. "Lead-based paint hazard" shall mean any condition that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

9. "Lead-contaminated dust" shall mean dust containing lead at 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the New York City board of health.

10. "Operator of such day care facility" shall mean any person who provides day care service and the owner of the premises where such day care facility is located. "Person" shall mean an individual, corporation, partnership, association or other for-profit or not-for-profit entity.

11. "Peeling" shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking, or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

12. "Remediation" or "Remediate" shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead based paint, or other method approved by the commissioner of health and mental hygiene.

Subchapter 2

Remediation of Lead-Based Paint Hazards in Day Care Facilities

§17-910 Presumption. a. All paint or similar surface-coating material on the interior of any day care facility in a structure erected prior to January 1, 1978, shall be presumed to be lead-based paint.

b. The presumption established by this section may be rebutted by the operator or owner of the day care facility by submitting to the department a sworn written statement by the operator or owner of the day care facility supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the operator or owner of the day care facility, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

§17-911 Remediation. a. There shall be no peeling lead-based paint in any portion of any day care facility.

b. *Lead based paint or paint of unknown lead content that is peeling, or which is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces shall be immediately remediated in a manner authorized by the department.*

c. *Any equipment that is painted shall be painted with lead-free paint.*

d. *Whenever a condition prohibited by this section is found to exist, the department shall immediately serve an order on the operator or owner of such day care facility to remediate the condition. In the event such order is not complied with within forty-five days of service thereof, the department shall immediately request an agency of the city of New York to execute such order pursuant to the provisions of section 17-147 of this code. The agency shall execute the order within forty-five days of the department's request. The city of New York shall be entitled to enforce its rights for reimbursement of expenses incurred thereby, including as credits toward lease payments.*

e. *When lead-based paint hazards are remediated pursuant to this section such work shall be performed in compliance with work practices established by the department pursuant to section 17-912 of this subchapter.*

§17-912 Department rules. The department shall promulgate such rules as may be necessary for the implementation of this chapter. Such rules shall incorporate work practices that are no less protective of public health than those set forth in section 173.14 (d) and (e) and those parts of subdivision b of the health code applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.-

§17-913 Annual Survey. The operator of a day care facility shall conduct a survey of such facility annually, and more often if necessary, to determine the physical condition of surface-coating material throughout each such facility and shall provide a copy of the survey results to the department.

§10. All actions taken by the departments of housing preservation and development and health and mental hygiene pursuant to local law 38 of 1999 and local law 1 of 1982 shall be deemed valid to the extent that all violations written, and fines or penalties assessed, as well as any costs for repairs of such violations shall remain valid and enforceable, provided, however, that any such violations which remain uncorrected on the effective date of this local law shall be repaired using the work practices established pursuant to section 27-2056.11(a)(1) as added by section 5 of this local law, and the rules promulgated thereunder, and certified to the department of housing preservation and development in accordance with section 27-2056.10(c)(5) and subdivision (l) of section 27-2115 of the administrative code of the city of New York, as added by section five of this local law, and the rules promulgated thereunder pursuant to this local law.

§11. If any sentence, paragraph, section or part of this local law shall be adjudged invalid by a court of competent jurisdiction such judgment shall not impair or invalidate the remainder thereof but shall be confined to that part.

§12. Paragraph 4 of subdivision e of section 27-2056.4 of the administrative code of the city of New York, as added by section 5 of this local law, shall take effect immediately, and all other provisions of this local law shall take effect one hundred eighty days after its enactment, except that the commissioners of health and mental hygiene and housing preservation and development shall promulgate all rules and take all other actions necessary to implement this local law, other than paragraph 4 of subdivision e of section 27-2056.4, on or before the date upon which it shall take effect.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of the City of New York, passed by the Council on December 15, 2003, disapproved by the Mayor on December 17, 2003 and repassed by the Council Members on February 4, 2004 and said law is adopted notwithstanding the objection of the Mayor.

VICTOR L. ROBLES, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW §27

Pursuant to the provisions of Municipal Home Rule Law §27, I hereby certify that the enclosed Local Law (Local Law 1 of 2004, Council Int. No. 101-A) contains the correct text and:

Received the following vote at the meeting of the New York City Council on December 15, 2003: 44 for, 5 against, 1 not voting.

Was disapproved by the Mayor on December 17, 2003.

Was returned to the City Clerk on December 19, 2003.

Was reconsidered by the Council on February 4, 2004 and received the following vote of the Council members at a meeting of the Council on February 4, 2004: 44 for, 5 against, 1 not voting.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel

DECLARATION

Establishing a Plan for Condominium Ownership of Premises located at 120 Marcus Garvey Boulevard, Brooklyn, New York, County of Kings, City and State of New York Pursuant to Article 9-B of the Real Property Law of the State of New York.

NAME: THE 120 MARCUS GARVEY CONDOMINIUM

**DECLARANT: VASIK LLC
7 Marcus Drive
Monsey, New York 10952**

DATE OF DECLARATION:

The land affected by the within instrument lies in Block 1769 on the Tax Map of the Borough of Brooklyn, County of New York, City and State of New York.

**F/k/a: Lot(s) 44
N/k/a: Lot(s)**

Record and Return:

**LAW OFFICE OF CLAUDIA V. MURDOCH, P.C.
Attorney for Declarant
117 Seventh Avenue
Brooklyn, New York 11215**

DECLARATION ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP of Premises to be known as THE 120 MARCUS GARVEY CONDOMINIUM, located at 120 Marcus Garvey Boulevard, Brooklyn, New York, Borough of Brooklyn, County of Kings, City and State of New York, pursuant to Article 9B of the Real Property Law of the State of New York.

VASIK LLC, located at 7 Marcus Drive, Monsey New York 10952, hereinafter referred to collectively as "the Declarant," does hereby declare:

1. SUBMISSION OF PROPERTY: Declarant hereby submits the land hereinafter described, together with the Buildings and improvements thereon erected ("the Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York.
2. AREA AND LOCATION OF LAND: The land ("Land") consists of all that certain tract, plot, piece, and parcel of land situate, lying and being in the County of Kings, City and State of New York, more particularly described on Schedule A annexed hereto and made a part hereof. The Land is owned by the Declarant in fee simple absolute.
3. NAME OF CONDOMINIUM: The Condominium shall be known as THE 120 MARCUS GARVEY CONDOMINIUM.
4. DESCRIPTION OF THE BUILDING: The condominium consists of a single building composed of three stories and a cellar, and containing, in aggregate, one (1) commercial unit and two (2) residential units. The legal occupancy will match the proposed occupancy hereunder. The building complies with Class I-B construction requirements.
5. THE UNITS: SCHEDULE B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate square foot area; location; number of rooms; the portion of the Common Elements, including Limited Common Elements to which the Unit has immediate access (if any) and the percentage of interest in the Common Elements. The location of each Unit and any Limited Common Elements appurtenant thereto is more clearly designated on the Floor Plans (as hereinafter defined) and reference should be made thereto for the statement of the location of each Unit.

6. FLOOR PLANS: As shown on the Floor Plans of the Buildings (the "Floor Plans"), certified by Oscar P. Walters, Jr., P.E., and intended to be filed in the Kings County Office of the register of the City of New York simultaneously with the recording of this Declaration, the dimensions indicated are approximate, and are incorporated by reference as if fully set forth herein.

7. COMMON ELEMENTS: The Common Elements of the Condominium consist of the entire Property, including parts of the Buildings and improvements thereon other than the Units. Common Elements are comprised of General Common Elements, Residential Common Elements and Limited Common Elements. They include, to the extent applicable, the following:

a) General Common Elements:

(i) The land on which the Buildings are physically erected, including any open areas appurtenant to the building(s);

(ii) All foundations, columns, girders, beams, supports, bearing walls; those portions of the exterior walls and installations beyond the exterior face of the Buildings; those portions of the walls and partitions dividing the Units from corridors, lobby and stairs located beyond the exposed face of the dry walls enclosing the Unit; the subfloor and framing joists, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roofs (excluding terraces), fire escapes (if any), corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls enclosing the Units; lobby; storage and utility areas located beyond the unexposed face of the dry walls and the entrances to and exits from the Buildings;

(iii) All installations outside the Units for services such as gas, power, light, telephone and water;

(iv) All sewer pipes and drainage pipes outside units, including all drains and dry well on the land and those located outside the building footprint;

(v) The boiler room and meter areas, and janitor's closet(s), if any, as shown and delineated on the Floor Plans. To the extent the "as-built" condition of the building differs from such Floor Plans, both said Floor Plans and this Declaration shall be deemed amended to conform to said as-built condition;

(vi) All other apparatus and installations existing in the Buildings for common use or necessary or convenient to the existence, maintenance or safety of the Buildings.

(vii) The foregoing are included only to the extent they are present in this building. If any of the foregoing items are hereinafter designated as residential common elements or limited common elements, such designation shall take priority over the listing set forth herein.

b) Residential Common Elements:

(i) All areas of the Building exclusively used by owners of and visitors to the Residential Units, including hallways, stairwells, the cellar, exterior areas, lobby, vestibule areas of the lobby, and elevator.

(ii) All other apparatus and installations existing in the Building for common use by owners of and visitor to the Residential Units.

(iii) The foregoing are included only to the extent they are present in this building. If any of the foregoing items are hereinafter designated as limited common elements, such designation shall take priority over the listing set forth herein.

c) Limited Common Elements:

Limited Common Elements are those areas appurtenant to a particular Unit or Units, the use of which is restricted to the owner(s) of such Unit or Units, but which are not owned by that unit owner. Each Unit Owner, his guests, invitees, lessees and residents of his Unit shall have the exclusive right to use and possession of the limited common elements of the building indicated in the attached Exhibit B, subject to the following:

Each Unit Owner shall be solely and only responsible for repair and maintenance of the Limited Common Element appurtenant to his/her Unit including, but not limited to, painting, cleaning, patching, and surface repair. In the event a Unit Owner fails to properly maintain his/her Limited Common Element, the Condominium Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas and the cost thereof shall be assessed against the Condominium Unit to which such Limited Common

Elements are appurtenant. To the extent that any damage to a Limited Common Element is caused by building condition, or by other condition for which the Condominium carries insurance, the cost of repair of such damage shall be borne by the Condominium.

8. DETERMINATION OF PERCENTAGES OF COMMON INTEREST: The determination of percentages of Common Interest allocated to each residential or non-residential unit is based upon floor space in relation to all other units of its type, 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 or exclusive or shared use, and the overall dimensions of a particular unit, as per Section 339(i)(1)(iv) of the New York State Real Property Law.

9. USE OF UNITS: Any Residential Unit may be used for private residential use, or for any home occupation use permitted under applicable zoning laws and ordinances, building code, or other rules and regulations of governmental authorities having jurisdiction thereof. Notwithstanding the foregoing, the Declarant may, without the permission of the Board of Managers, retain ownership of one or more Units for use as rental units, models, sales and/or offices, in connection with the sale or rental of the Units. Commercial units may be used for any commercial purpose consistent with the Certificate of Occupancy and applicable zoning except that they may not be used for uses commonly considered in conflict with the peaceful enjoyment of a residential building including but not limited to the following medical activities: (i) drug and/or alcohol addiction facilities, (ii) drug and/or alcohol rehab centers, (iii) cannabis dispensing facilities.

10. ENCROACHMENTS: If any portion of the Common Elements encroach upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall occur hereafter as a result of (a) settling or shifting of the Buildings, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers, or (c) as a result of repair or restoration of the Buildings or a Unit after damage by fire or other casualty, or (d) as a result of condemnation or eminent domain proceedings; a valid easement shall exist for such encroachments and for the maintenance of the same so long as the Buildings shall stand.

11. EASEMENTS:

a) Each Unit Owner shall have an easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other

Common Elements located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Managers shall have a right to access to each Unit and any Limited Common Elements appurtenant thereto to inspect the same, to remove violations therefrom and/or to maintain, repair or replace the Common Elements contained therein or elsewhere in the Building.

b) The Declarant and its designees, their successors, assigns, invitees, licensee, contractors, employees and tenants, shall have an easement in, on, over and across the Property for (i) construction, installation and development thereon and for the construction and installation, ingress to and egress from, and use of (including the right to connect with) all pipes, conduits, ducts, cables, wires, storm drainage facilities, water, sewer and other utility lines and (ii) construction and installation, ingress to and egress from and the right to use (in common with Unit Owners) all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cables, and (iv) ingress to and egress from all land areas of the Property and the use of said land areas (in common with Unit Owners) for any lawful purpose.

c) The Declarant, its designees and their successors, assigns, invitees, licensees, contractors, employees and tenants (i) shall have an easement to erect, maintain, repair and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in the access to Units and Common Elements consistent with the purposes of the Offering Plan for the Property as same may be amended, and Declarant's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements, and (ii) reserve the right to establish, grant and create easements for any additional underground electric, transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under and through the Property, including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Declarant or designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or the residents of any property adjacent to the Property, or users of the Recreation Facilities, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Residential Units for dwelling purposes. Any utility company or public benefit corporation furnishing

services to the Property, and the employees and agents of any such company or corporation, shall have the right to access of any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right to access is exercised in such a manner as not unreasonably to interfere with the use of the Units.

d) The user of any easement granted by Sub-paragraphs "b" and "c" of this Paragraph 11 shall have the responsibility of repairing any damage resulting therefrom.

12. PERSON TO RECEIVE SERVICE: For the period during which Declarant is in control of the Board of Managers, VASIK LLC, 7 Marcus Drive, Monsey, New York, is hereby designated to receive notice of process in any action which may be brought against the Condominium. After Declarant relinquishes control of the Board of Managers, notice of process in any action that may be brought against the Condominium shall be served on the President of the Condominium at the office of the Condominium located at 120 Marcus Garvey Boulevard, Brooklyn, New York. In addition to the foregoing, the Secretary of State of the state of New York is hereby designated as agent of the Board of Managers to accept the service of process in any proceeding.

13. UNITS SUBJECT TO DECLARATION, BY-LAWS, AND RULES AND REGULATIONS: All present and future Owners, tenants, subtenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws, and the Rules and Regulations (if any), as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering unto occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws, and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

14. AMENDMENT TO DECLARATION: This Declaration may be amended, modified, added to or deleted from by vote of Unit Owners representing at least 66-2/3% of all Unit Owners in number and in common interest, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by vote of Unit Owners representing at least 66-2/3% of the Common Interest of all Unit Owners; provided however,

a) No amendment, modification, addition, or deletion which shall adversely affect the lien or any mortgage may be made without the written consent of the mortgagee;

b) No amendment that shall change the percentage of Common Interest allocated to any Unit or Units may be made without the written consent of such Owner;

c) No amendment, modification, addition, or deletion of or to this Declaration will be effective in any respect against the Declarant, its designee, or any Unsold Unit until the Declarant or such designee shall consent thereto in writing;

d) No amendment, modification, addition, or deletion of or to this Declaration which would in any way alter, restrict or change the use to which a Commercial Unit may be put shall be effective against any such Commercial Unit without the written consent of the Owner of such Commercial Unit.

The Declarant hereby reserves to itself and its designee(s) the right to amend this Declaration at any time without the requirements of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of filing the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Buildings and appurtenances that are incomplete upon the original filing of the Declaration provided that the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depicting the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p, will be filed with such amendment.

No such amendment shall be effective until recorded in the Kings County Office of the Register of the City of New York.

15. CHANGES IN UNSOLD UNITS:

A. For any Unit owned by the Declarant or its designee(s), if not prohibited by the New York Condominium Act (as the same may be amended), the Declarant or its designee(s) shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit Mortgages, to (i) make alterations, additions, or improvements in, to and upon the Unit; (ii) change the layout or number of rooms in the Unit; (iii) change in and size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Unit or otherwise; and

(iv) reapportion among such Units affected by such change in size or number, subdivision, combination or alteration, appurtenant interests in the Common Elements; provided, however, that the Declarant or its designee(s) shall comply with all rules, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consent will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. Contract vendees, if any, pursuant to Purchase Agreements with the Declarant or its designees for a Unit adversely affected as a result of the above changes, will be given the right to rescind their Purchase Agreements and receive a refund of any disclosed in an amendment to the Offering Plan for the Property. The provisions of this Paragraph 15 may not be added to, amended or deleted without the prior written consent of the Declarant or its designee(s). In the event of any such change in an Unsold Units, Declarant shall amend the Declaration and Floor Plans to reflect same.

B. CHANGES TO A COMMERCIAL UNIT: Except to the extent prohibited by law, the Owner of a Commercial Unit shall have the right without the vote or consent of the Board of Managers to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Unit; (ii) change the layout of, or number of rooms in the Commercial Unit; (iii) change the size and/or numbers by subdividing the Commercial Unit, into two or more separate Commercial Units, combining separate Commercial Units (including those resulting from such subdivision or otherwise) into one or more Commercial Units, altering the boundary walls between any Commercial Units, or otherwise; and (iv) if appropriate, reapportion amount the Commercial Units affected by such change in size or number pursuant to the preceding clause "c" their percentages of interest in the common element; provided, however, that the percentage of interest in the common elements of any other Commercial Units shall not be changed by reason thereof unless the Owners of such Commercial Units shall consent thereto and, provided further, that the owner filing such changes shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Commercial Units harmless from any liability arising therefrom.

Nothing contained in this Declaration shall prohibit the division or consolidation of any Commercial Units and common interest appurtenant thereto, including but not limited to a change in the number of rooms. Any such change which will affect the structural integrity of the Building requires the prior written consent of the Board of Managers. In

no case, however, may such division or consolidation result in a different percentage of common interest for the total of new Commercial Units than existed for the total of the original Commercial Units before division or consolidation. An amendment to this Declaration authorized by this paragraph may be filed by the new Unit Owner(s) without notice to or consent of the Board of Managers or any other Commercial Owner(s) provided the percentage of common interest of all other existing Commercial Units is not affected thereby.

If the number of rooms in an Unsold Commercial Unit is changed, or the size and/or number of Unsold Commercial Units is changed (whether as a result of a subdivision or combination of Unsold Commercial Units, or of boundary walls between Unsold Commercial Units, or otherwise) and the appurtenant percentage interest in the common elements is reapportioned as a result thereof, all in accordance with the provisions of this Article, then the Sponsor or its designee shall have the right to execute, or (on its request) to require any other Unit Owner or the Condominium Board of Managers to execute, and record in the Office of the Register of New York County, an amendment to this Declaration (together with such other documents as the Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Commercial Units any of them or in the size and/or number of Unsold Commercial Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage of interest in the common elements.

In the event the Sponsor or its designee, exercising its rights pursuant to this Article so requires, the Board of Managers shall promptly amend the Declaration at the expense of the Sponsor or its designee, to reflect any such alteration, addition, improvements, changes or reapportionments and shall record such amendment in the Office of the Register of Kings County.

Unit Owners in the Condominium hold title to their respective Units subject to the benefits, rights, privileges, easements, burdens, covenants, and restrictions as described herein, in the By-Laws of the Condominium and any agreement of record recorded prior or subsequent to this Declaration.

16. INVALIDITY:

a) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, such provision shall be deemed deleted from this

Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law with the same force and effect as if, immediately after the recording of this Declaration or the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration or the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included;

(b) Subject to the terms of Paragraph "a" above, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, this Declaration and By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provisions as a covenant running with the Land.

17. INTENTIONALLY OMITTED.

18. TERMINATION OF CONDOMINIUM: The Condominium may be terminated by casualty loss, condemnation, or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in Common Interest of the Units. The Declarant or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Declarant may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided however, that no payment shall be made to a Unit Owner until all lienors have first been paid off out of his share of such proceeds.

19. COMMON EXPENSE: Common Expenses of the Condominium mean and include all expenses of operation of the Property and all sums designated Common Expenses by or pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York, the Declaration or the By-Laws. Common expenses shall be charged to unit owners according to their respective common interests, except that such expenses may be specially allocated and apportioned by the Board of Managers in a manner different from common profits and expenses for one (1) or more non-residential units. Additionally, common expenses may be specially allocated and apportioned to residential or non-residential units, or a combination thereof, based on special or exclusive use or availability, or exclusive control, of particular units or common areas by particular unit owners.

20. DEFINITION OF "DECLARANT-DESIGNEE": The term "Declarant- Designee" as used in this Declaration shall mean any person or entity designated by the Declarant to acquire title to a Unit, other than a good faith Purchaser for value purchasing pursuant to a validly executed Purchase Agreement. A "Declarant-Designee" shall have the right to designate a person or entity to succeed to its rights and any such designee shall also be deemed a "Declarant-Designee."

21. WAIVER: No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

22. 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 thereof.

23. GENDER: The use of the masculine gender in this Declaration shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

24. MORTGAGEES RIGHTS:

a) Notwithstanding anything to the contrary set forth in any other portion of this Declaration, amendments of a material adverse nature to the interest of the mortgagees must be agreed to by mortgagees holding mortgages on units entitled to cast at least 51.00% of the votes of the Condominium allocated to all units which are subject to mortgages;

b) Any action to terminate the legal status of the project after substantial destruction or condemnation, or for any other reason, must be agreed to by mortgagees holding mortgages on units entitled to cast at least 51.00% of the votes allocated to units which are encumbered by mortgages at the time of such termination. In the event notice of either of the foregoing is delivered to any mortgagee; and in the further event such mortgagee fails to submit a written response to such written notice within sixty (60) days after it receives such notice (and further provided that such notice was delivered by registered or certified mail with a return receipt requested); then in such case such mortgagee will be deemed to have consented to the notice to action.

IN WITNESS WHEREOF, the parties have caused this Declaration to be executed by its duly authorized representatives this
day of _____, 20__.

VASIK LLC
BY:

STATE OF NEW YORK)
COUNTY OF _____) SS.:

On the ____ day of _____, 20__, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

NOTARY PUBLIC

BY-LAWS

of

THE 120 MARCUS GARVEY CONDOMINIUM

ARTICLE I

Purpose of Business

Section 1. Unit Ownership: The property located in the Borough of Brooklyn, County of Kings, City and State of New York at 120 Marcus Garvey Boulevard, Brooklyn, New York (hereinafter called the "Property") has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the Kings County office of the Register of the City of New York, simultaneously herewith. The Condominium thereby created shall hereinafter be known as THE 120 MARCUS GARVEY CONDOMINIUM.

Section 2. Applicability of By-Laws: The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the Buildings, and all other improvements thereon (including the Units, the Common Elements and the Limited Common Elements), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York. The Condominium Units are hereinafter sometimes referred to as "Unit" or "Units."

Section 3. Application: All present and future owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-laws, the Declaration and the Rules and Regulations attached hereto as Schedule A.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4. Office: The office of the Condominium and of the Board of Managers shall be located at the Property.

ARTICLE II

Meetings of Unit Owners

Section 1. Annual Meeting: The Annual Meeting of the Unit Owners of the Condominium for the election of the Board of Managers and for such other business as may properly come before such meeting, shall be held in the Borough of Brooklyn, City of New York, at such time and place, each year as may be designated by the Board. The notice of the meeting shall be in writing and signed by the President or a Vice President or the Secretary or an Assistant Secretary. Such notice shall state the time when and the place within the state where it is to be held, and the Secretary shall cause a copy thereof to be delivered personally or mailed to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before the meeting. If mailed, it shall be directed to each such Unit Owner at his or her address as it appears in the records of the Condominium, unless he or she shall have filed with the Secretary of the Condominium a written request that notices intended for him or her be mailed to some other address, in which case it shall be mailed to the address designated in such request.

Section 2. Special Meetings: Special meetings of Unit Owners, other than those the calling of which is regulated by statute, may be called at any time by the President or Secretary or by a majority of the Board of Managers. It shall also be the duty of the Secretary to call such meetings whenever requested in writing to do so by Unit Owners owning at least twenty-five per cent (25%) of the votes of the Condominium. 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 1 of this Article to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before such meeting. No business other than that stated in such notice shall be transacted at such Special Meeting unless the holders of all the Units of the Condominium be present thereat in person or by proxy. Except that there shall be a meeting commenced within sixty (60) days after the closing of the First Unit to be sold to elect a Board of Managers.

Section 3. Waiver of Notices: The notice provided for in the two foregoing sections is not indispensable, but any Unit Owners' meeting whatever shall be valid for all purposes if all the Unit Owners of the Condominium are represented thereat in person or by proxy, or if a quorum is present, as provided in the next succeeding section, and waiver of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by such Unit Owners as are not so represented and were not given such notice.

Section 4. Quorum: At each meeting of Unit Owners, except where otherwise provided by law, Unit Owners representing, in person or by proxy, 51% of the votes of the Units shall constitute a quorum; in case a quorum shall not be present at any meeting, the holders of a majority of the Units represented may adjourn the meeting to some future time and place. Only those Unit Owners who, if present at the adjourned meeting, would have been entitled to vote thereat, shall be entitled to vote at any such adjourned meeting.

Section 5. Voting: At each meeting of Unit Owners, each Unit Owner present in person or by proxy shall be entitled to cast the votes appurtenant to his/her Unit at the time of service of notice of such meeting or at such prior date, not more than forty (40) days before such meeting, as may be prescribed by the Board of Managers as the date for determining which Unit Owners of record are entitled to notice of and to vote at such meeting. The proxies shall be in writing duly signed by the Unit Owner but need not be acknowledged or witnessed, and the person named as proxy by any Unit Owner need not himself be a Unit Owner of the Condominium. Voting by Unit Owners shall be viva voce unless any Unit Owner present at the meeting, in person or by proxy, demands a vote by written ballot, in which case the voting shall be by ballot, and each ballot shall state the name of the Unit Owner voting and the number of votes appurtenant to his/her Unit, and in addition, the names of the proxy of such ballot if cast by a proxy.

Section 6. Title to Units: Title to Units may be taken in the name of an individual or in the name of two (2) or more persons, as tenants in common or as joint tenants or as tenants by the entirety or in the name of a corporation or partnership, or in the name of a fiduciary or trust, estate, un-incorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity. The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this Section.

Section 7. Number of Votes: Any or all of such Owners (including the Sponsor or Sponsor-designee, if the Sponsor or its designee shall then own one or more Units) shall be entitled to cast one vote for each .01% of common interest on all matters put to the vote

at all meetings of Unit Owners; except that, when voting for the election of members of the Board of Managers, each Condominium Unit shall be entitled to elect one manager to the Board of Managers. If Units are owned by more than one person as joint tenants, tenants by the entirety, or as tenants in common or by a partnership, corporation or other entity, the persons owning said Unit shall agree among themselves and cast the votes for their Unit as a single vote. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or its designee shall not be entitled to vote.

Section 8. Majority of Unit Owners: As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having greater than 50% of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of Section 7 of this Article II. Two thirds of Unit Owners shall mean those Unit Owners having greater than 66-2/3% of the total authorized vote of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners. A vote of a majority of Unit Owners shall be sufficient for any action of any meeting, except where otherwise provided herein or required by statute.

Section 9. Inspectors of Election: Inspectors of election shall not be required to be appointed at any meeting of Unit Owners unless requested by a Unit Owner present (in person or by proxy) and entitled to vote at such meeting and upon the making of such request inspectors shall be appointed or elected as provided in Section 610 of the Business Corporation Law.

ARTICLE III

OFFICERS

Section 1. Designation: The principal officers of the Condominium shall be the President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint such other officers as in its judgment may be necessary. The President and Vice-President, but no other officers, need be members of the Board of Managers.

Section 2. Election of Officers: The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of

Managers and shall hold office at the pleasure of the Board of Managers and until their successors are elected, their resignation or death.

Section 3. Removal of Officers: Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. President: The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice-President: The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers or by the President.

Section 6. Secretary: The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer: The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the Managing Agent, in such depositories as may from time to time be designated by the Board of Managers, and he shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Compensation of Officers: No officer shall receive any salary or other compensation from the Condominium for acting as such or for services rendered in an official capacity.

Section 9. Liability of Officers: No officer shall be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify each officer against any liability or claims except those arising out of the bad faith or willful misconduct of an officer. It is intended that each officer shall have no personal liability with respect to any contract made by him on behalf of the Condominium. It is and shall be permissible for each officer who is appointed by the original Board of Managers (designees of the Sponsor), to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by an officer or out of the aforesaid indemnity in favor of each officer shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all the Unit Owners. Every agreement made by an officer on behalf of the Condominium shall provide that each officer is acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners, except for willful misconduct or bad faith), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all Unit Owners.

ARTICLE IV

Managers

Section 1. Number: The number of Managers of the Corporation shall not be less than three (3) nor more than seven (7), as may from time to time be herein provided and, in the absence of such provision shall be three (3). Commencing with the first election of Managers by Unit Owners of the Condominium, and until changed by amendment of this By-Law provision, and hereinafter provided, the number of Managers shall be three (3). The number of Managers shall not be decreased to a number less than the number of Managers then in office except at any Annual Meeting of Unit Owners. However, during the period the Sponsor, its Successor Offeror(s) or Designees(s) continue to own 50% or more of the Condominium the number of Managers shall remain fixed at three (3).

Section 2. Powers and Duties: The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, as agent of all Unit Owners. The Board shall further have the right to employ a manager or managing agent or both, and may delegate any or all of the powers conferred by this section to such managing agent. Persons employed in the operation of the property may be designated or removed by a majority vote of the Board of Managers, or without vote by the managing agent or manager, if such a person is employed by the Board.

Section 3. Nomination and Election: The Managers shall be elected for a term of one year at the Annual Meeting of Unit Owners or at a Special Meeting called for that purpose as provided by law. When voting for Managers, each Condominium Unit shall be entitled to elect one manager to the Board of Managers. Their term of office shall be until their respective successors are elected and qualify.

Section 4. Quorum: A majority of the Managers then authorized by these By-Laws shall constitute a quorum.

Section 5. Vacancies: Vacancies in the Board of Managers resulting from death, resignation or otherwise may be filled without notice to any of the Unit Owners by a vote of a majority of the remaining Managers present at the meeting at which such election is held for that purpose promptly after the occurrence of any such vacancy even though no quorum is present. Each person so elected shall be a member of the Board of Managers until a successor shall be elected at the next annual meeting of Unit Owners to serve the remaining term. In the event of the failure to hold any election of Managers at the time designated for the annual election of Managers or in the event that the Board of Managers shall not have filled any such vacancy, a Special Meeting of Unit Owners shall be called to elect a new Board of Managers. Any vacancy created by amendment of these By-Laws shall be filled in the manner provided in the resolution adopting such amendment. In case of a reduction of the authorized number of Managers by amendment of these By-Laws, the Manager, if any, whose term of office shall cease, shall be determined in the manner provided in the resolution adopting such amendment.

Section 6. Meetings: The Board of Managers shall meet immediately after the Annual Meeting of Unit Owners without notice and also whenever called together by any Manager of the Condominium or upon the written request of any three Managers then holding office, upon notice given to each Manager, by delivering personally, mailing or telegraphing the same to him at least two days prior to such meeting at the last address furnished by him to the Condominium. Regular meetings may be held without notice at such times and places as the Board of Managers may determine. Any meeting of the

Board at which all the Managers shall be present, or of which notice shall be duly waived by all absentees, either before or after the holding of such meeting, shall be valid for all purposes provided a quorum be present. Meetings of Managers may be held either at the principal office of the Condominium or elsewhere within the State of New York as provided in the notice calling the meeting, unless the Board of Managers by resolution adopt some further limitation in regard thereto. At all meetings of the Board of Managers, each Manager shall be entitled to one vote. The vote of a majority of the Board of Managers present at the time of a vote of a duly constituted meeting shall be the act of the Board of Managers.

Section 7. Resignation and Removal: Any Manager 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, and unless specifically requested acceptance of such resignation shall not be necessary to make it effective. Any Manager may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate vote is at least 51% of the votes of the Condominium at a Unit Owners' meeting duly called for that purpose; provided, however, that the Manager(s) elected by the Holders of "Unsold Units" can be removed only for cause by a vote of a majority of the Unit Owners or without cause by the Holders of Unsold Units.

Section 8. Annual Cash Requirements: The Board of Managers shall, from time to time determine the cash requirements as defined in the Condominium's By-Laws, and fix the terms and manner of payment of Common Charges as more specifically set forth in Article VI. The Board of Managers shall have discretionary power to prescribe the manner of maintaining and operating the Building, to be paid as aforesaid by the Unit Owners. Every such determination by the Board of Managers shall be final and conclusive as to all Unit Owners and any expenditures made by the Condominium's officers or its agent under authority of, or with the approval of, the Board of Managers of the Condominium shall, as against the Unit Owners, be deemed necessarily and properly made for such purpose. Until the earlier of (i) the fifth anniversary of the First Closing or (ii) such time as the Holders of Unsold Units hold less than 50% of the outstanding votes of the Residential Units, the Board of Managers of the Condominium will not take any of the following actions unless Unit Owners owning at least 51% of the votes of Residential Units of the Condominium approve in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purpose:

- a) Increase the number or change the type of employees from that described in the FOOTNOTES TO SCHEDULE B of the Offering Plan;

b) Provide for new or additional services from those indicated in the FOOTNOTES TO SCHEDULE B, unless the annual cost of such new or additional services, when added to the annual cost of all other services, being provided, is no greater than that provided in said notes;

c) Establish any reserve other than the Reserve and/or Working Capital Funds set forth in the Offering Plan.

Until the earlier of five years from the date of closing, or at the time at which the Sponsor or other Holder of Unsold Units owns units consisting of less than 25% of the common interest of the Condominium, the Sponsor may exercise veto power over any expenses other than those described in SCHEDULE B, or which are required to comply with applicable laws or regulations; remedy any notice of a violation; or remedy any work order from an insurer. Additionally, so long as the Sponsor retains ownership of at least one unit in the building, the By-Laws, Declaration, and Rules and Regulations of the Condominium, may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor.

Section 9. Rules and Regulations: The Board of Managers may from time to time adopt and amend such rules and regulations as it may deem necessary in respect to the Building of the Condominium for the health, safety and convenience of the Unit Owners. Copies thereof and of changes therein shall be furnished to each Unit Owner.

Section 10. Compensation: No Member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 11. Liability of the Board of Managers: The Members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions 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 within the scope of their authority. It is understood and permissible for the original Board of Managers, who are designated by the Sponsor, to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the

Common Elements bears to the interest of all the Unit Owners in the Common Elements, and, except as prohibited by law, the Unit Owner's interest in the Unit. Every agreement made by the Board of Managers, or the Managing Agent, or the Manager, on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager as the case may be, are acting only as agent for the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the Managing Agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements, and, except as prohibited by law, the Unit Owner's interest in the Unit.

ARTICLE V

NOTICES

Section 1. Definitions: Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any Manager, Unit Owner or mortgagee, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to the Board of Managers, such Managers or Unit Owner or mortgagee in such address as appears on the books of the Condominium.

Sections 2. Service of Notice Waiver: Whenever any notice is required to be given under the provisions of the Declaration or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI

OPERATION OF THE PROPERTY

Section 1. 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 Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses, and allocate and assess such

Common Charges and Expenses among the Unit Owners in proportion to their respective Common Interests; except that such expenses may be specifically allocated and apportioned by the Board of Managers in a manner different from common interest to one (1) or more non-residential units; or in the case of either residential or non-residential units or any combination thereof, such expenses may be specially allocated and apportioned based on special or exclusive use or availability, or exclusive control, of particular units or common areas by particular unit owners. The Common Expenses 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 these By-Laws and the fees and disbursements of the Insurance Trustee. The Common Expenses may also include such amount as the Board of Managers may deem proper for the operation and maintenance of the Common Elements including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease of any Unit whose Owner has elected to sell or lease such Unit, or any Unit which is to be sold at a foreclosure or other judicial sale. The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges and Expenses are based, to all Unit Owners. Any dispute relating to the expenses to be borne by the Unit Owners, including the commercial unit owners, shall be submitted to arbitration in accordance with these By-Laws.

Until such time as units are separately assessed for New York City real estate tax purposes, real estate taxes shall be deemed part of the common expenses of the building, and individual unit owners will be assessed their proportionate share thereof. After assessment, unit owners will be reimbursed for any overpayment of taxes or assessed for any underpayment.

The Sponsor or Sponsor-designee shall be responsible for the Common Charges assessed against a Unit owned by it from the date of the First Unit Closing until such Unit is sold to a bona fide purchaser.

Section 2. Insurance: The Board of Managers shall be required to obtain and maintain, to the extent obtainable, fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Buildings containing the Units (including all of the Units and the fixtures initially installed therein by the Sponsor or by prior construction

and any other property usual to the servicing and general occupancy, but not including furniture, furnishings, or other personal property supplied or installed by Unit Owners) together with all service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees with certificates of insurance, as their interests may appear, in an amount to be determined by the Board of Managers. In the event this building includes a commercial unit, the Board of Managers shall annually obtain from the insurance broker a letter stating the extent to which the cost of insurance for the condominium, on account of the usage of the commercial unit, exceeds the cost which would otherwise have been obtained if no commercial unit were present; and this cost shall be borne by the commercial unit owner. A copy of the letter shall be delivered to the commercial unit owner within ten (10) days after receipt thereof, and the commercial unit owner shall be obligated to pay the amount assessed therein within fifteen (15) days after receipt thereof.

Section 3. Payment of Common Charges: All Unit Owners shall be obligated to pay the Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of Article VI at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer or other conveyance by him.

Section 4. Collection of Common Charges and Assessments: The Board of Managers shall assess Common Charges against Unit Owners from time to time at least annually and shall take prompt action to collect any Common Charge due from any Unit Owner that remains unpaid for more than thirty (30) days from the due date for payment thereof. The Board of Managers shall also take prompt action to collect any assessment due from any Unit Owner that remains unpaid for more than thirty (30) days from the due date thereof.

Section 5. Default in Payment of Common Charges or Assessments: In the event of default by any Unit Owner in paying to the Board of Managers the Common Charges or any assessment as determined by the Board of Managers, such Unit Owners shall be obligated to pay interest at the highest legal rate on such Common Charges or assessments from the due date thereof, together with all expenses, including attorney's fees, incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers shall have the right and duty to attempt to recover such Common Charges or assessments, together with interest thereon, and the expenses of the proceeding, including attorney's fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such

Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. A Unit Owner defaulting in payment of Common Charges or assessments shall not be permitted to vote at any regular or special meeting of Unit Owners. During the time that the Sponsor is in control of the Board of Managers, 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 the Sponsor is more than 30 days in arrears of common charges.

Section 6. Foreclosure of Liens for Unpaid Common Charges: In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at foreclosure sale and to acquire, hold, lease, mortgage (but not to vote the votes appurtenant to), convey, or otherwise deal with same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same. The proceeds from the sale of any Unit pursuant to this Section shall be used first to pay the unpaid Common Charges and/or assessments, plus reasonable attorney's fees and administrative costs and any other lawful liens on the defaulting Unit. Amounts above this, if any, will be the property of the defaulting Unit Owner. If after the sale of Unit for the nonpayment of Common Charges and/or assessments, the sale does not recover the full amount due and owing, the Board of Managers has the right to assess all the Unit Owners as a Common Expense for the difference between the amount received by the Condominium from the sale of the Unit and the amount owed to the Condominium.

Section 7. Statement of Common Charges and Assessment: The Board of Managers shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid Common Charges due from such Unit Owner.

Section 8. Abatement and Enjoinment of Violations by Unit Owners: The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in these By-Laws; (a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof (provided, however, that 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 Property of the Condominium or for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 9. Maintenance and Repairs:

a) All maintenance, replacement, or repair to any Unit, ordinary or extraordinary, and to the doors (except painting exterior side of Unit entrance door), windows (except painting exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be the responsibility of the unit owner, and the expense thereof shall be the sole responsibility of the Unit Owner, excepting as otherwise specifically provided herein.

b) All maintenance, repairs and replacements to the Common Elements as defined in the Declaration, shall be made by the Board of Managers as a Common Expense, excepting to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed as per the Declaration.

c) Each unit owner shall be solely and only responsible for repair or maintenance of any limited common element appurtenant to his/her unit, including but not limited to painting, cleaning, patching, and surface repair, and, in the case of balconies, if any, structural maintenance.

d) In the event a unit owner fails to properly maintain his unit or limited common element, the Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas, and the cost thereof shall be assessed against the owner of the condominium unit in question, or the owner of the unit to which such limited common elements are appurtenant.

e) To the extent that damage to a limited common element or unit is caused by a building condition or by other condition for which the condominium

carries insurance, the cost of repair of such damage shall be borne by the condominium.

Section 10. Restrictions on Use of Units: In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following:

- a) The Units shall be used for any use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction, and the Certificate of Occupancy. Notwithstanding the foregoing, the Sponsor or Sponsor-Designee shall have the right, without charge, (i) to maintain general and sales offices in one or more Units or elsewhere on the Property, to use one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present on the Property; (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction of the Building and to comply with its obligations.
- b) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.
- c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its occupants or which interferes with the peaceful possession or proper use of the Property by its occupants.
- d) No unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.
- e) In the event the Board of Managers determines, via letter from the insurance agent providing insurance for the building, that the cost of insuring the building with the Commercial Unit exceeds the cost of insuring the building

without Commercial Units, then the Commercial Unit Owner shall be responsible for a special assessment in the amount of such overage. Commercial Unit Owners shall be under a duty to maintain heat in their unit on a 24-hour basis, notwithstanding the operating hours of the business, so as to prevent any piping or building facilities which run through said Commercial Unit from freezing or being otherwise damaged by any weather condition. In the event the commercial unit owner fails to maintain their heat supply on such a basis, the condominium Board shall have the same right and duty to compel compliance with this requirement as it has for common charges and assessments pursuant to Sections 3, 4, and 5 of this ARTICLE VI.

Section 11. Additions, Alterations or Improvements by Unit Owners: No Unit Owner shall make any structural addition, alteration or improvement in or to his Unit, or which affects the exterior of the Building's Units, without prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer in writing any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration, or improvement. An application to any department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor, or material man on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

In the event the Board of Managers grants its consent, either affirmatively or by its inaction, to any structural addition, alteration or improvement to be made by a Unit Owner, the consent shall provide that any such work shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and worker's compensation insurances (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements, shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration, addition or improvement, or due to improper design or construction of the structural alteration, addition or improvement,

and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration, addition or improvement; such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with any request by a Unit Owner for approval of such work.

The provisions of this Section 11 that require the consent of the Board of Managers in connection with a structural addition, alteration, or improvement shall not apply to Units owned by the Sponsor or its designee. All other provisions of this Section 11 shall apply to all Units.

Non-structural alterations and improvements to Units that do not affect the exterior of the Building may be made without the prior approval of the Board of Managers.

Section 12. Use of Common Elements and Facilities: A Unit Owner shall not place or cause to be placed in the lobby, public halls, stairways or other common areas or common facilities, any furniture, packages or objects of any kind. The public halls and stairways shall be used for no purpose other than for normal transit through them. The Sponsor and any Sponsor-Designee shall have the right to use of the Common Elements, without charge, for the purpose set forth in Section II of this Article VI.

Section 13. Right of Access: A Unit Owner shall grant a right of access to his Unit, to the Manager and/or any other person authorized by the Board of Managers, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Building in which the Unit is located, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. In the event of the exercise of the right of access provided in this Section 13, any costs for repairs shall be borne in accordance with the provisions of Section 10 of this Article VI. Each Unit Owner will be required to give a copy of his/her keys to his/her Unit to the President of the Board of Managers who shall designate an authorized person or persons to keep the keys and use them in case of an emergency.

Section 14. Rules of Conduct: Rules and Regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Managers. A majority vote of Unit Owners at a meeting may overrule the Board. A copy of such rules and regulations shall be furnished by the Board of Managers to each Unit Owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers are annexed hereto and made a part hereof as Schedule A.

Section 15. Water Charges and Sewer Rents: Water shall be supplied to all of the Units and the Common Elements through one or more building meters or pursuant to a frontage charge and, the Board of Managers shall pay, as a Common Expense, all charges for water consumed on the Property and in the Units, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. In the event of a proposed sale of a Unit by the Owner thereof, the Board of Managers, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Property as of the date of closing of title to such Unit promptly after such charges shall have been billed.

Section 16. Smoking Policy: Pursuant to Local Law 147, the subject premises' smoking policy is as follows: Smoking is prohibited in all indoor and outdoor common areas throughout this building. Unit owners are only permitted to smoke within their own units.

ARTICLE VII

Mortgages

Section 1. Notice to Board of Managers: A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a confirmed copy of the note and mortgage with the Board of Managers; the Board of Managers shall maintain such information in a book entitled "Mortgages of Units."

Section 2. Notice of Unpaid Common Charges: The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit, of such Unit Owner's default, including non-payment of Common Charges, in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations,

as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default: The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has heretofore been furnished to the Board of Managers.

Section 4. Examination of Books: Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

Section 5. Any mortgagee shall be entitled to timely written notice of:

- a. Any condemnation of casualty loss that affects either a material portion of the project or the unit securing its mortgage.
- b. Any sixty (60) day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage.
- c. A lapse, cancellation, or material modification of any insurance policy maintained by the Homeowner's Association.
- d. Any proposed action that requires the consent of a specified percentage of mortgagees.

Section 6. Notwithstanding anything to the contrary set forth in any portion of these By-Laws, any first mortgagee who obtains title to a condominium unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of such unit's unpaid regularly scheduled budgeted dues or common charges accrued before acquisition of title to the unit by the mortgagee, together with any fees or costs related to the collection of such unpaid dues.

Section 7. Notwithstanding anything to the contrary set forth elsewhere in these By-Laws, no amendment, modification, addition, or deletion that shall adversely affect the lien of any mortgage may be made without the consent of the mortgagee.

Section 8. When a mortgagee fails to submit a response to any written notification made pursuant to these By-Laws within sixty (60) days after such notice is delivered by certified or registered mail, return receipt requested, said mortgagee will be conclusively presumed to have consented to the action set forth in said notice.

ARTICLE VIII

Condemnation and Termination

Section 1. Condemnation: In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers, if such award amounts to \$50,000.00 or less, and to the Insurance Trustee if such award amounts to more than \$50,000.00. If seventy-five (75%) percent or more of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five (75%) percent or more of the Unit Owners do not duly and promptly approve the repair and restoration of such Common Element, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 2 of Article VI of these By-Laws. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

Section 2. Termination: The Condominium may be terminated by the casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in number and in Common Interest of the Units. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests. However, no payment shall be made to a Unit Owner until all liens to which his/her Unit are subject are paid off.

ARTICLE IX

Arbitration

Section 1. Procedure: Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Declaration and/or By-laws may be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York, in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in New York City, New York before one arbitrator appointed, upon the application of any party, by the Real Estate Board of New York.

Section 2. Variation by Agreement: The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Declaration and/or By-laws may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York City Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 3. Binding Effect: The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Cost 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 Condominium board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

ARTICLE X

Conflicts

Section 1. Conflicts: These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

ARTICLE XI

Amendments to the By-Laws

Section 1. Amendment to By-Laws: These By-Laws may be modified or amended by the vote of two-thirds (as that number is defined in these ByLaws) in number and in Common Interests of all Unit Owners at a meeting of Unit Owners duly held for such purpose.

For as long as there are one or more Unsold Units, these By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be altered, amended, repealed or added to without the consent of the Holder(s) of Unsold Residential Units and the Sponsor.

ARTICLE XII

Miscellaneous

Section 1. Invalidity: The invalidity of any part of the By-Laws shall not impair or affect in any manner the valid enforceability or effect of the balance of these By-Laws.

Section 2. Captions: The captions herein are inserted only by matter of convenience and/or reference, and in no way define, limit, or describe the scope of these By-Laws, or the intent of any provision therein.

Section 3. Gender: The use of the masculine gender in the By-Laws shall be deemed to include the feminine gender and the use of singular shall be deemed to include the plural, whenever the context requires.

Section 4. Waiver: No restriction, condition, obligation or provision contained in these By-Laws, shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, respective of the number of violations or breaches thereof which may occur.

Section 5. Insurance Trustee: The Insurance Trustee selected, shall be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers (with approval of the holders of two (2) or more Unit first mortgages, if applicable). In the event the Insurance Trustee shall resign, the new insurance Trustee shall also be a bank, trust company, or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of the holders of two (2) or more Unit first mortgages, if applicable). The Board of Managers shall pay fees and disbursements of any Insurance Trustee, and such fees or disbursements shall constitute a Common Expense of the Condominium.

Section 6. Report to Unit Owners: The Board of Managers of the Condominium shall give annually to each and every Unit Owner:

- 1) On or before March 1st of each year a financial statement for the previous year's operation. During the period the Sponsor is in control of the Board of Managers, there shall be a certified financial statement prepared by a certified public accountant or public accountant.

- 2) Prior notice of the annual Unit Owners meeting at least 30 days prior to such meeting.

- 3) A copy of the proposed annual budget of the Condominium, no less than thirty (30) days prior to the date set for adoption thereof by the Board of Managers. During the time the Board is controlled by the Sponsor, this statement shall be certified by a qualified budget expert.

ARTICLE XIII

Sponsor Control

Section 1: Transfer of control of the Condominium Board of Managers shall pass to unit owners, other than the Sponsor, at the earlier of the following:

- Thirty (30) days after the date by which both of the residential units have been conveyed to unit purchasers;
- or
- Three (3) years after the first conveyance of a residential unit to a unit purchaser.

Notwithstanding the foregoing, Sponsor may vote for unit owners of its choice.

Section 2: Until the earlier of five years from the date of closing, or at the time at which the Sponsor or other Holder of Unsold Units owns units consisting of less than 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those described in Schedule B, or which are required to comply with applicable laws or regulations; remedy any notice of a violation; or remedy any work order from an insurer; or for any repair or replacement necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or required to avoid the suspension of any necessary service to the Building.

Section 3: So long as the Sponsor retains ownership of at least one unit in the building, the By-Laws, Declaration, and Rules and Regulations of the Condominium, may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor.

Section 4: At the time of the First Closing there will be three Managers designated by the Sponsor. However, the Managers will resign in favor of Managers who will be elected by the purchasers at a meeting to be convened within 60 days after First Closing. If the Sponsor still owns 50% or more of the units in the building, the Sponsor-appointed managers may be re-elected at such time.

Section 5: So long as a majority of the Board of Managers consists of managers designated by the Sponsor or holders of unsold units, the board:

1. Shall not eliminate or reduce the number of employees, insurance coverages or any service to a level less than that provided in Schedule B unless a majority of board members elected by bona fide unit purchasers vote in favor thereof.
2. Shall, to the extent of their authority as Board Members, use all reasonable efforts to cause the Building (including its equipment, services and installations) to be kept operational, clean, and, in a good state of repair and condition;
3. Shall not veto expenditures required to comply with applicable laws or regulations and/or expenses necessary to remedy notice of violations of law, or order of an insurance carrier, or for any repair or replacement 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.

**CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO
SECTION 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL
BUSINESS LAW ARTICLE 23A, AS AMENDED**

**RE: 120 Marcus Garvey Boulevard
 Brooklyn, New York**

We, VASIK LLC, and Alan Waintraub, being the Sponsor and principal of the Sponsor of the Offering Plan to convert the above captioned property to condominium ownership, jointly and severally certify as follows:

We understand that we have primary responsibility for compliance with the provisions of Article 23A 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 that amend or supplement the Offering Plan will:

1. Set forth the detailed terms of the transaction and be complete, current, and accurate;
2. Afford potential purchasers, investors, and participants an adequate basis on which to found their judgment;
3. Not omit any material fact;
4. Not contain any untrue statement of a material fact;
5. Not contain any fraud, deception, concealment, suppression, false pretense, or fictitious or pretended purchase or sale;
6. Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

7. 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 the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the Civil and Criminal penalties of the General Business Law and the Penal Law.

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on October 19, 2021.

VASIK LLC

By: Alan Waintraub
ALAN WAINTRAUB, Principal

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on October 19, 2021.

Alan Waintraub
ALAN WAINTRAUB

**DEMERARA ENGINEERING, PLLC
37-24 24TH STREET, SUITE 231
LONG ISLAND CITY, NEW YORK 11101
1212.383.4897**

**CERTIFICATION BY SPONSOR'S ENGINEER/ARCHITECT
PURSUANT TO SECTION 20 OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED**

06/30/2022

Department of law
Of the State of New York
28 Liberty Street, 21st floor
New York, New York 10005

Attn: Real Estate Financing Bureau
Re: 120 Marcus Garvey Boulevard
Town of Brooklyn



The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the renovation of the property (the report). We examined the Building Plans and specifications that were prepared by the office of Alix Cecil Michel, R.A., License No: 024556 approved on 01/11/2021. We prepared the report dated 06/30/2022, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on it.

I am a licensed engineer in the state in which the property is located. I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this report.

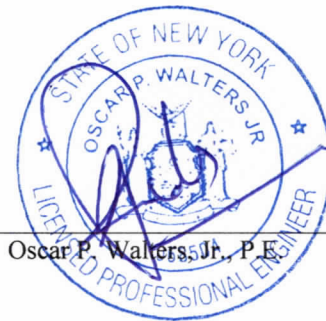
I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made. I certify that the report:

- i. Sets forth in narrative form, the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that the construction is in accordance with the plans and specifications I examined;
- ii. In my professional opinion, affords potential investors, purchasers and participants an adequate basis upon which to found their judgement concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specification that I examined;
- iii. Does not omit any material fact;
- iv. Does not contain any untrue statement of the material fact;
- v. Does not contain any fraud, deception, concealment, or suppression;
- vi. Does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- vii. Does not contain any representation or statement which is false, where I (a) Knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations or statement made.

I further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor, and that my compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

I certify under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct.

Executed on this th day of July 2022.



Oscar P. Walters Jr., P.E.

Complete Condo Service Inc.
Licensed Real Estate Broker
610 Broadway
Brooklyn, N.Y. 11206
Tel. (718) 875-9100 Fax. (718) 228-7090

10/04/2021

**CERTIFICATION OF SPONSOR'S EXPERT ON ADEQUACY OF BUDGET
PURSUANT TO SECTION 20 OF THE REGULATIONS ISSUED PURSUANT
TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED**

RE: 120 Marcus Garvey Blvd, Brooklyn, New York

The sponsor of the condominium offering plan for the above captioned property retained me to review SCHEDULE B and SCHEDULE B-1 containing the projections of income and expenses for the first year of condominium operation. Our experience in the field includes being a licensed Real Estate Broker for over 2 years; the management of approximately ten buildings; and, the sale of numerous condominium and rental properties. We are familiar with prices, practices, and procedures in the area of this condominium.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in part 20, insofar as they are applicable to SCHEDULE B and SCHEDULE B-1. We have reviewed the SCHEDULES and investigated the facts set forth in the SCHEDULES, and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in SCHEDULE B and SCHEDULE B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

1. Set forth in detail the projected income and expense for the first year of condominium operation;
2. Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
3. Does not omit any material fact;
4. Does not contain any untrue statement of a material fact;
5. Does not contain any fraud, deception, concealment, or suppression;
6. Does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. Does not contain any representation or statement which is false where we:
 - a. Knew the truth;
 - b. With reasonable effort, could have known the truth;
 - c. Made no reasonable effort to ascertain the truth; or,

d. Did not have the knowledge concerning the representations or statements made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expense for the first year of condominium operation. This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to civil and criminal penalties of the General and Business Law and Penal Law.

I certify under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct.

Executed on this 6th day of oct, 2021.



SIMON NEUSTEIN
Licensed Real Estate Broker

Complete Condo Service Inc.
Licensed Real Estate Broker
610 Broadway
Brooklyn, N.Y. 11206
Tel. (718) 875-9100 Fax. (718) 228-7090

10/19/2021

CERTIFICATION BY EXPERT ON ADEQUACY OF COMMON CHARGES PAYABLE BY
THE COMMERCIAL UNIT OWNER PURSUANT TO SECTION 20 OF THE
REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A,
AS AMENDED

RE: 120 Marcus Garvey Boulevard Brooklyn, New York

The Sponsor of the condominium Offering Plan for the above captioned property retained me to review SCHEDULE B, which includes projections of common charges payable by owners of commercial units. Our experience in the field includes being a licensed real estate broker for over two (2) years; the management of approximately ten (10) buildings; and, the sale of numerous condominium and rental properties. We are familiar with prices, practices, and procedures in the area of this condominium.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General, Part 20 thereof, insofar as they are applicable to the commercial units listed in SCHEDULE B. We have reviewed the SCHEDULE as it impacts upon commercial units and investigated the facts set forth in the SCHEDULE, and the facts underlying it with due diligence in order to form a basis for this certification. We have also relied on our experience in managing residential buildings.

We certify that the projections in SCHEDULE B for common charges payable by the owners of commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflect special or exclusive use or availability, or exclusive control of, particular common areas.

We certify that the estimates in SCHEDULE B for common charges payable by the owners of commercial units do:

1. Set forth in detail the projected common charges for the commercial unit for the first year of condominium operation;
2. Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by owners of the commercial unit;
3. Not omit any material fact;
4. Not contain any untrue statement of a material fact;
5. Not contain any fraud, deception, concealment, or suppression;
6. Does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. 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 representations or statements made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial units for the first year of condominium operation. This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

I certify under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct.

Executed on this 19 day of oct, 2021.



SIMON NEUSTEIN
Licensed Real Estate Broker