C O N D O M I N I U M  O F F E R I N G  P L A N

# PENROSE TOWER

**136-80 (a/k/a 136-78) 41 Avenue**
**Flushing, County of Queens , NY 11355**

Residential Units: .....44
Community Facility Units: ..... 6
Parking Unit ..... 1
Total Amount of Offering.....$44,644,893

SPONSOR AND SELLING AGENT:

**136-78 LLC**
**131-03 40th Road, Apt 8F**
**Flushing, NY 11354**

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

FILE NUMBER CD22-0199

**THIS PLAN CONTAINS SPECIAL RISKS TO THE PURCHASERS. (SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS.)**

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

**BECAUSE THE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT AFTER CONSUMMATION RATHER THAN SELL UNITS, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE SPECIAL 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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## SECTION (C): 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. SPONSOR'S RIGHT TO RENT UNITS AFTER CONSUMMATION AND SPONSOR'S LENDER'S LIMITATIONS ON SPONSOR

**BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT AFTER CONSUMMATION 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.**

Sponsor has obtained a building loan from Bank of Hope, with an address at 138-02 Northern Boulevard, Flushing, NY 11354 (the "Lender") in the sum of $18,000,000. The Lender imposes no minimum number or percentage of units which must be under contract before the plan can be declared effective. The minimum release price set by the Lender or a required minimum payment per sale which must be made to the Lender in order for the Lender to release its lien from the unit being sold is as follows:

Subject to the reasonable approval of the Lender, during the term of the Loan (Building Loan), Borrower is required to pay the greater of: (1) ninety five percent (95%) of the gross sales price, less any New York City and New York State transfer tax and real estate broker commission, or (2) 120% of the original loan amount multiplied by the percentage interest in the common elements of the Unit to be released. Upon any such repayment by the Borrower, Lender shall release all of its security interests (i.e. security interests securing the Loan (Building Loan) and the Mortgage Note executed therewith in the amount of $18,000,000) as to said unit. Borrower shall pay for any and all reasonable attorney's fees and costs of the Lender in connection with any of the aforementioned releases.

There are no limits or requirements imposed by the lender for sponsor to rent rather than sell under specified market conditions. (**SEE CLAUSES (1) AND (9) OF SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR.)**

Further, Sponsor hereby advises Purchasers of the special risk that Sponsor disclose, in the Special Risks section, that because sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the condominium. **In addition, Purchaser of a unit which has been previously rented shall note that the unit is sold subject to the wear and tear of the prior occupancy. (SEE SECTION (D): INTRODUCTION; CLAUSES (20) OF SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR FOR A MORE COMPLETE EXPLANATION.)**

Owner-occupants and non-resident owners, including 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 an investment. **(SEE SECTION (U): CONTROL BY THE SPONSOR; AND SECTION (V): BOARD OF MANAGERS.)**

## 2. REQUIREMENTS OF LENDERS OF PURCHASERS

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 successor sponsor still owns a substantial ownership interest, 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 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. **(SEE SECTION (O): PROCEDURE TO PURCHASE).**

## 3. FINCEN'S GEOGRAPHIC TARGETING ORDER

Purchasers should note that the Financial Crimes Enforcement Network (FinCEN) requires U.S. title insurance companies to report to FinCEN the personal identity of purchasers in residential real estate transactions in which:

(a) the purchaser is a legal entity as defined in the Geographic Targeting Order (GTO);

(b) the purchaser purchases residential real property located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan, and Staten Island;

(c) the total purchase price is in in the amount of $300,000 or more;

(d) such purchase is made without a bank loan or other similar form of external financing; and

(e) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

As long as the Geographic Targeting Order (GTO) remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria and occurring on or after November 17, 2018, which is the revised GTO's effective date.

## 4. NO BOND POSTED BY SPONSOR

Sponsor is liable for all common charges, special assessments, and real estate taxes with respect to unsold units, and represents that Sponsor has financial resources to meet these obligations. no bond or other security has been furnished to secure the Sponsor's obligations. However, Sponsor has sufficient funds to complete the project. **(SEE SECTION (O): PROCEDURE TO PURCHASE; AND SECTION (W): RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND BOARD OF MANAGERS.**)

## 5. ICAP TAX ABATEMENT

The non-residential Unit Owners may receive tax benefits pursuant to Industrial & Commercial Abatement Program (ICAP) under City of New York. Pursuant to the tax opinion provided by SJP Tax Consultants Inc, the ICAP abatement shall only apply to the parking garage and community facility Units for a period of fifteen (15) years. The Sponsor filed the Preliminary Application for Certification of Eligibility for ICAP, which was acknowledged by Department of Finance on May 2, 2018. However, the purchasers of the non-residential Units are hereby advised that they are purchasing with no guarantee of obtaining tax benefits, as it is possible that the benefits will not be obtained before the closing of the first unit and there is no guaranty that benefits will be granted to the property. The Sponsor will use its best efforts to obtain those benefits.

The Sponsor's projection of tax due for the first year of operation is based on the figures and assumptions in the accompanying Tax Counsel's opinion as to real estate tax benefits. However, it is not possible to accurately determine what the increase and actual assessed valuation will be. Moreover, it is equally impossible to predict any future increases in real estate tax rates, which may affect the amount of tax due on the property.

**NO WARRANTY IS OR CAN BE MADE THAT THE BENEFITS SET FORTH HEREIN WILL BE OBTAINED. IN THE EVENT THE BENEFITS ARE NOT OBTAINED, OR IN THE EVENT THERE ARE INCREASES IN THE TAX RATE, OR THE PROPERTY'S ASSESSED VALUATION, OR IN THE STATUTES GOVERNING THE TAX BENEFITS, REAL ESTATE TAXES MAY BE HIGHER THAN THOSE SET FORTH ON SECTION (X): REAL ESTATE TAXES FOR THE FIRST YEAR OF OPERATION AND IN FUTURE YEARS. HENCE, INDIVIDUAL CARRYING COSTS FOR ALL UNITS WOULD ALSO BE HIGHER.**

While non-residential unit owners may be eligible for tax abatement benefits under the ICAP program, residential unit owners are currently not eligible for the same benefits or other real estate tax abatements.

**Prospective purchasers are urged most strongly to read the SECTION (X): REAL ESTATE TAXES included herein.**

## 6. TIME IS OF ESSENCE

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, 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 Contract canceled, and lose his down payment as liquidated damages. 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 down payment may be retained by the Sponsor. Purchasers are advised to consult with their attorneys concerning all terms of this offering. (**SEE SECTION (O): PROCEDURE TO PURCHASE AND PART II, PURCHASE AGREEMENT SECTION FOR STATEMENTS OF ALL APPLICABLE TIME LIMITATIONS.**)

## 7. SPONSOR'S RIGHT TO SPECIFIC PERFORMANCE

Pursuant to 13 NYCRR 20.3(o)(9), Sponsor hereby advises Purchasers of the special risk that Sponsor may seek specific performance of the Purchase Agreements, requiring Purchasers to close and purchase the condominium units for which Purchasers have executed the Purchase Agreements. Specific performance is a remedy that must be court ordered and that such remedy cannot be sought until a default has occurred that has last beyond all applicable cure periods. (**SEE SECTION (O): PROCEDURE TO PURCHASE.**)

## 8. CERTIFICATE OF OCCUPANCY

Closing will not take place, and no individual condominium unit will be sold until a permanent or temporary Certificate of Occupancy has been obtained for the premises. In the event closing occurs after the issuance of a temporary Certificate of Occupancy, but prior to the issuance of permanent Certificate of Occupancy, then it will remain the obligation of the Sponsor to, at its own cost and expense, obtain such permanent Certificate, and the Certificate must be obtained within two (2) years from date of closing. Prior to obtaining the permanent Certificate of Occupancy, the Sponsor is required to either: (a) maintain all deposits and funds in a special escrow account required by GBL-352e(2)(b) unless the Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified may be released; or, (b) deposit with an escrow agent an unconditional, irrevocable letter of credit, or post a surety bond, in the aforesaid specified amount, in accordance with the regulations of the New York State Department of Law. Investors are advised to visit the Department of Building (DOB) Website/CONSUMERS TIPS for its recommendations when purchasing units in a condominium that does not have a Final Certificate of Occupancy.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to

commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within two years, which is the timeframe anticipated by the Multiple Dwelling Law for issuance of a FCO. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf. **(SEE SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR.)**

## 9. DECLARATION OF EFFECTIVENESS

Pursuant to existing law and regulation, the Sponsor may declare the plan effective by entering into a contract for a minimum of fifteen percent (15%) of the Residential Units in the building. **Seven (7)** Residential Units are required to declare the plan effective. In the event Purchase Agreements counted towards the minimum number of unit sales required to declare the plan effective fail to close, it is possible that the building will be converted to condominium status with less than fifteen percent (15%) of the Residential Units in the building actually sold to Purchaser. **(SEE SECTION (Q): EFFECTIVE DATE**.)

Notwithstanding the fact that not all purchasers used for purposes of declaring the plan effective may actually close, sponsor will re-declare the plan effective if all purchase agreements are either rescinded or terminated prior to the first unit closing, regardless of whether the condominium declaration has been recorded.

## 10. BULK SALE

Sponsor has the right to make bulk sales of Units and to sell any Unit to a Purchaser who does not intend to occupy same but intends to lease such Unit to others. Purchasers of the bulk sales need not occupy the Units they purchase. The Sponsor would need to amend the offering to disclose any material changes such as the Sponsor's decision to offer less than the current number of Units or withhold one or more Units for its own use. If sponsor makes a bulk sale of all or some of its unsold units, the transferee successor sponsor is bound by sponsor's representations regarding its commitment to sell units. A bulk sale refers to the purchase of either 10 or more units or at least 20% of the units of the condominium, whichever is less. The number of units for bulk sale in this offering plan is five. This threshold determines whether a bulk purchaser is subject to regulatory oversight by the New York State attorney general and is deemed a "sponsor" or "successor-sponsor" of the offering plan of the condominium. **(SEE**

**SECTION (D): INTRODUCTION; AND SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR.)**

## 11. SPONSOR'S RETAINED VOTING POWERS

At the sooner of the second (2nd) anniversary of the first closing date, or such time as less than twenty five percent (25%) of the units of the Condominium constitute unsold units, control of the Condominium shall be transferred to a Board of Managers elected by Unit Owners other than Sponsor. Notwithstanding the end of the Sponsor control period, Sponsor may cast its votes for Unit Owners (other than the Sponsor or successor sponsor) of its choice. Prior to that time, the Condominium will be controlled by a Board of Managers elected by the Sponsor. There are certain limitations on actions which can be taken by the Sponsor while he remains in control of the Board of Managers, which limitations are set forth in the **SECTION (U): CONTROL BY THE SPONSOR** of this Offering Plan.

Until the earlier of five (5) years from the date of closing of the first unit or the time at which the Sponsor or successor sponsor owns units consisting of less than twenty five percent (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 to remedy any work order by an insurer. Additionally, so long as the Sponsor retains ownership of at least ten percent (10%) 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 affect the Sponsor without written consent by the Sponsor. **(SEE SECTION (U): CONTROL BY THE SPONSOR FOR A MORE COMPLETE EXPLANATION.**)

**SPONSOR'S VOTING CONTROL OF THE BOARD OF MANAGERS AND OWNER-OCCUPANTS OF BOARD OF MANAGERS**

Sponsor exercises voting control of the board of managers for two (2) years after the closing of the first unit or whenever the unsold units constitute less than twenty five percent (25%) of the total units, whichever is sooner. A meeting to elect a new Board of Managers unrelated to the sponsor will be held within thirty (30) days of seventy five percent (75%) the units being sold, or within thirty (30) days of the second (2nd) anniversary of the closing date of the first unit, whichever is sooner. The By-Laws of the condominium does not include a provision that, after an initial sponsor voting 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, such as Sponsor, may have inherent conflicts on management of the Condominium. **(SEE SUBDIVISION 1 TO SECTION (U): CONTROL BY THE SPONSOR FOR A MORE COMPLETE EXPLANATION.)**

## 12. MANAGEMENT CONTRACT

The Condominium will initially be managed by Sponsor at the annual fee of twenty thousand dollars ($20,000) for two (2) year after the closing of the first unit or whenever the unsold units constitute less than twenty five percent (25%) of the common interests,

whichever is sooner. This period corresponds directly to the Sponsor's control period. This amount is slightly less than the prevailing rate of such service which is commonly nine percent (9%) of the total common charges to be collected from the unit owners, amounting annually to $20,142.75 (9% of $18,650.69 per month multiplied by 12 months). The budget for the first year of operations does provide full amount for the services of sponsor for the Condominium. Purchaser shall note, however, that the termination of such arrangement may not be likely with the Sponsor-controlled Board. Should a unit owner-controlled board assume management, it has the option to retain a managing agent. An independent managing agent or company is estimated to charge a similar fee of about $20,000 per year, consistent with the prevailing rate, and this fee is accounted for in the budget.

The Condominium Board has a fiduciary duty to the Condominium, even during while Sponsor is in control. While the Sponsor manages the Condominium, the Sponsor will have all the rights and obligations set forth in "SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR," along with the management duties set forth in the By-Laws as belonging to the Board of Managers. As managing agent, Sponsor 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, the enforcement of the provisions of the By-Laws, collecting common charges, bookkeeping, and providing payroll services, and shall have the powers and duties necessary for the administration of such affairs. After Two (2) year from the date of closing of the first unit or whenever the unsold units constitute less than twenty five percent (25%) of the common interests, whichever is sooner, management of the Condominium shall be transferred from Sponsor to Board of Managers. It is anticipated that the affairs and management of the Condominium shall be done by the Board of Managers at no cost. The duties of the Board with respect to management of the Condominium are set forth in Section "V & W" of this Offering Plan. After management duties are turned over to the Board of Managers, 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, as set forth in the By-Laws. **(SEE SECTION (H): FOOTNOTE 9 TO SCHEDULE B; SECTION (V): BOARD OF MANAGERS; AND SECTION (W): RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND BOARD OF MANAGERS FOR A MORE COMPLETE EXPLANATION.**)

## 13. WARRANTY

Sponsor shall not be obligated to correct, repair or replace any defects relating to construction of the Units or the Common Elements or in the installation or operation of any appliances, fixtures, or equipment therein, except as otherwise provided in the Offering Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements, except as provided in the Offering Plan. The Housing Merchant Implied Warranty (General Business Law Article 36-B) is not applicable to this Offering Plan. The pump system is warranted for a period of three (3) years from the date of shipment and the pump manufacturer will provide a three-year limited warranty for material and workmanship and take unit responsibility of the system components. Further Sponsor provides limited warranty ((the "Limited Warranty") as follows: The Limited Warranty for the construction defects of the Units, Common Elements or Building is

available only to the first Purchaser of the Unit. Sponsor will correct, repair, or replace any and all defects relating to construction, installation or operation of appliances, fixtures, or equipment, but only if defects are due to improper workmanship, construction practices, or use of materials not in compliance with the Plans and Specifications. The notice of any defect must be given to Sponsor in accordance with the following time frame: 1 year for latent defect in Unit construction, 6 months for patent defect in Unit construction, and 1 year for any defects in the Common Elements. The quality of construction as to any such correction will be comparable to local standards customary in the particular trade or trades involved and in accordance with the Plans and Specifications. The warranty does not apply to defects caused by subsequent Unit Owners or occupants, normal wear and tear, natural deterioration, or any other conditions specified in the agreement. **(SEE PART II, DESCRIPTION OF PROPERTY AND SPECIFICATIONS.)**

Sponsor's obligation, regardless of any limitations in the warranty, cannot go below the duty to construct the premises in accordance with all applicable codes, filed plans and specifications and locally accepted building practices for items which are not covered by codes, pursuant to General Business Law s777-b(4)(e)(l). 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 plan and specifications, and that any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. **Nothing herein relieves the Sponsor and its principals of any obligations that they might have under the Martin Act.** [See **CLAUSE (14) TO SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR.**]

## 14. RESERVE FUND AND/OR WORKING CAPITAL FUNDS

Schedule B – Budget for First Year of Condominium Operation includes a line item for a Reserve Fund for the sole purpose of costs and expenses related to capital repairs, replacements, and improvements. As the systems are new in this project, it is estimated that there will be no foreseeable major capital improvements and/or replacements within the next five (5) years. Sponsor makes no representation that the Reserve Fund will satisfy the requirements of a Purchaser's lender. **(SEE SECTION (Z): RESERVE FUND.)**

As per Working Capital Funds, at closing of title to each residential Unit, the Unit Owner for such Unit will contribute an amount equal to two (2) months Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time at the closing of title to his or her unit for a working capital fund of the Condominium. **(SEE SECTION (Z): WORKING CAPITAL FUNDS FOR A MORE COMPLETE EXPLANATION.**)

## 15. SQUARE FOOTAGE OF UNITS

The approximate square foot area of each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaft ways, chases, chase ways and conduits are not deducted from the measurements of each unit) to the centerline of the partitions separating one unit from another unit, or separating one unit from corridors, stairs, elevators and other mechanical equipment spaces or any other Common Element not within a unit or to the exterior side of the opposite exterior walls. Each unit will

be measured vertically from the top of the floor (located under the finish flooring and sub-flooring materials) to the underside of the ceiling. Any Common Elements located within or appurtenant to any Unit, such as Terraces, shall not be considered as part of that Unit. The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield lesser actual useable floor area for each Unit). ***The actual usable space may be significantly less than this measurement***. The stated method of measurement used is applicable to all Units. The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York. The square footage listed in SECTION (G): OFFERING PRICES AND RELATED INFORMATION (SCHEDULE A) does not reasonably represent the actual usable floor space within each unit. **(SEE PART II, DESCRIPTION OF PROPERTY AND SPECIFICATIONS; and FOOTNOTE TO SECTION (G): OFFERING PRICES AND RELATED INFORMATION (SCHEDULE A) FOR A MORE COMPLETE EXPLANATION.**)

## 16. INCREASE OR DECREASE IN COMMON INTEREST

The Common Interest of each of the Units has been determined pursuant to Section 339-i (l)(iv) of the Condominium Act and accordingly based upon a comparison of the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Unit.

Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Units. In such event, the Common Interest appurtenant to each individual Unit would be adjusted pro rata. Sponsor may, at any time before and/or after the Declaration is recorded, change the layout, size, or number of the unsold Units, and reapportion, among the unsold Units affected by any such changes, their 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. Sponsor reserves the right at any time, except to the extent prohibited by law, before and/or after the filing of the declaration, without prior notice and without consent of any Board, prospective Unit Owner or Mortgagee, to change the layout of, the number of rooms in the use of, or the size of (by combining Units or subdividing them into two or more separate Units) unsold Units and to reapportion the Common Interest among the unsold Units affected by any such changes. No change will be made in the size or number of units and/or their respective percentages of common interest, and no material change will be made in the size or quality of common elements except by amendment to the plan, and when applicable, to the declaration. In no event, however, will the common interest of any residential Unit be increased as result of any of the foregoing by more than five percent (5%). There is a rebuttal presumption that an area that is diminished by 5% or less is not material.

Sponsor’s right to make such changes are subject to 13 NYCRR 20.3 (k)(3) & (4) which can be found in the Changes in Prices and Units section of the Plan. Unless an affected

purchaser consents, no material change will be made in unit size, layout, or percentage of common interest if a purchase agreement has been executed and delivered to the Sponsor for that unit and the purchaser is not in default. Unless all Purchasers consent, no material change will be made in the size, and no material adverse change will be made in the quality of the common elements. **(SEE SECTION (K): CHANGES IN PRICES AND UNITS; and SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR.)**

## 17. LIMITATIONS ON GUESTS

Each Unit Owner may not permit any guests to use their Units in the absence of the Unit Owners without the express written consents of the Board of Managers. **(SEE CLAUSE 7 (vi) SECTION (W): RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND BOARD OF MANAGERS.)**

## 18. WINDOW GUARD

Each Unit Owner must notify the Managing Agent and/or the Board of Managers when a child or children who is (are) under eleven (11) years old live or reside, permanently or temporarily in the Condominium Units. Each Unit Owner must install at the Unit Owners' sole costs and expenses the required window guards in all windows of the Units. The Unit Owners must maintain all window guards installed in the Units and shall not remove same until permitted by applicable law and in any event, without written consents of the Managing Agent and/or Board of Managers. **(SEE CLAUSE 7 (ix) OF SECTION (W): RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND BOARD OF MANAGERS.)**

## 19. PARKING SPACES IN THE PARKING UNIT

The Building has one (1) garage, as offered to be sold as one (1) Parking Unit. The Parking Unit has the parking spaces as described below. As per ZR25-23, 50% of total residential units must be provided with parking spaces. As such, as there are total forty-four (44) residential units in the Building, at least twenty-two (22) residential units must be provided with parking spaces. The said garage, or the Parking Unit, has twenty-two (22) accessory, attended parking spaces at the cellar, including twelve (12) valet double level parking (2 levels lift system), one (1) ADA required parking, and two (2) reservoir parking spots for maneuvering. All parking is accessible only for residential use and can be useful for any type of cars.. The Sponsor and the future owner of the Parking Unit will cover the cost of valet parking and service hours through the license fees collected from parking space users. Valet parking services will be available daily from 7 AM to 10 PM, subject to change with notice, which provision will be included in the contract of sale for the Parking Unit. The purchasers of the residential units shall note that there are not enough parking spaces for every unit owner to rent. Before the Parking Unit is sold, Sponsor will rent the said twenty-two (22) parking spaces to unit owner on a first come first served basis. If the Sponsor rents the parking spaces to non-occupants of the building, the Sponsor may rent any parking spaces to non-occupants of the building for periods of not less than one week and not more than one month. All parking spaces shall be made available to occupants of the Building within 30 days after a written request made to the Sponsor or the future owner of the Parking Unit, by such occupants. **(SEE CLAUSE (1) OF SECTION (E): DESCRIPTION OF PROPERTY AND IMPROVEMENTS; SECTION (G): OFFERING PRICES AND RELATED**

**INFORMATION; AND PART II: DESCRIPTION OF PROPERTY AND SPECIFICATIONS.)**

## 20. SPONSOR'S LIABILITY LIMITATIONS

Pursuant to 13 NYCRR §20.3(t) (2), it is disclosed that the Sponsor has an obligation to defend suits or proceedings if and only if they arise out of Sponsor's acts or omissions and an obligation to indemnify the Board of Managers and Unit Owners for claims if and only if they arise out of the acts or omissions of the Sponsor.

The Sponsor and its principals may not and does not include any financial limitation on the Sponsor's liability for their failure to perform its obligations under this Offering Plan.

Directors' and Officers' liability insurance may be procured by the Sponsor and may not be effective at the closing of the Condominium and the filing of the Declaration. If the Board of Managers desires to obtain Directors' and Officers' liability insurance, the cost for such insurance shall be borne by the Condominium.

Sponsor and its principals will remain liable notwithstanding any disclaimers or limitations of liability on the part of the Sponsor or its principals for failure to perform any obligations imposed by applicable statute or regulation. This Offering Plan does not include any financial limitation on Sponsor's liability for failure to perform its obligations under the Offering Plan. **(SEE SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR FOR A MORE COMPLETE EXPLANATION.)**

## 21. RESALE RESTRICTION AND NO RIGHT TO ASSIGN OR TRANSFER PURCHASE AGREEMENT

Purchasers of Units may not assign their Purchase Agreements without first obtaining the written consents of the Sponsor, which consents may be granted or withheld in Sponsor's sole and absolute discretion. Purchasers are prohibited from listing their Units for sale prior to the closing of such unit. In the event that purchasers sell their Units within 12 months of the closing date of their Units (the "subsequent sales"), purchasers shall be obligated to pay to the Sponsor 50% of the net profit from the subsequent sales. Net profit is defined as the sale price for the subsequent sale, less transfer taxes and brokerage fees paid by a purchaser (who purchased from Sponsor), less the price which the purchaser paid to sponsor for the purchase of the Unit and any other costs incurred in selling the Unit. **(SEE SECTION (O): PROCEDURE TO PURCHASE.)**

Further, the Purchase Agreements may not be assigned, amended, or recorded, and any proposed assignment, amendment to the purchase agreement, 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. Consent to such assignment, amendment to purchase agreement, or recordation may be withheld at Sponsor's sole discretion. In the event that Sponsor allows such assignment or amendment to purchase agreement, Purchaser shall pay a fee of $750 for each assignment or amendment to the purchase agreement. **(SEE SECTION (S): UNIT CLOSING COSTS AND ADJUSTMENT.)**

## 22. PURCHASERS PAYMENT OF TRANSFER TAXES AND REIMBURSEMENTS

Purchaser shall be required to pay New York State and New York City Real Property Transfer Taxes. While NYS and NYC taxes are obligations generally borne by the Seller in single family home transactions, the burden of paying such taxes may be modified by contract. As is common with many other Condominium developments in New York State, the Purchase Agreement provides that the Purchaser of a unit will be required to pay these transfer taxes at closing. The City of New York Department of Finance and the State of New York Department of Taxation and Finance have taken the position that when a Purchaser assumes the obligation to pay the New York City Real Property Transfer Tax and New York State Deed Documentary Stamps, the amount of such taxes will be included in the consideration subject to tax, except that, under the New York State Tax Law Section 1404(a), effective as of July 1, 2021, New York State transfer tax shall be excluded from the calculation of consideration subject to New York State transfer tax. (**SEE PART II, PURCHASE AGREEMENT; SECTION (S): UNIT CLOSING COSTS AND ADJUSTMENTS; FOOTNOTES TO SCHEDULE A; AND SECTION (R): TERMS OF SALE.)**

The Purchaser is responsible to pay Sponsor's Attorney's closing documents preparation fee of $2,000.00, and may be responsible for additional fees in the event the transaction requires financing as well as certain other fees such as travel fees and default fees. The Purchaser is responsible to reimburse the Sponsor's Prepaid Taxes, Common Charges and Insurance Premium. Purchaser is responsible to reimburse to Sponsor the sum of Acris Transfer Tax Preparing fee $250. (**SEE SECTION (S): UNIT CLOSING COSTS AND ADJUSTMENTS.)**

## 23. MORTGAGE TAX CREDIT

Sponsor shall, upon the closing of each Unit, have the right to receive a rebate for recording taxes already paid, if any, which rebate shall be credited to Sponsor from amounts any Unit Purchaser otherwise would have paid in connection with the recording of a mortgage against his unit at the time of purchase. **(SEE SECTION (S): UNIT CLOSING COSTS AND ADJUSTMENTS.)**

## 24. ESCROW OF PURCHASER FUNDS

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. If the Plan is abandoned, Purchaser shall receive a return of the down payment and any money for extras or upgrades. (**SEE SECTION (O): PROCEDURE TO PURCHASE**.)

## 25. DOWN PAYMENT AND IOLA

All down payments will be placed in an IOLA account. The account, but not the individual deposits, will be federally insured up to $250,000.00. To the extent that the total (not individual) contract deposits exceed $250,000.00, they will not be federally insured. IOLA stands for "interest on lawyer accounts" and is a special type of escrow account maintained by an attorney. Interest earned on an IOLA account does not accrue to the benefit of either the buyer or the Sponsor but is paid over to the state of New York. The escrow agent makes no guarantee of the solvency of any of the escrow banks. If the federal insurance limits change in any manner in the future, the escrow agent will have no obligation to make any changes to the escrow accounts. For purpose of determining whether the deposit exceeds the maximum amount covered by federal deposit insurance, the aggregate amount of the deposits (not only the down payment) that the Purchaser has in the bank and its branches will be considered. 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. **(SEE SECTION (O): PROCEDURE TO PURCHASE.)**

## 26. LOCAL LAW 11/98

New York City's Façade Inspection Safety Program ("FISP"), also known as Local Law 11/98 applies to this Building. FISP requires that owners of buildings, with greater than six stories above grade, have their exterior walls and appurtenances inspected periodically. FISP reports are due once in five-year cycles. Once a new building is issued the first temporary Certificate of Occupancy, the five-year "grace period" begins. After this five-year period is over, the building must file during the next applicable cycle. Unless Sponsor still controls the Board at such time, the obligation to comply with FISP shall be solely on the Unit Owner-controlled Board of Managers. Sponsor shall have no responsibility or obligation to organize such inspections after the termination of the Sponsor Control Period. The cost of retaining a Qualified Exterior Wall Inspector to perform the inspection and file the report, as well as making any necessary repairs, will be a Common Expense in the future. The cost of retaining a Qualified Exterior Wall Inspector is currently approximately $5,000; Sponsor makes no warranty or representation that the law will not change or what the actual cost of compliance will be. In the same fashion, the Condominium Board will be responsible for maintaining the sidewalk(s) in accordance with the requirements of the Department of Transportation. **(SEE PART I SECTION (E): DESCRIPTION OF PROPERTY AND SPECIFICATIONS.)**

## 27. RISK OF LOSS

Prior to the first closing, the entire building will be insured by the sponsor; after the first closing, the entire building will be insured by the condominium. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of losses not covered by insurance. **(SEE SECTION (N): INTERIM LEASE; SECTION (O): PROCEDURE TO PURCHASE; SECTION (R): TERMS OF SALE; AND SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR).**

The condominium building is covered by the insurance, but the building's insurance does not cover the contents of each Unit. The risk of loss from fire or other casualty of the

contents of units remains with Sponsor unless and until either a Purchaser takes actual possession of a unit pursuant to a written agreement with the Sponsor or legal title to the Unit has been conveyed to the purchaser. It is a special risk if the purchaser enters into possession prior to closing since risk of loss of the contents and interior of the Unit which are not fully covered by the building's insurance passes upon either closing or possession. Any purchaser who enters into possession before closing should obtain insurance for the contents of the unit as he would if closing had taken place. (**SEE SECTION (N): INTERIM LEASE**.)

## 28. NO RIGHT TO APPROVE OR DISAPPROVE FOR SPONSOR SALE

Right of first refusal is a legal provision that grants a condominium board the right to purchase a unit that an owner is attempting to sell or lease. Essentially, if a unit owner receives an offer to sell or lease their unit, they are required to notify the condominium board of the offer. The board then has a specified period of time, thirty (30) days, to decide whether to exercise its right of first refusal and purchase or lease the unit on the same terms as the offer made by the potential buyer or tenant. If the board declines to exercise its right of first refusal, the unit owner may proceed with the sale or lease to the original offeror. However, The approval, consent or waiver of the right of first refusal is not required from the Board of Managers of the Condominium in the event of any Sponsor sale or lease of any unit of the Condominium. Sponsor sale or lease is NOT subject to such right of first refusal. **(SEE SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR.)**

All Purchasers shall note that the condominium board does not have the right to approve or disapprove Purchasers. There is no limit on the number of owners who may purchase for investment rather than for personal occupancy, and there may always be a substantial percentage of owners who are non-resident. **(SEE SECTION (D): INTRODUCTION.)**

Purchasers for their own occupancy may never gain control of the Board of Managers. Owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on management of the condominium. **(SEE SECTION (U): CONTROL BY THE SPONSOR.)**

## 29. MIXED USE

The condominium building is a mixed-use building with six (6) Community Facility, which permits two (2) ambulatory diagnostic facilities on the 1st and four (4) ambulatory diagnostic facilities on the 2nd floor, forty four (44) Residential Units on the from 3rd floor through 8th floor, and one (1) Parking Unit in the cellar. An ambulatory diagnostic facility is a medical facility that provides outpatient diagnostic and therapeutic services. It is designed to provide same-day care for patients who do not require overnight hospitalization. (**SEE SECTION (J): COMMUNITY FACILITY;** SEE PART II, DESCRIPTION OF PROPERTY AND SPECIFICATIONS)

## 30. UNIT OWNERS' REPAIR AND MAINTENANCE RESPONSIBILITIES OF LIMITED COMMON ELEMENTS

Numerous units in the subject premises will have limited common elements. No structures may be built on these areas without the express written permission of the Board of

Managers. 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 Owners, their agents, employees or invitees) are the responsibility of the condominium through the Board of Managers. The limited common elements may not be used for any type of occupancy, including but not limited to dining, sleeping, living room, recreation and office, breach of which may result in a violation issued by Department of Building against the Condominium building and in which case, Unit Owner shall be fully responsible for clearance of the violation at Owner's cost and expense. **(SEE PART II, DESCRIPTION OF PROPERTY AND SPECIFICATIONS; SECTION (D): INTRODUCTION; AND SECTION (W): RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND BOARD OF MANAGERS.)**

## 31. SUPERINTENDENT

The condominium will employ one (1) full-time non-union superintendent and one (1) part-time non-union superintendent. The full-time superintendent will work 8 hours per day, five days a week on weekdays, at an hourly rate of $15.00. The part-time superintendent will work 4 hours per day, two days a week on weekends, also at an hourly rate of $15.00.. The full-time superintendent will be responsible for building maintenance, operation, and repairs during daytime hours on weekdays. The part-time superintendent will work three weekdays after the daily working hours and also cover weekends, whose primary focus will be back up support for the full-time superintendent on general building maintenance, with a specific responsibility for garbage removal. The level of staffing complies with the applicable housing and labor laws. Pursuant to Article 13 of The Administrative Code of the City of New York, in the event nine (9) or more residential units become rental units, requires one of the following: (1) that the owner performs the janitorial service; or (2) that there be a superintendent who resides in the building or within 200 feet of the building; or (3) that there be a janitorial service approved by the Department of Buildings available 24 hours per day. Therefore, if nine (9) or more units are rented, rather than owner occupied, the Condominium may be required by the New York City administrative code to provide janitorial services by a superintendent who resides in the building or within 200 feet of the building, which would result in a substantial increase to the operating budget and common charges. The superintendents will be responsible for ensuring the cleanliness of common areas and removing debris from those areas. **(SEE SECTION (H): BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION.)**

## 32. ROOF WARRANTY

The expected useful life of roof is ten years. There is one (1) year warranty on workmanship from the Grand Construction & Development Group Corp. There is one (1) year warranty for the roofing material from manufacturer. The commencement date for workmanship and material warranty begins 01/01/2024. **(SEE PART II, DESCRIPTION OF PROPERTY AND SPECIFICATIONS.)**

## 33. POSSIBLE SIGNIFICANTLY GREATER POST-COMPLETION ASSESSED VALUE

The actual post-completion assessed value may be significantly greater than current projections. **Prospective purchasers are urged most strongly to read the SECTION (X): REAL ESTATE TAXES included herein.**

## 34. RESTRICTION ON RESALE DURING THE FIRST YEAR OF OWNERSHIP

In the event that a purchaser sells his or her unit within 12 months of the closing date of their unit (the "subsequent sale"), purchaser shall be obligated to pay to the sponsor 50% of the net profit from the subsequent sale. Net profit is defined as the sale price for the subsequent sale, less transfer taxes and brokerage fees paid by purchaser (who purchased from Sponsor), less the price which purchaser paid to sponsor for the purchase of the unit and any other costs incurred in selling the unit. A Unit Owner may not lease any Unit for a term of less than one (1) year. There are no restrictions on the use or mortgaging of condominium Units. The Department of Law may, in its discretion, require an opinion from counsel for sponsor or independent counsel as to the legality and enforceability of these restrictions. **(**SECTION (D): INTRODUCTION **25(7)(v))**

## 35. ALLOCATION FOR LEGAL FEE

The amount of $1,000 per year has been allocated for legal fees in connection with the normal transaction of the building. However, this total amount will be insufficient to cover any substantial litigation. **(SEE SECTION (H): BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION.)**

## 36. DELAY OF PAYMENT OF COMMON CHARGES

Sponsor reserves the right, in its sole and absolute discretion, to delay the collection of Common Charges from Purchasers under the Plan for a period of time prior to full occupancy of Residential Units (the "Delay Period"); provided, however, that Sponsor shall be solely responsible for timely payment of all expenses to operate the Condominium during the Delay Period (the "Operating Expenses") as well the Residential Units' share of General Common Charges. The expenses shall include, but not be limited to, insurance premiums and any reserve fund payment required by lenders. All Operating Expenses paid by Sponsor during the Delay Period are based on the actual cost of operating the Residential Units and not on estimates set forth in Schedule B "Projected Budget for First Year of Condominium". Purchasers should note that Schedule B will not be in effect until the expiration of the Delay Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include individual Unit Owner expenses such as utility charges, real estate taxes, etc. regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners terminate

the Delay Period.

In the event Sponsor elects to delay the collection of Common Charges as set forth above, Sponsor shall disclose such fact in the closing notice to Purchasers and in the post-closing amendment to the Plan as a benefit to subsequent Purchasers. Such amendment shall also disclose the anticipated period of delay. Sponsor will give all Unit Owners at least thirty (30) days prior written notice (which may, but need not be by amendment) of the commencement of collection of Common Charges. Thereafter, to the extent not already included in an amendment to the Plan, Sponsor will disclose in the next substantive amendment to the Plan that the collection of Common Charges is commencing or has commenced as a benefit to subsequent Purchasers. Upon expiration of any such Delay Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such common charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of common charges. During any such Delay Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same. **(SEE SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR.)**

## 37. FINANCING CONTINGENCY

The obligation of a purchaser under a Purchase Agreement may not be conditioned on Purchaser obtaining financing. Whether the individual Purchase Agreements will contain a financing contingency is subject to negotiation between Sponsor and Purchasers. The obligations of a purchaser under a Purchase Agreement may not be conditional on obtaining financing. In the event the Purchase Agreement is not contingent on financing, any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose the deposit if unable to pay the balance of the purchase price. Prospective purchasers who need financing to purchase are advised to consult with a bank before executing a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by the Sponsor as the availability or cost of such financing.

In the event there is a financing contingency, Purchaser's obligation is contingent upon obtaining a firm written commitment for financing and actually obtaining 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 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. 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. Purchasers should also note that the Purchase Agreement will provide that Purchaser's failure to provide information to the lender promptly upon request thereof, or to accept a commitment issued to purchaser by lender on

terms set forth in the Purchaser Agreement shall constitute a default by purchaser under the Purchase Agreement, whereupon Sponsor shall have remedies as set forth therein.

Purchasers should note that under New York law, when a mortgage commitment is not fulfilled through no fault of purchase, performance is excused. Sponsor may not condition Purchaser's obligations upon obtaining a commitment. If Purchaser acts in good faith and lender revokes commitment after contingency period expires, performance is excused. **(SEE SECTION O: PROCEDURE TO PURCHASE; AND PART II, PURCHASE AGREEMENT.)**

## 38. WAIVER OF TRIAL BY JURY

Except as prohibited by law, the Purchaser expressly waives trial by jury in any litigation arising out of, or connected with, or relating to, the Purchase Agreement, or the relationship created hereby. **(SEE PART II, AND PURCHASE AGREEMENT.)**

## 39. SUBSEQUENT CLOSING DELAY

The Sponsor anticipates that the first closing of a unit will occur on or about August 1, 2024. Purchasers will be afforded 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 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. Purchasers should note that even if the first closing occurs on or about August 1, 2024 (or such other date projected as the date of commencement of the operation at the time the purchase agreement was entered into) or within the twelve month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a TCO has not been issued for such units or for the floor on which such units are located. In such case, provided that sponsor is diligently pursing completion of construction and the issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. **(SEE SECTION (D): INTRODUCTION; AND SECTION (O): PROCEDURE TO PURCHASE.)**

## 40. CLOSING ADJOURNMENT PENALTY AND INTEREST

In the event Sponsor consents to an adjournment, a penalty of $350 will be incurred by Purchaser and paid to Sponsor's attorney if a delay in the Closing Date is caused by Purchaser. 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 twelve percent (12%) per annum. This rate shall be in effect for as long as there is any unpaid amount owing towards the full purchase price. Such penalty and interest will not violate NYS usury laws. **(SEE SECTION S: UNIT CLOSING COSTS AND ADJUSTMENTS; AND PART II, PURCHASEAGREEMENT.)**

## 41. POTENTIAL DELAY IN OBTAINING FINAL CERTIFICATE OF CCUPANCY

In order to allow each Purchaser of Community Facility Unit to finish the interior of the Unit, each Community Facility Unit will be delivered unfinished, without interior walls, partitions, floor coverings, fixtures or appliances and it shall be the responsibility of the Purchaser to finish the interior of the Unit within one-hundred twenty (120) days following the Purchaser's unit Closing Date. Due to the unfinished state of each Community Facility Unit, the Purchaser thereof shall be required to undertake further renovation activities in compliance with applicable building regulations, including obtaining necessary work permits and achieving requisite sign-offs for the renovation work. As a consequence, the issuance of the final certificate of occupancy will be delayed and will be obtained after all the open permits and applications are signed off. **(SEE SECTION J: COMMUNITY FACILITY; AND PART II, DESCRIPTION OF PROPERTY AND SPECIFICATIONS; RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS.)**

## 42. LIMITATIONS ON SMOKING

Smoking and using electronic cigarettes are prohibited in any common areas within the interior of the building as required by all applicable laws and is permitted in any of the dwelling units. Smoking and using electronic cigarettes are permitted in all outdoor areas, including but not limited to, common courtyards, rooftops, balconies and patios, and any outdoor areas connected to dwelling units. **(SEE SECTION W: RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS; PART II, PURCHASE AGREEMENT; AND PART II, CONDOMINIUM BY-LAWS.)**

## 43. TAX CUTS AND JOBS ACT OF 2017

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

Each Unit Owner may deduct from adjusted gross income for income tax purposes real estate taxes and mortgage interest, subject to certain exceptions and limitations as discussed in the "Opinion of Counsel – Income Tax Deductions to Unit Owners and Tax Status of Condominium."

Purchasers are advised to consult with a tax expert regarding whether the new law will affect the purchaser's taxes. Purchasers should not rely on any representations in this offering plan addressing taxes without first consulting a tax expert. **(SEE INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM.)**

## 44. SPECIAL ALLOCATION OF CERTAIN COMMON EXPENSES

Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Building in accordance with the New York Condominium Act (Real Property Law §§339(i)1(iv) and 339(m)). These costs, including those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole, will generally be borne by the Unit Owners in proportion to their respective Common Interest. However, certain budgeted items are allocated between the Residential Units and the Non-Residential Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements, which may not be modified without the consent of the Non-Residential Unit Owners. **(SECTION (H): BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION; AND PART II, CONDOMINIUM BY-LAWS.)**

## 45. LOT LINE WINDOWS

There are lot line windows on both east and west exterior walls from 3rd to 7th floor where 2-hour rated fixed and operable windows were provided. They are not providing legal light and ventilation and may be blocked by adjacent neighbors with future developments Each lot line windows must have sprinkler head and tested as per ASTM E119. These lot line windows cannot be credited towards meeting the mandatory light and ventilation requirements for habitable spaces. There is also no agreement or easement to protect these lot line windows from sealing in the future. Unit owner with these lot line window(s) will have the obligation to seal it/them at the Unit owner's own expense, estimated at about $5,000 per window, if the neighboring lot is developed. In such an event, the Unit will lose the light and air for the sealed lot line window(s).

Residential units that have lot line windows:

3A , 4A, 5A, 6A, 7A (2 windows)
3C, 4C, 5C, 6C, 7C (1 window)
3D, 4D, 5D, 6D, 7D (1 window)
3H, 4H, 5H, 6H, 7H (2 windows)

**(Please see PART II, DESCRIPTION OF PROPERTY AND SPECIFICATIONS)**

## 46. CROSS DEFAULT

In the event that an interim lease is entered, the Interim lease will 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. However, before the sponsor may utilize the default under the 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 lessee unless the lessee has vacated the unit. (SEE SECTION (N): INTERIM LEASE)

## 47. APPLICATION OF IRC SECTION 528

The Condo will **not** fulfill the requirement stated in the Treasury Regulation 1.528-4(b), which requires that at least 85% of the total square footage of all Units must be used as residences to

be considered “substantially”. Consequently, the condominium does not qualify for exemption from federal income taxes on Common Charges collected from Unit Owners, as stated under Section 528 of the Internal Revenue Code. (SEE SECTION (X) REAL ESTATE TAXES)

## SECTION (D): INTRODUCTION

### (1) PURPOSE OF THE OFFERING PLAN

The purpose of this Offering Plan is to fully set forth 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 local law or statute.

### (2) APPLICABLE LAW

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).

### (3) SPONSOR

This is an Offering Plan for the sale of condominium units known as Penrose Tower, located at 136-80 41 Avenue, Queens, NY 11355. The Sponsor, 136-78 LLC, acquired title to one of the two lots on November 18, 2016 in CRFN: 2016000423714. The Sponsor acquired the other one of the two lots on December 21, 2017 in CRFN 2018000013335. This is a newly constructed building.

### (4) GOOD FAITH TO SELL AND CONSTRUCTION FINANCING OBLIGATIONS

Sponsor is reserving the unconditional right to rent after consummation rather than sell units. Because sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the condominium. Sponsor will endeavor in good faith to sell units rather than rent. If sponsor makes a bulk sale of all or some of its unsold units, the transferee successor sponsor is bound by sponsor's representations regarding its commitment to sell units. A bulk sale refers to the purchase of either 10 or more units or at least 20% of the units of the condominium, whichever is less. The number of units for bulk sale in this offering plan is five. This threshold determines whether a bulk purchaser is subject to regulatory oversight by the New York State attorney general and is deemed a “sponsor” or “successor-sponsor” of the offering plan of the condominium.

**Error! Reference source not found.**

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

## (5) SIZE OF THE OFFERING

**Number and Type of Units Being Offered.** The building will consist of one cellar and seven (7) floors. Sponsor offers for sale of forty-four (44) Residential Units, one (1) garage, and six (6) Community Facility Units in one (1) newly constructed building.

**Limited Common Elements.** Numerous units in the subject premises have been allocated limited common elements as referred in Schedule A. Unit 1A and 1B each has a terrace as a limited common element the size of approximately 681 and 766 respectively. Units 3A, 4A, 5A, 6A and 7A each has one balcony as limited common elements the size of approximately 64 Square Feet for each balcony. Unit 8A has one balcony as limited common elements the size of approximately 77 Square Feet. Units 3B, 4B, 5B, 6B, and 7B each has one balcony as limited common elements the size of approximately 72 Square Feet for each balcony. Unit 8B has one terrace as limited common elements the size of approximately 318 Square Feet. Units 3C, 4C, 5C, 6C and 7C each has one balcony as limited common elements the size of approximately 64 Square Feet for each balcony. Unit 8C has one balcony as limited common elements the size of approximately 55 Square Feet. Units 3D, 4D, 5D, 6D and 7D each has one balcony as limited common elements the size of approximately 58 Square Feet for each balcony. Unit 8D has one terrace as limited common elements the size of approximately 218 Square Feet. Units 3E, 4E, 5E, 6E and 7E each has one balcony as limited common elements the size of approximately 107 Square Feet for each balcony. Units 3F, 4F, 5F, 6F and 7F each has one balcony as limited common elements the size of approximately 102 Square Feet for each balcony. Units 3G, 4G, 5G, 6G and 7G each has one balcony as limited common elements the size of approximately 58 Square Feet for each balcony. Units 3H, 4H, 5H, 6H and 7H each has one balcony as limited common elements the size of approximately 66 Square Feet for each balcony.

**Parking Spaces.** The Building has one (1) garage, as offered to be sold as one (1) Parking Unit. The Parking Unit has the parking spaces as described below. As per ZR25-23, 50% of total residential units must be provided with parking spaces. The said garage, or the Parking Unit, has twenty-two (22) accessory, attended parking spaces at the cellar, including twelve (12) valet double level parking (2 levels lift system), one (1) ADA required parking, and two (2) reservoir parking spots for maneuvering. All parking is accessible only for residential use and can be useful for any type of cars.. The Sponsor and the future owner of the Parking Unit will cover the cost of valet parking and service hours through the license fees collected from parking space users. Valet parking services will be available daily from 7 AM to 10 PM, subject to change with notice, which provision will be included in the contract of sale for the Parking Unit. The purchasers of the residential units shall note that there are not enough parking spaces for every unit owner to rent. Before the Parking Unit is sold, Sponsor will rent the said twenty-two (22) parking spaces to unit owner on a first come first served basis If the Sponsor rents the parking spaces to non-occupants of the building, the Sponsor may rent any parking spaces to non-occupants of the building for periods of not less than one week and not more than one month. All parking spaces shall be made available to occupants of the Building within 30 days after a written request made to the Sponsor or the future owner of the Parking Unit, by such occupants.

**General Description of Recreational Facilities and Amenities.** There are two (2)

indoor residential recreation spaces located on the 8th floor with total square footage of 1,078.00. Maximum number of people in one recreation area (fitness room, facing 41st avenue) is 6 people, and maximum number of people in the other one recreation area (party room, facing rear yard) is 10 people.. (See PART II, DESCRIPTION OF PROPERTY AND SPECIFICATIONS included in this Offering Plan.)

**Prices in Schedule A.** The prices contained in this offering are as set forth in SCHEDULE A of this Offering Plan.

**Units or Property Interest Not Being Sold.** There is no unit or property interests that are not being offered, except the common areas as identified in this Offering Plan which will be owned by all unit owners as common element.

There are forty four (44) Residential Units, one (1) Parking Unit, and six (6) Community Facility Units being built pursuant to this Offering Plan.

**Storage Space:** there is no storage space.

**Bicycle racks** located at cellar level. There are (1) bicycle storage areas for total (22) ceiling mounted bicycles racks.

**Laundry Room**: located at cellar level. small laundry room in cellar floor that will provide 1 coin operated electric dryer manufactured by Speed Queen model number DV4000WE and 1 coin operated electric washer manufactured by Speed Queen model number FV6000WN.

## (6) AMENDMENT TO DECLARATION

This Offering Plan contains the percentages of common interest, the number of units that will be built and the timetable for completing the units, as set forth on Schedule A of the Offering Plan.

## (7) BASIC ASPECTS OF CONDOMINIUM OWNERSHIP

Ownership of a condominium unit resembles in many ways ownership of a private home. An outline of the basic aspects of condominium ownership is as follows:

### (i) Outright Ownership

Each Purchaser owns his or her Unit outright and is entitled to exclusive possession of his or her unit. Each Purchaser also has an interest, and a right to use common elements and exclusive right to use 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.

### (ii) Description of Differences between Unit Spaces, Common Elements and Limited Common Elements

Space located inside of the Condominium Unit is owned by a Unit Owner for his or her exclusive use. Use of the Unit is controlled by the provisions of the Condominium Declaration, By-Laws and any rules and regulations promulgated pursuant to these documents. The interior living space of the Unit is generally exclusive space. It must be maintained and decorated by the Unit Owner at his or her expense.

Common Elements are those portions of the building used by all Unit Owners together. Examples of Common Elements are the entryways, stairways, hallways, utility areas, and similar elements of the building, which serve all Unit Owners. Also, the land, roofs, walls and structural elements of the building, windows, boiler room and certain other portions of the building are to be set aside for common use. The Common Elements are not the exclusive property of any one Unit Owner.

Limited Common Elements of the Condominium consist of the portion of the land or building, other than the Units themselves, which are for the use of one or more specified Units to the exclusion of all other Units. In other words, 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. Examples of Limited Common Elements are balconies.

**(iii) Payment of Common Charges**

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.

**(iv) Compliance with Declaration, By-Laws and Regulations**

Each Unit Owner is obligated to comply with the Declaration of the Condominium, the By-Laws, Rules and Regulations and any other requirements of the Board of Managers.

**(v) Restrictions on Use, Resale, Leasing and Mortgaging Condominium Unit**

In the event that a purchaser sells his or her unit within 12 months of the closing date of their unit (the "subsequent sale"), purchaser shall be obligated to pay to the sponsor 50% of the net profit from the subsequent sale. Net profit is defined as the sale price for the subsequent sale, less transfer taxes and brokerage fees paid by purchaser (who purchased from Sponsor), less the price which purchaser paid to sponsor for the purchase of the unit and any other costs incurred in selling the unit. A Unit Owner may not lease any Unit for a term of less than one (1) year. There are no restrictions on the use or mortgaging of condominium Units. The Department of Law may, in its discretion, require an opinion from counsel for sponsor or

independent counsel as to the legality and enforceability of these restrictions.

The resale or lease of a Unit by the Unit Owner is subject to the right of first refusal from the board of managers of the condominium. Right of first refusal is a legal provision that grants a condominium board the right to purchase a unit that an owner is attempting to sell or lease. Essentially, if a unit owner receives an offer to sell or lease their unit, they are required to notify the condominium board of the offer. The board then has a specified period of time, thirty (30) days, to decide whether to exercise its right of first refusal and purchase or lease the unit on the same terms as the offer made by the potential buyer or tenant. If the board declines to exercise its right of first refusal, the unit owner may proceed with the sale or lease to the original offeror. ***Sponsor sale or lease is NOT subject to such right of first refusal***. The Unit Owner shall first give the Board of Managers thirty (30) days prior written notice of the terms of any bona fide sale or lease, together with a copy of a contract of sale or lease executed by a prospective purchaser or tenant, which the Unit Owner desires to execute. The Board of Managers shall have thirty (30) days to exercise the right of first refusal. If the Board of Managers fails to act within such thirty (30) day period, it shall be deemed to have waived the right of first refusal to the proposed transaction.

**(vi) Board of Managers**

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. Each Unit Owner may vote for the members of the Board of Managers, which is the group elected by Unit Owners to operate the Condominium.

**(vii) Taxation and Mortgage**

Each Unit will be separately taxed and may be separately mortgaged after filing of the Declaration. Each Unit Owner may deduct from adjusted gross income for income tax purposes real estate taxes and mortgage interest, subject to certain exceptions and limitations. 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, only up to $10,000 ($5,000 in the case of a married individual filing a separate return). A detailed discussion of the exceptions and limitations are found in the "Opinion of Counsel – Income Tax Deductions to Unit Owners and Tax Status of Condominium." 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.

**(viii) Maintenance, Repairs and Insurance**

A Unit Owner is responsible for maintenance and repairs and for casualty and liability insurance, as distinguished from the obligations of the Board of Managers.

Individual Purchaser 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 Units to their personal contents therein, as well as liability insurance for each occurrence which might occur within their respective units.

### (ix) Condominiums' Right to Approve or Disapprove

The condominium board does not have the right to approve or disapprove purchasers. There is no limit on the number of owners who may purchase for investment rather than for personal occupancy. There may always be a substantial percentage of owners who are non-residents.

## (8) EQUIPMENT AND FIXTURES INCLUDED IN OFFERING PLAN

All of the equipment and fixtures described in this Offering Plan are included in the Offering Price.

## (9) PRICES NOT SUBJECT TO APPROVAL

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.

## (10) PLAN CONTAINS ALL MATERIAL TERMS

This plan delivered to prospective Purchasers contains all of the material terms of the transaction. Copies of the plan, all documents referred to in the plan and all Exhibits submitted to the Office of the Attorney General in connection with the filing of the plan will be available for inspection without charge and for copying at a reasonable charge to prospective Purchasers and their attorneys at the site whenever the on-site sales office is open and at the office of the selling agent or sponsor.

## (11) LAWFUL LIMITATIONS ON WHO MAY PURCHASE UNITS

This offering is made only to individuals over the age of eighteen (18) years old, corporations, and other entities that may legally own real property in the State of New York.

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 Condominium units offered by this Plan, or in the leasing of any units in the Building.

## (12) LEGAL AND FINACIALS CONSEQUENCES

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.

## (13) DEFINITION

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

1. **"Board" or "Board of Managers" or "Condominium Board"** means the Board of Managers of the Condominium which is the overall governing body of the Condominium which represents all the Unit Owners and managers the Condominium pursuant to the provisions of the Declaration, By-Laws, and of the Plan.

2. **"Building"** means the building known by the address 136-80 41 Avenue, Flushing, NY 11355 A/K/A 136-78 41 Avenue, Flushing, NY 11355.

3. **"By-Laws"** means the By-Laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan, as the same may be amended from time to time.

4. **"Closing" or "Closing Date"** means the date of closing of the Purchaser's Unit pursuant to the Plan, unless another closing date is set forth in a Purchase Agreement covering a Unit, in which event such other date shall be the Closing Date for such Unit.

5. **"Code"** means the Internal Revenue Code of 1986, as amended.

6. **"Common Charges"** means any charges assessed by the Board against any Unit Owner and/or each Unit's proportionate share of the common expenses in accordance with its Common Interest.

7. **"Common Elements"** means all portions of the Condominium other than the Units, including but without limitation the land, roofs, walls and structural elements of the Buildings, hallways, if any, and certain other portions of the Buildings to be set aside for common use.

8. **"Common Expense"** means all costs and expenses incurred or paid generally by the Board in connection with the operation of the Condominium, which pursuant to the Plan, the Declaration and the By-Laws, are, except as set forth in the Plan and the Condominium By-Laws, to be paid by the Unit Owners in proportion to their Common Interest, as summarized in “Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws” and as more fully described in the Declaration and the By-Laws.

9. **“Common Interest"** means the proportionate, undivided interest each Unit Owner has in the Common Elements.

10. **"Condominium"** means "Penrose Tower" which is composed of the Unit Owners.

11. **"Condominium Act"** means Article 9-B of the Real Property Law of the State of New York as the same may be amended from time to time.

12. **"Condominium Documents"** means collectively this Plan, the Declaration, the By- Laws and the Rules and Regulations thereunder, as the same may be amended from time to time.

13. **"Declaration"** means the instrument by which the property is submitted to the provisions of the Condominium Act, and such instrument as from time to time amended, consistent with the provisions of the Condominium Act and of the By- Laws.

14. **"Department of Law"** means the Real Estate Financing/Investor Protection Bureau of the Department of Law, 28 Liberty Street, 15th Floor, New York, NY 10005.

15. **"Designee"** means any individual or entity so designated in writing by a Unit Owner or Sponsor as the case may be authorized to make such designation.

16. **"Equal or Better Quality"** means comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

17. **"Exhibits"** means collectively Exhibits A, B, C and D which were submitted to the Department of Law in connection with the submission of this Plan to such Department.

18. **"First Unit Closing"** means the first date that title to a Unit is transferred to a Purchaser under the Plan.

19. **"Floor Plans"** means the condominium floor plans of the Building, to be filed with the Office of the City Register, copies of which are reproduced in Part II of the Plan, subject to being further amended and recorded.

20. **"General Common Elements"** means those portions of the Land and the Building, designated for the common use of all Unit Owners, as more particularly defined in the Declaration.

21. **"Land"** means the parcel of land upon which the Building is situated, as more fully described in Exhibit A to the Declaration.

22. **"Limited Common Elements"** means, with respect to each Unit, those Common Elements, if any, which' are so designated on the Floor Plans or in the Declaration and which serve or benefit some, but not all, of the Unit Owners. Limited Common Elements includes unit entrances, balconies, terraces and rear yards.

23. **"Plan"** means the Condominium Plan for Condominium promulgated by the Sponsor.

24. **"Property"** means collectively the Land and the Building.

25. **"Purchase Agreement"** means an agreement to purchase a Unit.

26. **“Rules and Regulations"** means the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A as the same may be amended from time to time.

27. **"Schedule B"** means the projected budget for the first year of Condominium operations.

28. **"Selling Agent"** means the Sponsor.

29. **“Sponsor"** means 136-78 LLC.

30. “Title Company” means Federal Standard Abstract Inc. or any successor Title Company at the time in question.

30. **“Unit"** means any space designated as a residential unit and identified as "Unit" in the Declaration and all such units are collectively referred to as “Units".

31. **“Unit Owner" or "Unit Owners"** means any owner or owners of a Unit in the Condominium. All of such Unit Owners are collectively referred to as "Unit Owners".

32. **"Unsold Unit"** means any unit held by the Sponsor or Sponsor's designee or any Construction Lender or Sponsor or Receiver appointed by such Construction Lender or a Purchaser at a foreclosure sale held by such Construction Lender or any designee of such Construction Lender or any entity acquiring Sponsor's Units by a deed in lieu of foreclosure. The owner of Unsold Units shall have the same rights, privileges, exemptions and benefits with respect to its Unsold Units as Sponsor has under this Plan and the Declaration and By-Laws with respect to the Units owned by Sponsor.

All other capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meaning ascribed thereto in the By-Laws or the Declaration as the case may be.

(14) ADDITIONAL REPRESENTATIONS

No contracts or agreements have been entered into and no deposits or advances of funds have been accepted for the sale or transfer of any of the units offered in the plan as of the date the plan is accepted for filing. All of the units offered in the plan are vacant as of the date of submission of the plan to the Department of Law. No pending litigations or judgments against sponsor, principals of Sponsor that may be material to the offering.

## SECTION (E): DESCRIPTION OF PROPERTY AND IMPROVEMENTS

### (1) GENERAL DESCRIPTION BY SPONSOR

**General Description of Land.** The Land of the condominium is located at 136-80 41 Avenue, Queens, NY 11355. A metes and bounds description of the Land is set forth in the Declaration in Part II of the Plan. The Land is designated as Block 5044 Lot 44 on the Tax Map of the City of New York for the Borough of Queens, County of Queens. The Land Zoning is R7-1, with a permissible use of community facility and residential use.

**General Description of Building.** The condominium consists of a single building, comprised of:

(1) 1st floor and 2nd floor
- Six Community Facility Units -

(2) from 3rd floor through 7th floor, on each floor
- Eight Residential Units

(3) 7th floor
- Four Residential Units

(3) Cellar
- Mechanical Rooms
- Meter Rooms
- Elevator Equipment Room
- Trash Compactor Room
- Bicycle Racks - ceiling mounted bicycle storage system for 22 bicycles
- Landry Room

(4) Parking

One (1) Parking Unit including twelve (12) valet double level parking (2 levels lift system), one (1) ADA required parking, and two (2) reservoir parking spots for maneuvering.

All the units are handicap accessible. The building conforms to NYC Local Law 58/87.

The building contains in aggregate forty four (44) Residential Units, one (1) Parking Unit, and six (6) Community Facility Units. The building is classified as **1-B** per the Building Code of the City of New York, in which the walls, exit ways, shafts, structural members, floors and roofs are constructed of noncombustible materials and assemblies, which provides a fire resistance rating of **two hour**.

**General Description of Units.** General Unit Description is as follows:

Forty four (44) Residential Units, one (1) garage, and six (6) Community Facility Units

**General Description of Parking Facilities.**

The Building has one (1) garage, as offered to be sold as one (1) Parking Unit. The Parking Unit has the parking spaces as described below. As per ZR25-23, 50% of total residential units must be provided with parking spaces. The said garage, or the Parking Unit, has twenty-two (22) accessory, attended parking spaces at the cellar, including twelve (12) valet double level parking (2 levels lift system), one (1) ADA required parking, and two (2) reservoir parking spots for maneuvering. All parking is accessible only for residential use and can be useful for any type of cars.. The Sponsor and the future owner of the Parking Unit will cover the cost of valet parking and service hours through the license fees collected from parking space users. Valet parking services will be available daily from 7 AM to 10 PM, subject to change with notice, which provision will be included in the contract of sale for the Parking Unit. The purchasers of the residential units shall note that there are not enough parking spaces for every unit owner to rent. Before the Parking Unit is sold, Sponsor will rent the said twenty-two (22) parking spaces to unit owner on a first come first served basis. If the Sponsor rents the parking spaces to non-occupants of the building, the Sponsor may rent any parking spaces to non-occupants of the building for periods of not less than one week and not more than one month. All parking spaces shall be made available to occupants of the Building within 30 days after a written request made to the Sponsor or the future owner of the Parking Unit, by such occupants. **(See SECTION (C):** SPECIAL RISK of this Offering Plan.)

**General Description of Recreational Facilities and Amenities.** There are two (2) indoor residential recreation spaces located on the 8th floor with total square footage of 1,078.00. Maximum number of people in one recreation area (fitness room, facing 41st avenue) is 6 people, and maximum number of people in the other one recreation area (party room, facing rear yard) is 10 people.. (See PART II, DESCRIPTION OF PROPERTYs AND SPECIFICATIONS included in this Offering Plan.)

**Detailed Description and Outline Specifications.** Included in Part II of the plan is a detailed description and outline specifications prepared by Raymond Chan, R.A., of Raymond Chan Architect P.C., having address at 136-68 Roosevelt Ave, #6C, that complies with the requirements set forth in 13 NYCRR Section 20.7 promulgated by the Department of Law. (See PART II, DESCRIPTION OF PROPERTY AND SPECIFICATIONS of this Offering Plan.)

There is no existing building as this property is newly constructed. As such the detailed description does not include a statement of building condition.

Included in **PART II, DESCRIPTION OF PROPERTY AND SPECIFICATOINS** of this Offering Plan is the legal description of units and common elements.

Any Limited Common Elements located within or appurtenant to any Unit, such as Terraces, shall not be considered as part of that Unit.

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## (2) FIXTURES OR EQUIPMENT

Major fixtures or equipment such as refrigerator, plumbing fixtures, kitchen cabinets or partition walls are included in the offering price. Specifically, each residential unit will have a refrigerator (GE Model # GDE21EYKFS), a range (GE Model: JGSS66SELSS), a range hood (Cypress Model: SR-600), a dishwasher (GE Model #PDT145SSLSS) and a combo washer/dryer (GE Model # GFQ14ESSNWW), or similar model of equivalent or better quality. No other appliances are included. For specific fixtures or equipment included in this Offering Plan, see PART II Description of Property and Specifications of this Offering Plan.

No fixtures or equipment may be installed without the permission of the Sponsor and Condominium Board of Managers. To the extent the Purchaser is permitted and elects to install the same and any other appliances in their unit, the same will represent an additional cost of purchasing the unit.

The owner reserves the right to substitute any appliances, fixtures, equipment and material of Equal or Better Quality even though the sponsor intends to use the appliances, fixtures, equipment and material described herewith.

Effective November 5, 2004, owners of Class A multiple dwellings in New York City, which include condominium units, must install carbon monoxide detectors. The Sponsor will install a carbon monoxide detector in each residential condominium unit. The law requires the owners of the residential condominium units to maintain the carbon monoxide detectors. (See SECTION (C): SPECIAL RISK and SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR of this Offering Plan.)

## (3) COMPLIANCE WITH ZONING AND BUILDING LAWS

The property will be improved, and the Units will be constructed in accordance with all applicable zoning and building laws and requirements; including, but not limited to, the New York City Administrative Code and the Zoning Resolution of 1961 as amended, **OR** the 2008 New York City Building Code, as amended, and subject to procurement of all applicable and proper permits which are required, if any.

It should be noted by Purchasers that the closing of individual Units under the Plan may occur with a temporary Certificate of Occupancy and prior to obtaining a permanent Certificate of Occupancy for the Building. Rights and obligations of Units Owners and Board of Managers with regard to the issuance of Certificate of Occupancy and improvements to the Units are explained therein SECTIONS (E): DESCRIPTION OF PROPERTY AND IMPROVEMENTS and SECTION (W): RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD OF MANAGERS of this Offering Plans.

## (4) APPROXIMATE CONSTRUCTION TIMETABLE

It is anticipated that the building will be substantially completed by June 30, 2024 in accordance with the plans and specification, to permit an issuance of the temporary certificate of occupancy, unless delayed by weather, strikes, lockouts, acts of God, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption,

damage by fire or the elements or any other cause over which the developer has no control. The current construction status involves completing the exterior walls and finalizing the building's structural framework. The next phase will focus on interior partitioning and other finishing tasks. The anticipated date of closing of title to the first unit will occur on or about August 1, 2024.

Purchasers will be afforded 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 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. Purchasers should note that even if the first closing occurs on or about August 1, 2024, projected date of closing of title to the first unit (or such other date projected as the date of commencement of the operation at the time the purchase agreement was entered into) or within the twelve month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a TCO has not been issued for such units or for the floor on which such units are located. In such case, provided that sponsor is diligently pursing completion of construction and the issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

**(5) ACCESS TO PUBLIC ROADS**

There are no streets owned or maintained by the project. 41st Avenue is a public street fully paved, total width of 80 feet as per title report prepared by Federal Standard Abstract Inc. dated .

**(6) STORAGE SPACES**

There is no storage space.

**(7)** Façade. New York City's Façade Inspection Safety Program ("FISP"), also known as Local Law 11/98 applies to this Building. FISP requires that owners of buildings, with greater than six stories above grade, have their exterior walls and appurtenances inspected periodically. FISP reports are due once in five-year cycles. Once a new building is issued the first temporary Certificate of Occupancy, the five-year "grace period" begins. After this five-year period is over, the building must file during the next applicable cycle. Unless Sponsor still controls the Board at such time, the obligation to comply with FISP shall be solely on the Unit Owner-controlled Board of Managers. Sponsor shall have no responsibility or obligation to organize such inspections after the termination of the Sponsor Control Period. The cost of retaining a Qualified Exterior Wall Inspector to perform the inspection and file the report, as well as making any necessary repairs, will be a Common Expense in the future. The cost of retaining a Qualified Exterior Wall Inspector is currently approximately $5,000; Sponsor makes no warranty or representation that the law will not change or what the actual cost of

compliance will be. In the same fashion, the Condominium Board will be responsible for maintaining the sidewalk(s) in accordance with the requirements of the Department of Transportation.

(8) Elevators. The Building has two elevators, one is for residential units from cellar floor to roof; and the other one is for non-residential units from cellar floor to the 2nd floor.

## SECTION (F): LOCATION AND AREA INFORMATION

## (1) LOCATION AND SURROUNDING AREAS

### Location

The premises are located in the Borough of Queens, County of Queens, in the City of New York and State of New York, in the Flushing Section. It is situated on 41st Avenue, between Union Street and Kissena Blvd or Main Street, in the county of Queens. The property is surrounded on all sides by residential development. There are residential structures on either side of the Condominium and across 41st Avenue. Buildings with commercial first floors are located on 41st Avenue and Union Street, approximately same block from the Condominium.

### Transportation

This is a highly developed area essentially residential in character. The 7 subway line serves the area at the Main Street station, which is located within walking distance from the Condominium. The buses Q12, Q17, Q25, Q26, Q27, Q34 and Q65 serve the area.

### Recreational, Schools, Religious and Medical Facilities

The area is served by a rich and diverse assortment of shopping, recreational, medical, religious, and educational facilities. The condominium is northwest of Bowne Playground, which spans the area between Barclay Avenue, Union Street and Sanford Avenue. New York City public schools and private schools are located nearby from the Property. St. Michael's Catholic Academy, P.S. 020 John Bowne, The Winsor School are near the Condominium. Nearby religious facilities include Flushing Church of Christ, St. Michael Roman Catholic Church and First Baptist Church of Flushing. The medical facilities located near the Condominium are Flushing Hospital Medical Center and New York Presbyterian Queens Hospital.

### Police, Fire, Water, Sanitation, Snow Removal and Road Maintenance Services

These services are provided by the City of New York. Both local police and fire stations are nearby and includes the 109th Police Precinct, located at 37-05 Union Street, Flushing, NY and the FDNY Engine 273/Ladder 129, located at 40-18 Union Street, Flushing, NY.

Sanitation services and rubbish is picked up by the New York City Sanitation Department. Unit Owners are required to place their rubbish and recycle items in cans to be located in the designated refuse area on the first floor of the condominium. Agent of the management company will place the refuse container at the area designated by the Sanitation Department for pick up on collection days.

The City of New York will remove snow and maintain the roads in the street in front of the condominium. Agent of the management company or superintendent hired by Condominium will remove snow and maintain the sidewalk in front of the condominium.

## (2) ZONING AND USES

The subject premises are located in an R7-1 Zone, which permits residential use of all kinds and accessory uses.

## (3) ADJACENT AREAS OWNERSHIP OF SPONSOR

Neither the Sponsor nor any principals of the Sponsor own in whole or in part, or have an option or right to acquire, in whole or in part, any adjacent areas which are not fully developed. If any changes occur subsequent to the acceptance of the Offering Plan, the Offering Plan will be amended to disclose.

# SECTION (G): OFFERING PRICES AND RELATED INFORMATION
# SCHEDULE A

**PURCHASE PRICE AND ALLOCATION OF COMMON INTEREST**
**First Year of Operation**
**August 1, 2024 - July 31, 2025**

| | 1a | 1b | 2a | 2b | 3c | 3 | 4 | 5 | 6a | 6b | 7a | 7b | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Unit No. | Bedrooms | Baths | Approximate Square Footage (Sq.ft.) | Limited Common Element (Sq.ft) | Uninhabit-able Space | Offering Price | Percentage of Common Interest | Projected Monthly Common Charges | Projected Annual RE Tax w/ ICAP | Projected Monthly RE Tax w/ ICAP | Projected Annual RE Tax w/o ICAP | Projected Monthly RE Tax w/o ICAP | Projected Monthly Carrying Charges w/ ICAP | Projected Monthly Carrying Charges w/o ICAP |
| P | 0 | 0 | 7397 | 0 | N/A | $999,000 | 2.24% | $417.34 | $11,918.00 | $993.17 | $47,676.00 | $3,973.00 | $1,410.51 | $4,390.34 |
| 1A | 0 | 1 | 1773 | 681 | N/A | $2,260,010 | 5.06% | $944.13 | $2,857.00 | $238.08 | $11,427.00 | $952.25 | $1,182.22 | $1,896.38 |
| 1B | 0 | 1 | 1500 | 766 | N/A | $1,912,029 | 4.28% | $798.76 | $2,417.00 | $201.42 | $9,667.00 | $805.58 | $1,000.18 | $1,604.35 |
| 2A | 0 | 1 | 1773 | 0 | N/A | $2,098,580 | 4.70% | $876.70 | $2,857.00 | $238.08 | $11,427.00 | $952.25 | $1,114.78 | $1,828.95 |
| 2B | 0 | 1 | 758 | 0 | N/A | $897,195 | 2.01% | $374.81 | $1,221.00 | $101.75 | $4,885.00 | $407.08 | $476.56 | $781.89 |
| 2C | 0 | 1 | 1062 | 0 | N/A | $1,257,019 | 2.82% | $525.13 | $1,711.00 | $142.58 | $6,845.00 | $570.42 | $667.71 | $1,095.54 |
| 2D | 0 | 1 | 1200 | 0 | N/A | $1,420,361 | 3.18% | $593.36 | $1,933.00 | $161.08 | $7,734.00 | $644.50 | $754.45 | $1,237.86 |
| 3A | 1 | 1 | 658 | 64 | 64 | $789,600 | 1.87% | $349.40 | $4,241.00 | $353.42 | $4,241.00 | $353.42 | $702.82 | $702.82 |
| 3B | 1 | 1 | 716 | 72 | 72 | $859,200 | 2.04% | $380.20 | $4,615.00 | $384.58 | $4,615.00 | $384.58 | $764.78 | $764.78 |
| 3C | 2 | 2 | 860 | 64 | 64 | $1,032,000 | 2.45% | $456.66 | $5,543.00 | $461.92 | $5,543.00 | $461.92 | $918.58 | $918.58 |
| 3D | 0 | 1 | 431 | 58 | 58 | $527,975 | 1.23% | $228.86 | $2,778.00 | $231.50 | $2,778.00 | $231.50 | $460.36 | $460.36 |
| 3E | 1 | 1 | 623 | 107 | 107 | $747,600 | 1.77% | $330.82 | $4,015.00 | $334.58 | $4,015.00 | $334.58 | $665.40 | $665.40 |
| 3F | 1 | 1 | 492 | 102 | 102 | $602,700 | 1.40% | $261.25 | $3,171.00 | $264.25 | $3,171.00 | $264.25 | $525.50 | $525.50 |
| 3G | 0 | 1 | 393 | 58 | 58 | $485,355 | 1.12% | $208.68 | $2,533.00 | $211.08 | $2,533.00 | $211.08 | $419.77 | $419.77 |
| 3H | 0 | 1 | 504 | 66 | 66 | $617,400 | 1.43% | $267.63 | $3,248.00 | $270.67 | $3,248.00 | $270.67 | $538.29 | $538.29 |
| 4A | 1 | 1 | 641 | 64 | 64 | $785,225 | 1.82% | $340.37 | $4,131.00 | $344.25 | $4,131.00 | $344.25 | $684.62 | $684.62 |
| 4B | 2 | 2 | 800 | 72 | 72 | $980,000 | 2.28% | $424.80 | $5,156.00 | $429.67 | $5,156.00 | $429.67 | $854.47 | $854.47 |
| 4C | 2 | 2 | 852 | 64 | 64 | $1,043,700 | 2.43% | $452.42 | $5,491.00 | $457.58 | $5,491.00 | $457.58 | $910.00 | $910.00 |

| | 1a | 1b | 2a | 2b | 3c | 3 | 4 | 5 | 6a | 6b | 7a | 7b | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 4D | 0 | 1 | 428 | 58 | 58 | $528,580 | 1.22% | $227.27 | $2,758.00 | $229.83 | $2,758.00 | $229.83 | $457.10 | $457.10 |
| 4E | 1 | 1 | 623 | 107 | 107 | $763,175 | 1.77% | $330.82 | $4,015.00 | $334.58 | $4,015.00 | $334.58 | $665.40 | $665.40 |
| 4F | 1 | 1 | 492 | 102 | 102 | $607,620 | 1.40% | $261.25 | $3,171.00 | $264.25 | $3,171.00 | $264.25 | $525.50 | $525.50 |
| 4G | 0 | 1 | 393 | 58 | 58 | $489,285 | 1.12% | $208.68 | $2,533.00 | $211.08 | $2,533.00 | $211.08 | $419.77 | $419.77 |
| 4H | 0 | 1 | 504 | 66 | 66 | $622,440 | 1.43% | $267.63 | $3,248.00 | $270.67 | $3,248.00 | $270.67 | $538.29 | $538.29 |
| 5A | 1 | 1 | 641 | 64 | 64 | $817,275 | 1.82% | $340.37 | $4,131.00 | $344.25 | $4,131.00 | $344.25 | $684.62 | $684.62 |
| 5B | 2 | 2 | 800 | 72 | 72 | $1,008,000 | 2.28% | $424.80 | $5,156.00 | $429.67 | $5,156.00 | $429.67 | $854.47 | $854.47 |
| 5C | 2 | 2 | 852 | 64 | 64 | $1,073,520 | 2.43% | $452.42 | $5,491.00 | $457.58 | $5,491.00 | $457.58 | $910.00 | $910.00 |
| 5D | 0 | 1 | 428 | 58 | 58 | $545,700 | 1.22% | $227.27 | $2,758.00 | $229.83 | $2,758.00 | $229.83 | $457.10 | $457.10 |
| 5E | 1 | 1 | 623 | 107 | 107 | $794,325 | 1.77% | $330.82 | $4,015.00 | $334.58 | $4,015.00 | $334.58 | $665.40 | $665.40 |
| 5F | 1 | 1 | 492 | 102 | 102 | $627,300 | 1.40% | $261.25 | $3,171.00 | $264.25 | $3,171.00 | $264.25 | $525.50 | $525.50 |
| 5G | 0 | 1 | 393 | 58 | 58 | $505,005 | 1.12% | $208.68 | $2,533.00 | $211.08 | $2,533.00 | $211.08 | $419.77 | $419.77 |
| 5H | 0 | 1 | 504 | 66 | 66 | $647,640 | 1.43% | $267.63 | $3,248.00 | $270.67 | $3,248.00 | $270.67 | $538.29 | $538.29 |
| 6A | 1 | 1 | 641 | 64 | 64 | $830,095 | 1.82% | $340.37 | $4,131.00 | $344.25 | $4,131.00 | $344.25 | $684.62 | $684.62 |
| 6B | 2 | 2 | 800 | 72 | 72 | $1,024,000 | 2.28% | $424.80 | $5,156.00 | $429.67 | $5,156.00 | $429.67 | $854.47 | $854.47 |
| 6C | 2 | 2 | 852 | 64 | 64 | $1,090,560 | 2.43% | $452.42 | $5,491.00 | $457.58 | $5,491.00 | $457.58 | $910.00 | $910.00 |
| 6D | 0 | 1 | 428 | 58 | 58 | $556,400 | 1.22% | $227.27 | $2,758.00 | $229.83 | $2,758.00 | $229.83 | $457.10 | $457.10 |
| 6E | 1 | 1 | 623 | 107 | 107 | $806,785 | 1.77% | $330.82 | $4,015.00 | $334.58 | $4,015.00 | $334.58 | $665.40 | $665.40 |
| 6F | 1 | 1 | 492 | 102 | 102 | $637,140 | 1.40% | $261.25 | $3,171.00 | $264.25 | $3,171.00 | $264.25 | $525.50 | $525.50 |
| 6G | 0 | 1 | 393 | 58 | 58 | $510,900 | 1.12% | $208.68 | $2,533.00 | $211.08 | $2,533.00 | $211.08 | $419.77 | $419.77 |
| 6H | 0 | 1 | 504 | 66 | 66 | $655,200 | 1.43% | $267.63 | $3,248.00 | $270.67 | $3,248.00 | $270.67 | $538.29 | $538.29 |
| 7A | 1 | 1 | 641 | 64 | 64 | $839,710 | 1.82% | $340.37 | $4,131.00 | $344.25 | $4,131.00 | $344.25 | $684.62 | $684.62 |
| 7B | 2 | 2 | 800 | 72 | 72 | $1,036,000 | 2.28% | $424.80 | $5,156.00 | $429.67 | $5,156.00 | $429.67 | $854.47 | $854.47 |
| 7C | 2 | 2 | 852 | 64 | 64 | $1,103,340 | 2.43% | $452.42 | $5,491.00 | $457.58 | $5,491.00 | $457.58 | $910.00 | $910.00 |
| 7D | 0 | 1 | 428 | 58 | 58 | $562,820 | 1.22% | $227.27 | $2,758.00 | $229.83 | $2,758.00 | $229.83 | $457.10 | $457.10 |
| 7E | 1 | 1 | 623 | 107 | 107 | $813,015 | 1.77% | $330.82 | $4,015.00 | $334.58 | $4,015.00 | $334.58 | $665.40 | $665.40 |
| 7F | 1 | 1 | 492 | 102 | 102 | $642,060 | 1.40% | $261.25 | $3,171.00 | $264.25 | $3,171.00 | $264.25 | $525.50 | $525.50 |
| 7G | 0 | 1 | 393 | 58 | 58 | $516,795 | 1.12% | $208.68 | $2,533.00 | $211.08 | $2,533.00 | $211.08 | $419.77 | $419.77 |
| 7H | 0 | 1 | 504 | 66 | 66 | $662,760 | 1.43% | $267.63 | $3,248.00 | $270.67 | $3,248.00 | $270.67 | $538.29 | $538.29 |
| 8A | 2 | 2 | 797 | 77 | 77 | $1,075,950 | 2.27% | $423.21 | $5,137.00 | $428.08 | $5,137.00 | $428.08 | $851.29 | $851.29 |
| 8B | 2 | 2 | 731 | 318 | 318 | $986,850 | 2.08% | $388.16 | $4,711.00 | $392.58 | $4,711.00 | $392.58 | $780.75 | $780.75 |
| 8C | 2 | 2 | 716 | 55 | 55 | $959,440 | 2.04% | $380.20 | $4,615.00 | $384.58 | $4,615.00 | $384.58 | $764.78 | $764.78 |
| 8D | 2 | 2 | 739 | 218 | 218 | $990,260 | 2.10% | $392.41 | $4,763.00 | $396.92 | $4,763.00 | $396.92 | $789.33 | $789.33 |
| **Total** | | | **42055** | **5070** | **3623** | **$44,644,893** | **100%** | **$18,650.69** | **$196,296.00** | **$16,358.00** | **$271,043.00** | **$22,586.92** | **$35,008.69** | **$41,237.60** |

**Note: the Column 3c entitled uninhabitable space disclosed the square footgage of uninhabitable space allocated to a unit, i.e., balcony and terrace. The uninhabitable space may not be used as a bedroom or living room and that todo so may result in a building code violation being issued for the Building.**

Notes:

In addition to the purchase price, there are additional closing costs assessed against each unit, such as document preparation fee, reimbursement fee, working capital fund contribution and payment of transfer taxes. Additionally, Purchaser will pay their own title insurance costs, title clearance fee, recording charges and mortgage recording taxes. Please see the UNIT CLOSING COSTS & ADJUSTMENTS section of this Offering Plan for more completed explanation.

***For Column 7a, refer to the footnotes for estimated higher taxes in future years***

The limited common elements is terrace or balcony. Please see Footnote 2b and 2c.

## FOOTNOTES TO SCHEDULE A

1a and 1b. Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts for the Units. The number of bedrooms and bathrooms for each Residential Unit was determined by Sponsor's architect in accordance with the New York City Administrative Code and industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the "Real Estate Board of New York. " Each Residential Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing.

2a. The approximate square foot area of each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaft ways, chases, chase ways and conduits are not deducted from the measurements of each unit) to the centerline of the partitions separating one unit from another unit, or separating one unit from corridors, stairs, elevators and other mechanical equipment spaces or any other Common Element not within a unit or to the exterior side of the opposite exterior walls. Each unit will be measured vertically from the top of the floor (located under the finish flooring and sub-flooring materials) to the underside of the ceiling. As is customary in New York, these square footages substantially exceed the usable floor area of each Unit. The stated method of measurement used is applicable to all Units. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit.

2b and 2c. Unit 1A and 1B each has a terrace as a limited common element the size of approximately 681 and 766 respectively. Units 3A, 4A, 5A, 6A and 7A each has one balcony as limited common elements the size of approximately 64 Square Feet for each balcony. Unit 8A has one balcony as limited common elements the size of approximately 77 Square Feet. Units 3B, 4B, 5B, 6B, and 7B each has one balcony as limited common elements the size of approximately 72 Square Feet for each balcony. Unit 8B has one terrace as limited common elements the size of approximately 318 Square Feet. Units 3C, 4C, 5C, 6C and 7C each has one balcony as limited common elements the size of approximately 64 Square Feet for each balcony. Unit 8C has one balcony as limited common elements the size of approximately 55 Square Feet. Units 3D, 4D, 5D, 6D and 7D each has one balcony as limited common elements the size of approximately 58 Square Feet for each balcony. Unit 8D has one terrace as limited common elements the size of approximately 218 Square Feet. Units 3E, 4E, 5E, 6E and 7E each has one balcony as limited common elements the size of approximately 107 Square Feet for each balcony. Units 3F, 4F, 5F, 6F and 7F each has one balcony as limited common elements the size of approximately 102 Square Feet for each balcony. Units 3G, 4G, 5G, 6G and 7G each has one balcony as limited common elements the size of approximately 58 Square Feet for each balcony. Units 3H, 4H, 5H, 6H and 7H each has one balcony as limited common elements the size of approximately 66 Square Feet for each balcony.

3. Across-the-board changes in unit prices, advertised price changes, and increase in individual unit prices may be made by duly filed amendments only; 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 section of this Offering Plan.

4. The determination of percentages of Common Interest allocated to each unit is based upon floor space, subject to the location of such space, and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of a particular unit as per Section 339(i)(1)(iv) of the New York State Real Property Law.

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 gas, electricity, and telephone expenses; individual cost for heat and hot water for each unit is 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 which that unit bears in the condominium.

6a, 6b, 7a and 7b. 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 nonpayment of taxes on other units. Sponsor is applying for Real Estate Tax Benefits pursuant to Industrial & Commercial Abatement Program (ICAP) under City of New York. Pursuant to the tax opinion provided by Thomas Berinato, Esq., the ICAP abatement shall only apply to the parking garage and community facility Units for a period of fifteen (15) years. The Sponsor filed the Preliminary Application for Certification of Eligibility for ICAP, which was acknowledged by Department of Finance on May 2, 2018. However, the purchasers of the non-residential Units are hereby advised that they are purchasing with no guarantee of obtaining tax benefits, as it is possible that the benefits will not be obtained before the closing of the first unit and there is no guaranty that benefits will be granted to the property. The Sponsor will use its best efforts to obtain those benefits. Sponsor has obtained an estimate from Thomas E. Berinato, Esq., having office at 12340 83rd Ave, Suite 1D, Kew Gardens, NY 11415, as to the likely effects of Sponsor's application for Real Estate Tax Benefits; Purchasers are directed to the section of this Offering Plan entitled REAL ESTATE TAX BENEFITS OPINION for a complete explanation.

The anticipated date of completion of construction and reassessment is by June 30, 2024.

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. Based on the opinion of Thomas E. Berinato, Esq., the

assessed valuation after completion of improvement is estimated to be$2,989,759 for 2023/2024 fiscal year and $3,079.451 (3% more) for the 24/25 fiscal year, applying the current residential condominium tax rate of 12,267%, the total rea property tax for the first tax year from July 1, 2024 to June 30, 2025 is approximate $373,255. The real property tax is assumed to be allocated between the Units based on relative square footage, which resulted in the tax figure in the Schedule A. ***In addition, as the taxes during the first year of operation will be much lower than the taxes in future years when the DOF' assessment will be based on the fully collected value of the property***. As such, an estimate of the taxes based on such value so prospective purchasers are apprised of what could be significant tax increases for future years. In the event tax exemption benefits are not obtained, the assessed value used for calculations is the post-completion assessed value estimated by the Sponsor's real estate tax exemption and abatement expert, and set forth in his letter included in this Plan. The Property Tax Projection Letter provides, in part, that upon conversion to a condominium, the Residential Units will be designated Tax Class 2 and the Non-Residential Units will be designated Tax Class 4. Property Tax Professional assumed a Tax Class 2 tax rate of 12.400% and Tax Class 4 tax rate of 10.600% for tax year 2023. Unit owners shall be entitled to deduct real property taxes paid on the unit for income tax purposes subject to certain limitation. See TAX OPINION hereinafter set forth for a more complete discussion. **See SECTION (Y): OPINION OF COUNSEL – AVAILABILITY OF PARTIAL REAL ESTATE TAX EXEMPTION for a complete explanation.**

While Sponsor is applying for real estate tax benefits, and the expert opinion included in this Offering Plan projects that such benefits are available and will be granted, no guarantee can be, or is made, that said benefits will be obtained, or will continue to be available. Therefore, Sponsor has projected in Schedule A the real estate taxes in the event no such benefits are obtained.

8. Monthly carrying charges are composed of the monthly common charges and the monthly real estate taxes projected against each unit. Monthly carrying charges do not include debt service on any individual mortgage financing obtained by the purchaser. This will represent an additional expense to unit purchasers.

9. Monthly carrying charges in the event benefits are not obtained are composed of the monthly common charges plus the monthly real estate taxes without benefits as set forth in column (9). 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, subject to certain exceptions and limitations as discussed in the "Opinion of Counsel – Income Tax Deductions to Unit Owners and Tax Status of Condominium." 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 from the expiration of real estate tax benefits, or from changes in the assessed value, tax rates, or the method of assessing real property; or from changes in the tax law governing deductibility of mortgage interest and real estate taxes.

## SECTION (H): BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

## SCHEDULE B
## BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

August 1, 2024 to July 31, 2025

***Projected Income***

| | |
|---|---|
| Common Charges (1) | $223,808.24 |
| **Total Projected Income** | **$223,808.24** |

***Projected Expenses***

| | |
|---|---|
| Labor (2) | $54,732.60 |
| Utilities (gas and electricity) (3) | $67,345.81 |
| Water charges and sewer rents (4) | $27,469.83 |
| Repairs, maintenance and supplies (5) | $5,000.00 |
| Insurance (6) | $20,000.00 |
| Contingency (7) | $3,000.00 |
| Legal fees and audit fees (8) | $5,700.00 |
| Management Fee (9) | $20,000.00 |
| Reserve fund (10) | $20,560.00 |
| **Total Projected Expenses** | **$223,808.24** |

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 IN A REASONABLE PERIOD OF TIME THAT IS NOT LESS THAN 15 DAYS AFTER THE DATE OF PRESENTATION OF SAID AMENDED BUDGET, TO EXERCISE SAID RIGHT, WHETHER OR NOT SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION. SPONSOR MUST RETURN ANY DEPOSITT OR DOWN PAYMENT TO A PURCHASER WHO RESCINDS WITHIN 10 DAYS AFTER RECEIPT OF NOTICE OF RESCISSION.

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 EXPECTED CLOSING DATE OF THE FIRST UNIT. SPONSOR MAY NOT DECLARE A PLAN EFFECTIVE WHERE THERE ARE ANY MATERIAL CHANGES TO THE BUDGET IF THESE CHANGES HAVE NOT BEEN DISCLOSED BY A DULY FILED AMENDMENT TO THE OFFERING PLAN.

## FOOTNOTES TO SCHEDULE B

1. **Common Charges**: The estimate of the annual Common Charges to be collected during the first year of condominium operation is based upon a projection of the total amount of common charges that will be levied against the Community Facility, the Residential Units and the Parking Unit (based upon full occupancy of the condominium).

2. **Labor**: Salary and wage costs for the first year of condominium operation are based upon the staffing listed below consisting of one (1) full-time non-union superintendent and one (1) part-time non-union superintendent. The full-time superintendent will work 8 hours per day, five days a week on weekdays, at an hourly rate of $15.00. The part-time superintendent will work 4 hours per day, two days a week on weekends, also at an hourly rate of $15.00.. The full-time superintendent will be responsible for building maintenance, operation, and repairs during daytime hours on weekdays. The part-time superintendent will work three weekdays after the daily working hours and also cover weekends, whose primary focus will be back up support for the full-time superintendent on general building maintenance, with a specific responsibility for garbage removal. The level of staffing complies with the applicable housing and labor laws. The budgeted amount reflects current wage rates and reasonably anticipated increases. Pursuant to Article 13 of The Administrative Code of the City of New York, in the event nine (9) or more residential units become rental units, requires one of the following: (1) that the owner performs the janitorial service; or (2) that there be a superintendent who resides

in the building or within 200 feet of the building; or (3) that there be a janitorial service approved by the Department of Buildings available 24 hours per day. Therefore, if nine (9) or more units are rented, rather than owner occupied, the Condominium may be required by the New York City administrative code to provide janitorial services by a superintendent who resides in the building or within 200 feet of the building, which would result in a substantial increase to the operating budget and common charges. The budget amount includes payroll taxes but there is no welfare and pension contribution by employers. The superintendents will be responsible for ensuring the cleanliness of common areas and removing debris from those areas.

| **Position** | **Yearly Base Wage Rate** |
|---|---|
| (1) Full-Time Superintendent | $31,200 |
| Wage/Hour | $15 |
| Hours/Day | **8** |
| Days/Week | 5 |
| Weeks/Year | 52 |
| Annual Basic Salary | **$31,200** |
| FICA @ 7.65% of Base Wages | $2,386.80 |
| State Unemployment Insurance @ 4.0% | $1,248.00 |
| Federal Unemployment Insurance @ 0.8% | $249.60 |
| Worker's Compensation/Disability Insurance @ 4.5% | $1,404.00 |
| **WAGES, TAXES & BENEFITS** | **$36,488** |
| (2) Part-Time Superintendent | $15,600 |
| Wage/Hour | $15 |
| Hours/Day | **4** |
| Days/Week | 5 |
| Weeks/Year | 52 |
| Annual Basic Salary | **$15,600** |
| FICA @ 7.65% of Base Wages | $1,193.40 |
| State Unemployment Insurance @ 4.0% | $624.00 |

| | |
|---|---|
| Federal Unemployment Insurance @ 0.8% | $124.80 |
| Worker's Compensation/Disability Insurance @ 4.5% | $702.00 |
| **WAGES, TAXES & BENEFITS** | **$18,244** |

Total Wages, Taxes and Benefits for both (1) and (2) are $54,732.60

3. **Utilities (Gas and Electricity)**:

The Residential Units will be separately metered for gas for cooking. All heating charges are included in the common charges. (See Section (k) "Heating" in Description of Property and Specifications of Part II of the Offering Plan and 4. Utilities.)

The estimate amount for gas is the estimate for cooking, heating, and hot water. The budget amount is for the first year of operation and is based on estimated total annual consumption: 6,932.23therm for domestic hot water gas, 10,439 for apartment cooking gas and 12,177.50 energy recovery ventilation units' gas, all at $1.32 per therm. This estimate is based on current tariffs plus a reasonably anticipated increase of 10%.

The estimate amount for the electricity is for those only consumed by the Common Elements, since the electricity for Units is individually metered by Consolidated Edison of New York. Electricity will be used to operate any water pumps, miscellaneous building equipment such as fans and lighting throughout the interior and exterior of the Common Elements areas of the building. The projected Common Element electricity cost is based on a consumption of 143,280 kWh/year of electricity at an average cost of $0.22 per kWh. This estimate is based on current tariffs plus a reasonably anticipated increase of 10%.

The foregoing estimate is based upon the opinion letter dated May 20, 2022 from All City Engineering, P.C. located at 107 E. Broadway, Fl5, New York, NY 10002; their opinion is based on their professional expertise and industry standards. It is impossible to predict whether the budgeted figure will reflect the actual cost of electricity during the First Year of Operations. This cost will vary with both the level of consumption and the rate charged by the utility company.

This expense will be allocated in compliance with 339-m of the Real Property Law based on special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners; this expense has been allocated 100% to the Residential Units.

See Schedule B-1 for the projected costs associated with individual Unit consumption.

4. **Water Charges and Sewer Rents**:

Water and sewer charges for the Building are assessed by the City of New York based on the actual amount of usage. There will be one meter servicing the entire Building, and the

charges for same will be apportioned amongst all Units based on each Unit's Common Interest. The City of New York charges per hundred cubic feet of water and sewer use (approximately 748 gallons). It is estimated that the annual water consumption will be 277,400 cu.ft/year at an estimate cost of $10.86 per cu.ft This estimate is based on current tariffs plus a reasonably anticipated increase of 10%.

The foregoing estimate is based upon the opinion letter dated May 20, 2022 from All City Engineering, P.C. located at 107 E. Broadway, Fl5, New York, NY 10002; their opinion is based on their professional expertise and industry standards. It is impossible to predict whether the budgeted figure will reflect the actual cost of water during the First Year of Operations. This cost will vary with both the level of consumption and the rate charged by the City of New York.

This expense will be allocated in compliance with 339-m of the Real Property Law based on
special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners; this expense has been allocated by usage estimated by HRM Engineering Services, P.C.

5. **Repairs, Maintenance and Supplies**:

This figure represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including periodic painting, and supplies such as cleaning supplies, light bulbs, fixtures, hardware, garbage bags, etc. used in connection with the operation of the Common Elements. The foregoing estimate is based upon the opinion of Sponsor's budget expert, Youyork Management LLC., having an office at 60 E. 42nd Street, Suite 2140, New York, NY 10165.

This expense will be allocated in compliance with 339-m of the Real Property Law based on special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners; this expense has been allocated by Common Interest.

6. **Insurance**:

The projected insurance premium is based on the letter dated May 20, 2022 from Oakmont Insurance Services LLC, having an office at 30-50 Whitestone Expressway, Suite 302, Flushing, NY 11354.

Property
Building: $14,875,000
Deductible: $5,000

General Liability
Limits of liability insurance:

Per Occurrence: $1,000,000
General Aggregate: $2,000,000
Fire Damage Legal Liability: included
Flood Insurance covered, subject to the Building Deductible
Directors and Officers: $1,000,000

In the opinion of Oakmont Insurance Services LLC, the foregoing coverage is sufficient to replace the Building in the event of a total or partial loss so that the insured shall not be a co-insurer during the First Year of Operations.

This quotation is a projection of rates for the First Year of Operations. However, because conditions in the insurance marketplace are volatile, it is not possible to predict exactly what the premiums will be during this time. Purchasers should be aware of the possibility of rate increases.

Sponsor will procure on behalf of the Board, on or before the date of the First Closing, the fire, casualty, and general liability insurance required to be carried by the Condominium. The insurance budget provides that the Condominium will have public liability insurance at closing. The insurance coverage meets the requirements of Sponsor's lender. The fire, casualty and general liability insurance carried by the Condominium will provide that each Unit Owner is an additional insured party; that there will be no cancellation without notice to the Board of Managers; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage. In addition to the insurance set forth herein, Unit Owners must obtain, at the time of Closing, supplemental or additional insurance for their personal effects and the interior of the Unit itself for fire and liability. Such insurance commonly referred to as an "HO-6 Policy," will be paid for by the Purchaser. Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance. The Board of Managers shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery. In the event a Unit Owner fails to obtain the requisite insurance or deliver evidence of same to the Board of Managers, as required, the Board of Managers may, in its sole and absolute discretion, (i) obtain such insurance on behalf of said defaulting Unit Owner or (ii) impose such fines and penalties as the Board of Managers may determine in its sole discretion, including without limitation, a per diem penalty for each day that the Unit Owner does not provide evidence of coverage and in either event such sums shall, for all purpose, constitute Common Charges payable by such Unit Owner.

This expense will be allocated in compliance with 339-m of the Real Property Law based on special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners; this expense has been allocated by Common Interest.

Other insurance not covered, such as worker's compensation and disability, can be obtained at additional costs of about $700 per year.

7. **Contingency**: This item is to provide a fund for possible expenses not included in the budget or possible increases in one (1) or more items of operating expense above the amounts projected. The budget may be modified, from time to time, prior to the commencement of, or during, Condominium operation to add new items of expense or increase one (1) or more items of operating expense. The funds for such modifications may be provided by decreasing the contingency reserve or by decreasing one (1) or more items of expense, or both. The contingency fund will be part of the general operating funds and will not accrue on an annual basis. The contingency does not include a reserve for capital improvements or repairs for which no provision is made under this budget. Though the Sponsor makes no guarantees, it is unlikely any major improvements will be required during the first year of operation.

8. **Legal Fees and Audit Fees**:

The estimate of legal expense is based upon any anticipated consultation with an attorney to be retained by the Condominium Board. Such consultation would include, but not be limited to, issues raised by the Board of Managers in connection with the operation of the Property. No separate counsel has been appointed by Sponsor for the Condominium; it is not anticipated that any legal expense shall be required by the Condominium during the First Year of Operations. Therefore, $0 has been allocated to this expense. However, in the event that legal services are required by the Condominium, then such services would be billed on an hourly rate or monthly retainer rate to be determined and negotiated by the Board of Managers with the attorney to be retained. In future years, the legal expense will be allocated in compliance with 339-m of the Real Property Law based on special or exclusive use or availability or exclusive control of particular units or common areas by particular Unit Owners. For example, if future legal expenses are attributable to solely to Residential Units, then legal expenses will be allocated to the Residential Units.

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 amount set aside for this service is $4,700. This projection is based on an estimate received from by Howard Sang, CPA with Eastern Accounting & Consulting, with an office located at 136-17 39th Avenue, Suite 3G, Flushing, NY 11354. This expense has been allocated based on Common Interest. In future years, this expense will be allocated in compliance with 339-m of the Real Property Law based on special or exclusive use or availability or exclusive control of particular units or common areas by particular Unit Owners. For example, if a tax certiorari is performed to reduce the taxes of Residential Units, the expenses related to the tax certiorari will be allocated to the Residential Units.

9. **Management Fee**:

The Condominium will initially be managed by Sponsor at twenty thousand dollars ($20,000) for two (2) year after the closing of the first unit or whenever the unsold units

constitute less than twenty five percent (25%) of the common interests, whichever is sooner. As managing agent, Sponsor will collect common charges, bookkeep, and provide payroll services. After management duties are turned over to the Board of Managers, 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, as set forth in the By-Laws. After two (2) year from the date of closing of the first unit or whenever the unsold units constitute less than twenty five percent (25%) of the common interests, whichever is sooner, management of the Condominium shall be transferred from Sponsor to a new managing company to be hired and retained by the Board of Managers.

Unit owner controlled board may choose to hire a managing agent instead of self-managing at no cost. An independent managing agent or company is estimated to charge about $20,000 per year.

The foregoing estimate is based upon the opinion of Sponsor's budget expert, Youyork Management LLC., having an office at 60 E. 42nd Street, Suite 2140, New York, NY 10165.

This expense will be allocated in compliance with 339-m of the Real Property Law based on special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners; this expense has been allocated by Common Interest.

**10. Reserve Fund**: A reserve amount which equals ten (10%) percent of the total budget. A reserve fund is a pool of money that a condominium association sets aside to cover unexpected or future expenses. The reserve fund is typically used to pay for major capital repairs or replacements that are not part of the regular maintenance budget, such as replacing a roof, upgrading the elevator system. The reserve fund is important because it ensures that the condominium association has enough money to cover these expenses without having to rely on special assessments or loans. By setting aside a portion of the budget for the reserve fund, the association can spread the cost of these major expenses over time and avoid sudden financial burdens on unit owners. . At this time, the Sponsor has no knowledge of any capital improvements that may have to be made during the first five (5) years of Condominium operation.

IN THE OPINION OF YOUYORK MANAGEMENT LLC., THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF OPERATIONS. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD OF MANAGERS WILL BE AS SET FORTH IN THE BUDGET. IN FACT, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

ALL CITY ENGINEERING, P.C.
107 E. Broadway – FL 5
New York, NY 10002
Tele: (212)680-0181
Email: info@allcityengineering.com

June 10, 2022

RE: Attorney General's Energy Report
136-78 41 Avenue,
Queens, NY 11355
Block#5044, Lot#44

For clarification purposes "the building" referred to herein shall mean "136-78 41 Avenue".

The estimated annual/monthly charges for *water (sewer)* are stated below. Residential use for *hot water, gas and electric* without escalation cost are as follows the estimated annual/month charges of water and sewer for the building are stated below.

The energy costs do not include city or state taxes.
The commercial space for hot water and electric use are separately measured.
The commercial units use its own electric hot water and heat.
There is one water meter for the entire build, as for each commercial and residential space it has its own dedicated electric meter.

*136-78 41 Avenue* summary–

| Type of apt. | | No. of person / Each Apt | No. of Apt | No. of person |
|---|---|---|---|---|
| A | STUDIO apt | 1 | 15 | 15 |
| B | 1 BR apt | 2 | 16 | 32 |
| C | 2 BR apt | 4 | 13 | 52 |
| | | Total: | 44 | 99 |

Basis of the projection:
(Estimated cost for combined water and sewer rate @ $10.86 /100 cu. ft)
(Average therm cost for natural gas @ $1.32/therm)
(Estimated cost for electricity @ .22 /kWh)

**1 Water and Sewer Cost:**
***Residential***

- Use of water /day/person/apt. = 50 gpd (gallon/day)
- Gallons/Day/Person (GPD) = 50
- 1cubic foot (cu.ft.) = 7.5 gal
- Cost estimates are based on the combined water and sewer rate of $10.86 /100 cu.ft.

99person × 50gpd = 4,950gpd
4,950gpd × 365day = 1,806,750 gal/yr

$$\text{Annual water use} = 1{,}806{,}750 \text{ gal/yr} = {}^{1{,}806{,}750}/_{7.5} \text{ cu.ft/yr} = 240{,}900 \text{ cu.ft/yr.}$$

$$240{,}900 \text{ cu.ft/yr.} \times \$10.86 /100 \text{ cu.ft.} = \$26{,}161.74/\text{yr}$$

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107 E. Broadway – FL 5
New York, NY 10002
Tele: (212)680-0181
Email: info@allcityengineering.com

(5% Inflation in the cost estimate) $26,161.74/yr × (1+5%) = $27,469.83/yr

**Residential water cost in total:**

Total annual residential cost of water and sewer usage = $27,469.83/yr. This cost will be allocated to unit owners as part of common charges.

***Commercial: Retail***

**Assuming regular commercial retail will be occupied in the commercial spaces.**

Total annual commercial cost of water and sewer usage = $3,600/yr.

**2 Gas Cost:**

***Residential***

1) Domestic Hot Water Gas Cost:

Estimated cost for domestic hot water based on gas fuel

- Gallons per day/person = 25

$$99 \text{ person} \times 25 \text{ gpd(gallons per day per each person)} = 2{,}475 \text{ gpd}$$

$$2{,}475\text{gpd} \times 365 \text{ day} = 903{,}375 \text{ gal/yr}$$

$$\frac{903{,}375 \text{ gal/yr} \times 8.33 \times 80 \text{ deg. rise}}{100{,}000 \text{ BTU/therm}} = 6{,}020.09 \text{ therm}$$

$$\text{Hot Water gas annual cost} = 6{,}020.09\text{therm} \times \$1.32/\text{therm} = \$7{,}946.52/\text{yr}$$

(5% Inflation in the cost estimate) $9,150.54/yr × (1+5%) = $8,343.85/yr

**Hot Water gas cost in total:**

Total annual residential gas cost of hot water usage = $8,343.85/yr. This cost will be allocated to unit owners as part of common charges.

2) Apartment cooking gas cost:

- Apartments are provided with one range and 1hour usage/day.

44 apts × 1 range/apt = 44 ranges

44 ranges × 1hr usage/day × 65 CFH × 365 days/yr = 1,043,900cu. ft./yr

$$= \frac{1{,}043{,}900 \text{ cu. ft./yr}}{100} \text{therm/yr}$$

$$= 10{,}439 \text{ therm/yr}$$

$$\text{Cooking gas annual cost} = 10{,}439 \text{ therm/yr} \times \$1.32/\text{therm} = \$13{,}779.48$$

(5% Inflation in the cost estimate) $13,779.48/yr × (1+5%) = $14,468.46/yr

**Cooking gas cost in total:**

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107 E. Broadway – FL 5
New York, NY 10002
Tele: (212)680-0181
Email: info@allcityengineering.com

Total annual residential gas cost of cooking usage = $14,468.46/yr. This cost will be allocated to unit owners as part of common charges.

3) Energy Recovery Ventilation units gas cost:

- Public corridors have fresh air supplied by roof top units.
- Based on 4,871degree days
- 250,000 BTU (250.0 MBH) or 2.5 therms/hr
- Annual cost = (2.5 therms/hr) x (4,871) @ $1.32/therms
  = $16,074.30/yr (Budget)

**Roof top ventilation units gas cost in total:**

Total annual residential gas cost of RTU usage = $16,074.30/yr, to be allocated to unit owners as part of common charges.

**Gas cost summary:**

Annual gas cost: $8,343.85 + $14,468.46 + $16,074.30 =$38,886.61

***Commercial: Retail***

**Assuming regular commercial retail will be occupied in the commercial spaces.**

Commercial space uses electrical hot water and heating. It will not use common gas meter.

**3 Electricity Cost:**

***Residential***

| No. | Item name | Operating Load (kW) | Demand Factor (%) | Demand Load (kWh) |
|---|---|---|---|---|
| 1 | Elevator (1@25HP (4,000 hr/yr) | 26.7 | 15 | 16,000 |
| 2 | Water Booster Pump (2@5) (3,000 hr/yr) | 12 | 20 | 7,200 |
| 3 | Misc. (all units) (3,000 hr/yr) | 5 | 30 | 4,500 |
| 4 | Dryer Exhaust Fan (1@1/4HP) (4,000 hr/yr) | 0.67 | 50 | 1,340 |
| 5 | General Exhaust Fan (1@1/4HP) (4,000 hr/yr) | 0.67 | 50 | 1,340 |
| 6 | Garage Exhaust Fan (1@5HP) (1,000 hr/yr) | 6 | 50 | 3,000 |
| 7 | Electrical Room Exhaust Fan (1@1/4HP) (4,000 hr/yr) | 0.67 | 50 | 1,340 |
| 8 | Kitchen Exhaust Fan (4@1HP) (4,000 hr/yr) | 6.7 | 50 | 13,400 |

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107 E. Broadway – FL 5
New York, NY 10002
Tele: (212)680-0181
Email: info@allcityengineering.com

| | | | | |
|---|---|---|---|---|
| 9 | Refuse Room Exhaust Fan (1@1/2HP) (4,000 hr/yr) | 1.13 | 50 | 2,260 |
| 10 | Toilet Exhaust Fan (1@1/4HP) (4,000 hr/yr) | 0.67 | 50 | 1,340 |
| 11 | Outside Air Intake (3@1/2HP) (4,000 hr/yr) | 3.38 | 50 | 6,760 |
| 12 | Outside Air Intake (2@1/4HP) (4,000 hr/yr) | 1.33 | 50 | 2,660 |
| 13 | Misc. Fans (4,000 hr/yr) | 5 | 25 | 5,000 |
| 14 | Lighting (5,840 hr/yr) | 15 | 60 | 52,560 |
| 15 | Misc. Electrical Equipment (1,500 hr/yr) | 15 | 20 | 4,500 |
| | | | Total Operating Loads (kWh): | 123,200 |

Annual electricity cost @ $0.22 /kWh (estimated cost for electricity):
123,200 kWh. @ $0.22 /kWh. =$27,104.00/yr
(5% Inflation in the cost estimate) $27,104.00/yr × (1+5%) = $28,459.20/yr

**Residential electricity cost in total:**

Total annual residential cost of electricity = $28,459.20/yr, to be allocated to unit owners as part of common charges.

The above estimated costs for the apartment units are to the best of our knowledge.

If you have any questions or require any further clarifications, please contact our office.

Very truly yours,




All City Engineering P.C
Zhao Deng

# SCHEDULE B-1
PROJECTED ANNUAL UTILITY COST ESTIMATES FOR INDIVIDUAL UNIT

ALL CITY ENGINEERING, P.C.
107 E. Broadway – FL 5
New York, NY 10002
Tele: (212)680-0181
Email: info@allcityengineering.com

SCHEDULE B-1
Projected Individual Energy Costs Budget

The estimated annual charges are for the above referenced project with forty-four (44) apartments.

As requested, we have included herewith the electricity costs based on 44 apartment units.

For clarification purposes "the building" referred to herein shall mean 136-78 41 Avenue, Queens, NY 11355.

The energy costs do not include city or state taxes.

The following estimate of annual electric energy costs for lighting and for operating the typical electrical appliances located in each Residential Unit.

The projected rated are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors which are beyond the control of Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the personal needs of Residential Unit Owners and weather conditions.

Basis of the projection:
Estimated cost for electricity @ .22 /kWh

Estimate Electric Appliances:
Lighting: Floor Area x 1 W/SF
Receptacles: Floor Area x 2 W/SF
Cooling: Floor Area x 3.75 W/SF
Heating: Floor Area x 4.1 W/SF
Kitchen Appliance: Refrigerator, Microwave, Dish Washer = 4000W or 4.0KW
Washer/Dry: Plate Rating = 6200W or 6.2 KW

Residential Unit Electrical Usage Per Annum

ESTIMATED COST OF ELECTRICITY FOR "136-78 41 Avenue, Queens, NY 11355".

| Studio 450 S.F. | Load (kW) | Yearly Hours of Use (H) | Basic Rate (kWh) | Cost |
|---|---|---|---|---|
| Lighting | 0.45 | 1850 | 832.5 | $183.15 |
| Receptacles | 0.9 | 1850 | 1665 | $366.30 |

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107 E. Broadway – FL 5
New York, NY 10002
Tele: (212)680-0181
Email: info@allcityengineering.com

| | | | | |
|---|---|---|---|---|
| Kitchen Appliance | 4.0 | 280 | 1120 | $246.40 |
| Washer/Dryer | 6.2 | 280 | 1736 | $381.92 |
| | | | 5353.5 | $1,177.77 |

| 1 Bedroom 650 S.F. | Load (kW) | Yearly Hours of Use (H) | Basic Rate (kWh) | Cost |
|---|---|---|---|---|
| Lighting | 0.65 | 1850 | 1202.5 | $264.55 |
| Receptacles | 1.3 | 1850 | 2405 | $529.10 |
| Kitchen Appliance | 4.0 | 280 | 1120 | $246.40 |
| Washer/Dryer | 6.2 | 280 | 1736 | $381.92 |
| | | | 6463.5 | $1,421.97 |

| 2 Bedroom 780 S.F. | Load (kW) | Yearly Hours of Use (H) | Basic Rate (kWh) | Cost |
|---|---|---|---|---|
| Lighting | 0.78 | 1850 | 1443 | $317.46 |
| Receptacles | 1.56 | 1850 | 2886 | $634.92 |
| Kitchen Appliance | 4.0 | 280 | 1120 | $246.40 |
| Washer/Dryer | 6.2 | 280 | 1736 | $381.92 |
| | | | 7185 | $1,580.70 |

If you have any questions or require any further clarifications, please contact our office.

Very truly yours,




All City Engineering P.C
Zhao Deng

The above projected cost estimates are not guaranteed, and it must be expected that these costs will increase with the passage of time and may be affected by many factors which are beyond the control of Sponsor such as inflation and availability of energy supply source. Furthermore, cost shown above is based on current year estimates and actual consumption will be metered and will vary based on the needs of occupants, weather conditions, and efficiency of equipment installed.

## SECTION (I): COMPLIANCE WITH REAL PROPERTY LAW SECTION 339 (i)
## SCHEDULE C

**Youyork Management LLC**
60 E 42nd St, Suite 2140, New York, NY 10165
T: 347-774-5720
E: info@youyorkmgt.com

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

June 6, 2022

Department of Law
28 Liberty Street
New York, NY 10005

Re: Penrose Tower Condominium ("Condominium")

To Whom It May Concern:

You have requested an opinion form us with regards to your allocation of common interest to units in your proposed condominium at 136-80 41st Avenue, Flushing, NY 11355, with section 339-i (1) (iv) of the New York Real Property Law. You have informed us that the method of allocation chosen is based upon floor space, subject to the location of such space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit. Based 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 State Real Property Law.

We have been a licensed Real Estate Broker with extensive experience in the sale, management and rental of cooperative and condominium units in Queens County. We have been a licensed real estate broker for at least four (4) years, and have managed approximately four (4) buildings in this area. We have previously participated in the preparation of individual unit value appraisals for the purpose of inclusion in Offering Plans for the sale 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 only as to the relative value of each unit in relation to the value of the project as a whole; is strictly 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,

Youyork Management LLC

By: _____
Name: Hangyuan Zhang
Title: Licensed Real Estate Broker

SECTION (J): COMMUNITY FACILITY

There are six (6) Community Facilities on the 1st floor and 2nd floor. Use of these units will be restricted solely to its designated purpose, i.e., as "Ambulatory diagnostic facility". An ambulatory diagnostic facility is a medical facility that provides outpatient diagnostic and therapeutic services. It is designed to provide same-day care for patients who do not require overnight hospitalization.

Some of the common uses included in an ambulatory diagnostic facility are:

1. Diagnostic imaging services such as X-rays, MRIs, CT scans, and ultrasound scans.
2. Laboratory services including blood tests, urinalysis, and other diagnostic tests.
3. Endoscopy and other minor surgical procedures.
4. Rehabilitation services such as physical therapy, occupational therapy, and speech therapy.
5. Outpatient clinics for specialized medical services such as cardiology, gastroenterology, and oncology.

Some of the services that are typically not included in an ambulatory diagnostic facility are:

1. Inpatient hospitalization or long-term care services.
2. Emergency medical care or trauma services.
3. Major surgeries that require overnight hospitalization or general anesthesia.
4. Intensive care or critical care services.
5. Mental health or behavioral health services that require hospitalization or observation.

In accordance with Section 339-i(1)(iv) of the Real Property Law, the basis for projecting the share of expenses attributable to the Community Facility has been determined upon floor space, subjecct to the location of such space and the additional factors of relative value to the other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit. The common charges payable by each Community Facility Unit owner are sufficient to cover the expenses fairly attributable to such unit.

In NYC, the zoning resolution determines the allowable uses for community facility units in condominiums. Community facility units are not limited to ambulatory diagnostic facilities. They can include a wide range of uses, such as schools, places of worship, medical offices, daycares, community centers, and public services, among others. The Sponsor has elected to apply for the use of ambulatory diagnostic facilities for the Community Facility Units. All purchasers shall be aware that use of the Community Facility may result in increased noise and traffic.

There is no specific requirement for representation of Community Facility Units on the Board, and owners of Community Facility Units are not entitled to Board representation unless elected. Furthermore, Residential Unit Owners may veto any decisions made by Community Facility Unit owners, and vice versa. The Community Facility Unit owners do not have any particular rights or obligations which differ from those of the Residential Unit Owners. The

Community Facility Unit owners are entitled to representation on the condominium board as the Residential Unit Owners. The Community Facility Unit owners have equal representation rights on the condominium board alongside the Residential Unit Owners.

Under Section 5 titled "Voting" and Section 7 titled "Number of Votes "of Article II of the By-law, each unit owner present in person or by proxy at a meeting is entitled to cast votes based on ach unit owner present in person or by proxy at a meeting is entitled to cast votes based on the number of units they own. There is no distinction between residential Unit Owners and Community Facility Unit Owners; all voting rights are based on the percentage of interest in the common elements attributable to the unit or units owned. The By-laws of the Condominium do not specify the number of Managers to represent the Community Facility Unit owners. Therefore, the Community Facility Unit will not have the ability to veto decisions made by Residential Unit Owners, nor vice versa. The Community Facility Unit owners have no right to subdivide their units without written consent of the Board of Managers, which consent shall not be unreasonably withheld. It is anticipated that it will be difficult for Board of Managers to approve such subdivision, considering zoning regulation, building code compliance, impact on common areas, increased demand on utilities, legal and financial implications on the Condominium. The Community Facility Unit owner shall have the right to sit on the board of managers if they are elected pursuant to the by-laws and the Condominium Offering Plan. Community Facility Unit owners will not hold any special representation on the Board of Managers. The process of electing and appointing Board members shall remain uniform for all unit owners.

In order to allow each Purchaser to finish the interior of the Purchaser's Community Facility Unit, each Community Facility Unit will be delivered unfinished, without interior walls, partitions, floor coverings, fixtures or appliances and it shall be the responsibility of the Purchaser to finish the interior of the Community Facility Unit within one-hundred twenty (120) days following the Purchaser's Community Facility Unit Closing Date.

The Community Facility may not be used for any other type of occupancy, including but not limited to dining, sleeping, living room, and recreation, breach of which may result in a violation issued by Department of Building against the building.

The Building has one (1) garage, as offered to be sold as one (1) Parking Unit. The Parking Unit has the parking spaces as described below. As per ZR25-23, 50% of total residential units must be provided with parking spaces. The said garage, or the Parking Unit, has twenty-two (22) accessory, attended parking spaces at the cellar, including twelve (12) valet double level parking (2 levels lift system), one (1) ADA required parking, and two (2) reservoir parking spots for maneuvering. All parking is accessible only for residential use and can be useful for any type of cars.. The Sponsor and the future owner of the Parking Unit will cover the cost of valet parking and service hours through the license fees collected from parking space users. Valet parking services will be available daily from 7 AM to 10 PM, subject to change with notice, which provision will be included in the contract of sale for the Parking Unit. The purchasers of the residential units shall note that there are not enough parking spaces for every unit owner to rent. Before the Parking Unit is sold, Sponsor will rent the said twenty-two (22) parking spaces to unit owner on a first come first served basis. If the Sponsor rents the parking spaces to non-occupants of the building, the Sponsor may rent any

parking spaces to non-occupants of the building for periods of not less than one week and not more than one month. All parking spaces shall be made available to occupants of the Building within 30 days after a written request made to the Sponsor or the future owner of the Parking Unit, by such occupants.

The units may be used by Owners of the units or by any tenant of the same.

Until the second anniversary of the first closing date or until Sponsor sells seventy five percent (75%) of all units, whichever is sooner, Sponsor may remain in control of the Board.

## SECTION (K): CHANGES IN PRICES AND UNITS

(1) The offering prices set forth in Schedule A must be changed by a duly filed amendment to the plan when the change in price is an across-the-board increase or decrease affecting one or more lines of units or unit models, or is to be advertised, or is a price increase for an individual purchaser. **Furthermore, any price increase of a unit, not just across the board increases of the units, must be made by a duly filed amendment to the plan.** However, prices and other terms of payments (but not other terms of sale) 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.

(2) No change will be made in the size or number of units, and/or their respective percentage of common interest; and that 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. There is a rebuttal presumption that an area that is diminished by 5% or less is not material. Sponsor's right to make such changes are subject to 13 NYCRR 20.3 (k)(3) & (4) as set forth below.

(3) Unless an effected Purchaser consents, no material change will be made in unit size, layout or percentage of common interest, if a Purchase Agreement has been executed and delivered to the Sponsor for that unit and the Purchaser is not in default.

(4) Unless all purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of common elements.

## SECTION (L): ACCOUNTANT'S CERTIFIED STATEMENTS OF OPERATION

Accountant's Certified Statements are not applicable as the Building is not occupied and it being Newly Constructed.

## SECTION (M): EXISTING TENANTS

At the current time, the Property is not subject to any leases, as the Property is being newly Constructed.

## SECTION (N): INTERIM LEASE

(1) The Sponsor may rent any unit that is vacant before the closing. Sponsor may rent to an interim lessee only both before and after consummation. 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. Interim leases or short-term leases shall not be offered to any party who has not executed a Purchase Agreement for a unit. The interim lease shall not create a landlord-tenant relationship but shall be deemed the use and occupancy agreement and part of the contract.

(2) No rental protection laws are applicable to interim leases. The interim lease will provide that in the event the contract is cancelled, or the Plan is abandoned, Interim Lessee will move out on thirty (30) days written notice.

Prior to the first closing, the entire building will be insured by the sponsor; after the first closing, the entire building will be insured by the condominium. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of losses not covered by insurance.

(3) 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. However, before the sponsor may utilize the default under the 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 lessee unless the lessee has vacated the unit.

(4) Interim lessee has thirty (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.

(5) Interim lease will provide that smoking and using electronic cigarettes are

prohibited in any common areas within the interior of the building(s) as required by all applicable laws and is permitted in any of the dwelling units, provided that smoke does not enter into other Units or the Common Elements.

See Part II, Form of Interim Lease Agreement.

## SECTION (O): PROCEDURE TO PURCHASE

The form of the Purchase Agreement is contained in Part II. Prospective purchasers will be required to execute a Purchase Agreement in substantially such form in quadruplicate. The Purchase Agreement will not be binding upon the Sponsor until Sponsor receives four originally executed copies of the Purchase Agreement signed by the Purchaser(s), together with the down payment check as required hereunder and a copy of the Purchase Agreement is executed by the Sponsor and delivered to the Purchaser or Purchaser's counsel.

The purchase agreement and offering plan may not contain or be modified to contain a provision waiving the purchaser's rights or abrogating sponsor's obligations under Article 23-A of the General Business Law.

The sales price at which the Units are being offered are shown in detail in Schedule A. The Sponsor reserves the right to change the sales price. Any such changes will not affect the common interest of the unit. However, some purchasers may pay less or more for the same unit.

The following are important provisions contained in the Purchase Agreement:

(1) **Down Payment.** The amount or the percentage of the deposit shall be ten percent (10%) of the offering price.

(2) **Statutory Requirement.** The sponsor shall comply with the escrow and trust fund requirements of GBL Sections 352-e(2-b) and 352-h and these regulations, and all funds paid by purchasers shall be handled in accordance with these statutes and regulations.

(3) **Escrow, Trust Fund.** The following requirements shall apply to this offering plan:

**The Escrow Agent**:

Dylan Chan Law Firm, P.C., with an address at 136-20 38th Avenue, Suite 11C, Flushing, New York 11354, telephone number (212) 274-9930, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow agent has designated the following attorneys to serve as signatories: Dylan Chan, 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 Account**:

The Escrow Agent has established the escrow account at JP Morgan Chase Bank, located at 180 Canal Street, New York, NY 10013, in the State of New York ("Bank"), a bank

authorized to do business in the State of New York. The escrow account is entitled "Dylan Chan Law Firm, P.C., As Escrowee" ("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, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions. 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.

All Deposits received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of "Dylan Chan Law Firm, P.C., As Escrowee".

Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance with the terms of a written agreement between Purchaser and Sponsor. If the plan is abandoned, Purchaser shall receive a return of the down payment and any money for extras or upgrades.

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently 0.01% per annum. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. However, all interest earned thereon shall be paid to or credited to the New York State as the funds will be deposited into an Interest On Lawyer Account (IOLA). 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 escrow agent shall maintain all records concerning the escrow account for seven years after release of the funds. Upon the dissolution of any law firm which was the escrow agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of them or by the successor firm and shall notify the Department of Law of such transfer. Nothing contained herein shall diminish or impair the sponsor's statutory obligation to each purchaser pursuant to GBL section 352-h to hold in trust all deposits, advances or payments made in connection with the offer until consummation of the transaction with such purchaser. Consummation of the plan does not relieve sponsor of its obligations pursuant to GBL section 352-h. Funds from the escrow account remain the property of the purchaser until employed in connection with the consummation of the transaction. Such funds shall not be a part of the estate of the sponsor or the escrow agent upon any bankruptcy, incapacity or death.

Before funds are transferred to a new escrow account, or if the escrow agent is replaced, the plan must be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow agreement as was originally provided.

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 the Escrow Agreement or the performance or non-performance of Escrow Agent's duties under the Escrow Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the Escrow 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.

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. The Sponsor will not compensate the Escrow Agent for acting as such.

**Escrow Agreement**:

The Escrow Agreement is attached hereto in Part II of the Plan. The Escrow Agreement must be executed by the Sponsor, Purchaser, and Escrow Agent.

**Notification to Purchaser**:

Within ten (10) 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. 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 initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance with the terms of a written agreement between Purchaser and Sponsor. If the plan is abandoned, Purchaser shall receive a return of the down payment and any money for extras or upgrades.

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, 15th 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.

**Release of Funds**:

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

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of

an effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

**Waiver Void**:

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

amendment thereto.

(4) **Alternative to Escrow Account.** Pursuant to 13 NYCRR §20.3(0)(4), if Sponsor subsequently decides to use an alternative to the escrow account it will make an application to the Attorney General and disclose same in an amendment to the offering plan.

(5) **Surety Bonds.** Pursuant to 13 NYCRR §20.3(0)(5), if Sponsor subsequently decides to use an alternative to the escrow account and its application is approved by the Attorney General, Sponsor may meet its obligation to insure the availability of such funds to purchasers by effectuating the issuance of surety bonds to such purchasers by a licensed insurance company which agrees to act as surety for the amount of such down payments or deposits, subject to provisions of sub-section (i) to (x) of 13 NYCRR §20.3(0)(5).

(6) **Letter of Credit.** Pursuant to 13 NYCRR §20.3(0)(6), if Sponsor subsequently decides to use an alternative to the escrow account and its application is approved by the Attorney General, Sponsor may meet its obligation to insure the availability of such funds to purchasers by effectuating the issuance of a letter of credit for the benefit of the purchasers by an issuer qualifying hereunder; subject to provisions of sub-section (i) to (x) of 13 NYCRR §20.3(0)(6).

(7) **Change to Escrow Account**. Where alternate security as provided under a filed offering plan [as provided above under 13 NYCRR §20.3(0)(5) & (6)] is no longer needed by the sponsor, or new or additional alternate security cannot be obtained by a sponsor or its successor, sponsor shall submit an amendment for filing which provides that any future purchaser deposits or down payments shall be held in the escrow account in accordance with paragraph (3) of this subdivision. Such amendment shall not affect the sponsor's obligation to account for funds previously released to the sponsor unless the funds representing all such deposits or down payments are restored to the escrow account.

(8) **Compliance with Lien Law Section 71-a(3).** Because this Offering Plan provides for the construction of residential condominium units, the purchase agreement and the plan must comply with and explain Section 71-a(3) of the Lien Law and any other applicable provisions of law.

Section 71-a (3) of the Lien Law provides the following:

> (a) The initial advance pursuant to a contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of residential condominium unit or any structure designed solely for residential occupancy of not more than two families living separately, on property to be purchased shall, at the vendee's option, be deposited within five business days thereafter by the recipient in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in this state. Such deposit, together with the interest accumulated thereon, shall remain the property of the vendee except as otherwise provided herein. The recipient shall advise the

vendee in writing of the name of the depository where the funds have been placed within ten business days after such deposit has been made.

(b) In lieu of making the deposit of such moneys in an escrow account as provided in paragraph (a) of this subdivision, the recipient may post with the vendee a bond or contract of indemnity, issued by a surety company licensed to execute such an instrument in this state, guaranteeing the return of the moneys which otherwise would be required to be deposited in such escrow account, in which case the recipient shall not be required to deposit such money in an escrow account. Said bond or contract of indemnity shall be delivered to the vendee within ten business days after receipt of the initial advance.

(c) At any time after making the deposit of such moneys in the escrow account, the recipient may post with the vendee a bond or contract of indemnity issued by a surety company licensed to execute such an instrument in this state guaranteeing the return of such moneys, in which case the recipient shall not be required to maintain the deposit of such moneys in such account.

(d) Such advance shall be retained in the escrow account or such bond or contract of indemnity continued in effect until the trust is terminated (i) by the recipient's performance of the terms of the contract of sale, or (ii) by default of the vendee excusing the recipient's performance of the terms of the contract of sale, or (iii) by release or discharge of the recipient's liability to refund such advance to the vendee, or (iv) upon transfer of title of the real property to the vendee.

(e) Every contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of a residential condominium unit or a structure designed solely for the residential occupancy by not more than two families living apart, shall contain a statement advising the vendee of the provisions of this subdivision. Such statement shall be printed in bold type which is at least two points larger than any other printing contained thereon and shall read as follows:

"YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE, SUBJECT TO AND CONDITIONED UPON WRITTEN APPROVAL OF DEPARTMENT OF LAW"

Notwithstanding anything contained in this section, pursuant to

13NYCRR20.3(o)(3)(vi), A bond, letter of credit or other security may be substituted for any escrow account only after the Department of Law approves in writing the use of such alternate form of security, pursuant to to13NYCRR20.3(o)(4).

(9) "**Specific Performance."** Sponsor may seek specific performance of the purchase agreement, requiring purchaser to close and purchase the condominium unit for which purchaser has executed a purchase agreement. (See **SECTION (C): SPECIAL RISK**.)

(10) "**Time is of Essence."** "Time is of the essence**"** concerning purchasers' obligations as to the performance under the Purchase Agreement. This means that if Purchaser fails to perform the numerous time constraints imposed and set forth in the Purchase Agreement, within the applicable time frame, he may waive substantive rights or incur forfeiture of substantial sums of money as liquidated damages. Specific performance is a remedy that must be court ordered and that such remedy cannot be sought until a default has occurred that has last beyond all applicable cure periods. (See **SECTION (C): SPECIAL RISK**.)

(11) **Closing Date.** 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 13 NYCRR Section 20.1(d)(1) promulgated by the Department of Law no less than thirty (30) days before the date set for the closing of the units. Sponsor may permit purchasers to waive this thirty (30) day provision by including such waiver in an amendment thereto.

(12) **Expected First Closing**. Sponsor expects the first closing of a unit to occur on or about August 1, 2024; which should correspond to the first year of operation projected in Schedule B. Purchasers will be afforded 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 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. Purchasers should note that even if the first closing occurs on or about August 1, 2024 (or such other date projected as the date of commencement of the operation at the time the purchase agreement was entered into) or within the twelve month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a TCO has not been issued for such units or for the floor on which such units are located. In such case, provided that sponsor is diligently pursing completion of construction and the issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

(13) **Written Demand for Payment.** Sponsor must make a written demand for payment

for default at least thirty (30) days before a default or forfeiture of the deposit may be declared, time is of the essence.

(14) **Power of Attorney**. Each unit purchaser will be required to sign a power of attorney to the Board of Managers of the condominium on the date of delivery of the deed to carry out any of the provisions of the Offering Plan including acquisition, leasing, or sale of the Units by the Board of Managers pursuant to Declaration and By-laws of the Condominium and filing the amendments to the Declaration of Condominium. A form of Power of Attorney is included in this Plan. The Power of Attorney must be returned to the selling agent or sponsor on the date of delivery of the deed. Sponsor will not close with any purchaser who refuses to sign a power of attorney and reserves the right to rescind the Purchase Agreement by returning the full down payment.

(15) **Purchaser's Right to Rescind Purchase Agreement.** At Sponsor's option, Purchasers shall be afforded (i) not fewer than three business days to review the offering plan and all filed amendments prior to executing a purchase agreement, or (ii) not fewer than seven days after delivering an executed Purchase Agreement together with the required deposit to rescind such Agreement by written notice sent to Sponsor by certified or registered mail, return receipt requested, or by personal delivery within seven days of such Purchaser's submission of the Agreement, whereupon Sponsor will refund, without interest (notwithstanding any provision of this Plan regarding interest to the contrary), the deposit received by Sponsor from such Purchaser in connection with such Agreement.

(16) **Risk of Loss.** Risk of loss from fire or other casualty remains with the sponsor unless and until a purchaser takes actual possession of a unit pursuant to an interim lease (or written agreement with the sponsor) or legal title to the unit has been conveyed to the purchaser. It is a special risk if the Purchaser enters into possession prior to closing since risk of loss passes upon either closing or possession and any Purchaser who enters into possession before closing should obtain insurance as he would if closing had taken place.

Prior to the first closing, the entire building will be insured by the sponsor; after the first closing, the entire building will be insured by the condominium. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of losses not covered by insurance.

(17) **Purchase Agreement.** A complete copy of the Purchase Agreement is included in Part II of this Plan. Purchasers should also note that the Purchase Agreement will provide that Purchaser's failure to provide information to the lender promptly upon request thereof, or to accept a commitment issued to purchaser by lender on terms set forth in the Purchaser Agreement shall constitute a default by purchaser under the Agreement, whereupon Sponsor shall have remedies as set forth therein. The Purchase Agreement is contingent upon effectiveness of the Plan. If the Plan is abandoned, all Purchase Agreements will be deemed cancelled.

(18) **Financing Contingency**. Closing is not subject to financing contingency, unless Sponsor expressly consents thereto. Whether the individual Purchase Agreements will contain a financing contingency is subject to negotiation between Sponsor and Purchasers. Any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose the deposit if unable to pay the balance of the purchase price. Prospective purchasers who need financing to purchase are advised to consult with a bank before executing a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by the Sponsor as the availability or cost of such financing.

In the event there is a financing contingency, Purchaser's obligation is contingent upon obtaining a firm written commitment for financing and actually obtaining 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, time is of the essence. 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 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, that Purchaser is exercising his right to rescind the contract, Sponsor will return the down payment.

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

(19) **Conflict between Offering Plan and Purchase Agreement.** This Offering Plan and Purchase Agreement provide that any conflict between the plan and the Purchase Agreement will be resolved according to the terms of the plan.

(20) **Sponsor’s Acceptance or Rejection of Purchase Agreement.** Within twenty (20) days after the prospective Purchaser has delivered to the Sponsor's Attorney a signed Purchase

Agreement, together with the required down payment, 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. In the event Sponsor fails to act within said twenty (20) day period, the contract will be deemed not accepted and the Purchaser will be entitled to a full refund of their down payment.

(21) **No Waiver.** The purchase agreement and plan may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating sponsor's obligations under Article 23-A of the GBL.

(22) **Assignment or Transfer of Purchase Agreement.** Purchaser may not assign his Purchase Agreement without first obtaining the written consent of the Sponsor, which consent may be granted or withheld in Sponsor's sole and absolute discretion. In the event that Sponsor allows such assignment or amendment to purchase agreement, Purchaser shall pay a fee of $750 for each assignment or amendment to the purchase agreement. Purchasers are prohibited from listing their Units for sale prior to the closing of such unit. In the event that a purchaser sells his or her unit within 12 months of the closing date of their unit (the "subsequent sale"), purchaser shall be obligated to pay to the sponsor the 50% of net profit from the subsequent sale. Net profit is defined as the sale price for the subsequent sale, less transfer taxes and brokerage fees paid by purchaser (who purchased from Sponsor), less the price which purchaser paid to sponsor for the purchase of the unit and any other costs incurred in selling the unit. (SEE SECTION (C): SPECIAL RISK.)

(23) Notwithstanding anything to the contrary set forth above, in the event the Attorney General's Regulations are modified or changed, the effect of which is to eliminate some or all of the escrow agent's obligations under the escrow agreement, then the plan, terms of the escrow agreement, this Section, and all then existing Purchase Agreements, and all Purchase Agreements executed thereafter, shall be amended accordingly.

(24) Purchasers should note that in the event a Purchaser is entitled to a rescission, the Purchaser will not receive any funds which he/she initially placed in the escrow account for the upgrade or extra works, if such works have been completed and the funds have been released to the Sponsor from the escrow account. If the Plan is abandoned, Purchaser shall receive a return of the down payment and any money for extras or upgrades.

At the time of closing, the Purchaser is required to sign a Power of Attorney to the Board of Managers of the condominium, appointing the members of the Board of Managers as attorneys-in-fact.

**THE PURCHASE OF A CONDOMINIUM UNIT APARTMENT 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.**

## SECTION (P): FINANCING FOR QUALIFIED PURCHASERS

There is no financing by sponsor, or a lender procured by sponsor to finance the purchase of units.

## SECTION (Q): EFFECTIVE DATE

The offer to sell embodied in this Offering Plan is contingent upon the plan's being declared effective and upon compliance with the relevant conditions and time periods described in the offering plan. Sponsor must conform with the following provisions in determining whether, when and how the plan will be declared effective.

(1) The plan may be declared effective by (i) an amendment to the plan or (ii) by personal service of notice on every purchaser or by commencement of service by mail in the manner required by 13 NYCRR Section 20.1(d) promulgated by the Department of Law stating that the plan is declared effective and submitting an amendment to the Office of the Attorney General within five (5) days confirming that the plan was declared effective on a specified date. The amendment must conform to Section 20.5(e). Closing of the first unit shall not occur until the plan is declared effective and the effectiveness amendment is accepted for filing by the Office of the Attorney General.

(2) The plan may not be declared effective unless bona fide purchasers, including investors, have signed purchase agreements for at least fifteen percent (15%) of the residential units offered under the plan, i.e., seven (7) units. Units of a primarily ancillary nature such as garage spaces, boat slips or cabanas, may not be counted toward effectiveness. Such units may be excluded from the base in calculating the percentage needed to become effective. [See SECTION (C): SPECIAL RISK.]

(3) The plan will not be declared effective based on purchase agreements:

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

(ii) if the purchaser was not afforded the protections required by 13 NYCRR Section 20.3(o)(10) promulgated by the Department of Law; or

(iii) with any purchaser who is the sponsor, the selling agent, or the managing agent or is a principal of the sponsor, the selling agent or the managing agent or is related to the sponsor, the selling agent or the managing agent or to any principal of the sponsor or the selling agent or the managing agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a purchaser other than the sponsor or a principal of the sponsor may be included if the sponsor has submitted proof satisfactory to the Office of the Attorney General establishing that the purchaser is bona fide.

(4) The plan must be declared effective when purchase agreements have been accepted by sponsor for eighty percent ( ), i.e., thirty-six (36) units, or more of the units offered under the plan.

(5) The plan may be abandoned by sponsor, at its option, before it is declared effective. Within twenty (20) days after abandonment, all monies paid by purchasers shall be refunded to them in full, with interest earned, if any. Sponsor shall promptly file an amendment together with form RS-3 as required by 13 NYCRR Section 20.1(l)(2) promulgated by the Department of Law.

(6) Sponsor may not abandon the plan after effectiveness for any reason other than:

(i) a defect in title which cannot be cured without litigation or cannot be cured for less than a stated amount which shall not be less than one-half of one percent of the total offering amount, or

(ii) substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than a stated amount which shall not be less than one-half of one percent of the total offering amount, or

(iii) the taking of any material portion of the property by condemnation or eminent domain. Sponsor must provide that any stated dollar amount relied upon as basis for abandonment after effectiveness must exclude any attorney's fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the plan and are either known to the sponsor or are a matter of public record.

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

## SECTION (R): TERMS OF SALE

(1) On 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.

(2) Risk of loss from fire or other casualty remains with the Sponsor unless and until a purchaser takes actual possession of a unit pursuant to an interim lease (or written agreement with the sponsor) or legal title to the unit has been conveyed to the purchaser. The Sponsor is obligated to repair any and all damages from casualty or other cause that occurs before the closing, unless the Purchaser has taken the possession of the Unit prior to closing. In the event

the closing delays for more than six (6) months due to the Sponsor's inability to repair the damages, Purchaser may rescind the contract and receive the refund of the downpayment. Prior to the first closing, the entire building will be insured by the sponsor; after the first closing, the entire building will be insured by the condominium. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of losses not covered by insurance.

(3) For this Offering Plan that is not subject to the provisions of GBL §352-ee (Conversion of Non-residential Property to Residential Cooperative or Condominium Ownership), the 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 partial, temporary or permanent Certificate of Occupancy for the unit to close or the building in which the unit is located.

(4) Title to each Residential unit will be conveyed at the closing free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions and (2) liens and encumbrances other than Permitted Encumbrances to which the Residential Unit's title is subject either (a) which have been expressly accepted by Purchaser, or (b) for which the instrument required to remove it of record has been delivered to the Title Company for recording in the proper office, together with the requisite recording or filing fees or delivered to the representative of the Purchaser's title insurance company (or, if none, to Purchaser's attorney); or (c) as to which the Title Company will insure (without additional premium to Purchaser) that such lien or encumbrance will not be collected out of or enforced against the Residential Unit; or (d) as to which Sponsor, at its sole option, pays and discharges from monies paid by Purchaser at Closing. Sponsor is not obligated to cause Purchaser's title company to omit any exception if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

(5) All personal property located within the Unit on the date the purchase agreement is signed or located within the common elements on the date the declaration is filed, that is owned by the sponsor or the owner of the property, is included in the conveyance unless specifically excepted in the offering plan.

(6) Declaration, by-laws and floor plans for the condominium and such other documents, as required by law, will be recorded or filed prior to the first conveyance of title to a unit in accordance with the New York Condominium Act or applicable state and local law. The place of recording or filing is the office of the City Register in the Queens County where the Condominium is located.

(7) PURCHASER IS OBLIGATED TO PAY NEW YORK STATE AND NEW YORK CITY REAL PROPERTY TRANSFER TAXES. WHILE NYS AND NYC TRANSFER TAXES ARE CUSTOMARILY PAID FOR BY THE SELLER IN SINGLE FAMILY HOME TRANSACTIONS, THE BURDEN OF PAYING SUCH TAXES MAY BE MODIFIED BY CONTRACT. AS IS COMMON WITH MANY OTHER CONDOMINIUM

DEVELOPMENTS IN NEW YORK STATE, THE PURCHASE AGREEMENT PROVIDES THAT THE PURCHASER OF A UNIT WILL BE REQUIRED TO PAY THESE TRANSER TAXES AT CLOSNG. The City of New York Department of Finance and the State of New York Department of Taxation and Finance have taken the position that when a Purchaser assumes the obligation to pay the New York City Real Property Transfer Tax and New York State Deed Documentary Stamps, the amount of such taxes will be included in the consideration subject to tax, except that, under the New York State Tax Law Section 1404(a), effective as of July 1, 2021, New York State transfer tax shall be excluded from the calculation of consideration subject to New York State transfer tax.

(8) If there are any existing mortgages or construction loans which will not be satisfied at or prior to the closing of the first unit, at the time of conveyance of the first unit, each mortgagee will either:

(i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units;
(ii) subordinate the lien of its mortgage to the declaration of condominium; or
(iii) release its lien on the condominium unit being conveyed and its interest in the common elements.

(9). Purchasers should note that the Financial Crimes Enforcement Network (FinCEN) requires U.S. title insurance companies to report to FinCEN the personal identity of purchasers in residential real estate transactions in which:

(a) the purchaser is a legal entity as defined in the Geographic Targeting Order (GTO);
(b) the purchaser purchases residential real property located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan, and Staten Island;
(c) the total purchase price is in in the amount of $300,00ok 0 or more;
(d) such purchase is made without a bank loan or other similar form of external financing; and
(e) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

As long as the Geographic Targeting Order (GTO) remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria and occurring on or after November 17, 2018, which is the revised GTO's effective date

## SECTION (S): UNIT CLOSING COSTS AND ADJUSTMENTS

### (1) Estimated Costs, Fees and Charges

(1) (i) **Estimated Costs, Fees, and Charges to be Paid or Apportioned in Connection with Closings.** The estimated closing costs and expenses to be incurred by

each purchaser upon the purchase of a Unit are as follows:

(a) Estimated Costs, Fees and Charges to be Paid by Purchaser:

At the time of the closing, the purchaser will be responsible for paying the costs, fees and charges in connection with the closing of title of: title insurance fee premium; title insurance mortgage premium if the purchaser obtains mortgage financing; mortgage recording tax; New York State Real Property Transfer Tax; New York City Real Property Transfer Tax; Recording fees for the recording of the deed, mortgage and unit power of attorney; contributions to the Condominium's reserve fund (if applicable); Condominium working capital fund (if applicable); first month's common charges (if applicable); sponsor's attorney's fee.

(I) **Title Insurance Fee Premium.** Purchasers are free to use a title company of their choosing without incurring a penalty. Fee title insurance is available from Stewart Title Company, through its agent Federal Standard Abstract Inc. or from a title insurance company selected by the Purchaser. Current rates for fee title insurance in accordance with the scheduled rates set by the New York Board of Title Underwriters and filed with the New York State Insurance Department are set forth below (approximate amounts) (Sponsor does not guaranty the accuracy of the title insurance rates set forth herein).

Amount of Title Insurance (non-bulk rate)

| Fee Amount | Premium |
|---|---|
| From $100,001 to $500,000 | $4.360 per Thousand |
| From $500,001 to $1,000,000 | $3.990 per Thousand |
| From $1,000,001 to $5,000,000 | $3.660 per Thousand |

Amount of Title Insurance (bulk rate)

| Fee Amount | Premium |
|---|---|
| From $100,001 to $500,000 | $3.052 per Thousand |
| From $500,001 to $1,000,000 | $2.793 per Thousand |
| From $1,000,001 to $5,000,000 | $2.562 per Thousand |

If the project qualifies for the Bulk Rate pursuant to Section 20 of the TIRSA Rate Manual, then Owner's insurance shall be charged at 70% of the applicable Fee Title Insurance (Owner's) Rate.

(II) **Title Insurance Mortgage Premium.** If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the mortgage title insurance will be at a simultaneous rate. The premium for mortgage title insurance will be computed using the "Basic Rate" schedule as described below. The premium on the amount of the loan policy that does not exceed the owner's policy shall be calculated at thirty percent (30% of the regular scheduled rate for loan policies according to the rates set forth below:

Amount of Title Insurance (non-bulk rate)

| Mortgage Amount | Premium |
|---|---|
| From $100,001 to $500,000 | $1.092 per Thousand |
| From $500,001 to $1,000,000 | $1.000 per Thousand |
| From $1,000,001 to $5,000,000 | $0.915 per Thousand |

Amount of Title Insurance (bulk rate)

| Mortgage Amount | Premium |
|---|---|
| From $100,001 to $500,000 | $0.765 per Thousand |
| From $500,001 to $1,000,000 | $0.700 per Thousand |
| From $1,000,001 to $5,000,000 | $0.641 per Thousand |

(III) **Late Fees.** If the Purchaser fails to close on the Closing Date for any reason, then (i) the closing adjustments shall be made as of midnight of the day preceding the date originally scheduled for the Closing Date and (ii) the Purchaser shall pay to Sponsor, as a late fee, an amount equal to 0.04% times the unpaid portion of the purchase price for his or her Unit for each day of delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately preceding the actual Closing Date. The provisions of this

paragraph shall not be applicable if, through no fault of Purchaser, Sponsor postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default.

(IV) **Cost of Recording Documents.** The fee charged by the New York City Register's Office for the recording of the deed is approximately $200.00. Fee for the recording of the unit power of attorney is approximately $75.00. The fee for recording the New York City Real Property Transfer Tax Return payable by the Purchaser is $50.00. Purchaser will be responsible for the fee charged by the New York City Register's Office for the recording of the partial release of Sponsor's construction loan on the Unit, as well as the service fee charged by Purchaser's title company.

(V) **Costs to Purchaser for the Payment of New York State and New York City Transfer Taxes.** The New York State Real Estate Transfer Tax, currently $4.00 for each one thousand dollars ($1,000.00) or fractional portion thereof, of the purchase price plus a $5.00 service charge. If applicable, the New York State Additional Tax ("Mansion Tax") of 1% where the purchase price equals $1 million or more and the New York City Transfer Tax is 1.00% of the purchase price up to $500,000.00 and 1.425% over $500,000.00 (for example, $1,000.00 or $1,425.00, respectively per $100,000.00 of purchase price).

Notwithstanding the above, As part of the 2020 budget, the New York State Senate and Assembly enacted new revenue legislation, which included an increase to New York State's transfer tax and mansion tax on transfers of real property. The changes enacted will apply only to transfers in New York City and other cities with a population of 1 million or more. The changes described below apply to all transfers occurring after July 1, 2019.

NYS transfer tax prior to the change was $2 for every $500 (or fraction thereof) of consideration, subject to limited exceptions and exemptions. The new law levies an additional tax of $1.25 for each $500 (or portion thereof) of consideration on transfers of (i) residential property where consideration is in excess of $3 million and (ii) commercial property where consideration is in excess of $2 million. The chart below shows the applicable rates for a transfer in New York City (or other city with population over 1 million).

| **Consideration Amount** | **NYS Transfer Tax Rate — Residential** | **NYS Transfer Tax Rate — Commercial** |
|---|---|---|
| Under $2 million | 0.40% | 0.40% |
| $2 million – $3 million | 0.40% | 0.65% |
| Over $3 million | 0.65% | 0.65% |

Prior to the enactment, the NYS mansion tax was imposed on transfers of residential real property with consideration in excess of $1 million at the rate of 1 percent of the consideration paid. The new law increases this tax on a sliding scale for transfers where the consideration is in excess of $2 million, up to the highest tax rate of 3.9 percent on transfers with consideration in excess of $25 million. The chart below shows the applicable rates for a transfer in New York City (or other city with population over 1 million).

| Consideration Amount | Total NYS Mansion Tax Rate |
|---|---|
| Under $1 million | Not subject to tax |
| At least $1 million, but less than $2 million | 1% |
| At least $2 million, but less than $3 million | 1.25% |
| At least $3 million, but less than $5 million | 1.50% |
| At least $5 million, but less than $10 million | 2.25% |
| At least $10 million, but less than $15 million | 3.25% |
| At least $15 million, but less than $20 million | 3.50% |
| At least $20 million, but less than $25 million | 3.75% |
| More than $25 million | 3.90% |

New York State and New York City Transfer taxes are normally expenses of the Seller, however, by contractual arrangement they will be paid by the Purchaser. The City of New York Department of Finance and the State of New York Department of Taxation and Finance have taken the position that when a Purchaser assumes the obligation to pay the New York City Real Property Transfer Tax and /or New York deed documentary stamps, all the transfer tax to be paid by the Purchaser will be added to the consideration subject to transfer tax, except that pursuant to the New York State Tax Law Section 1404(a), effective as of July 1, 2021, the amount of New York State Transfer Taxes shall be excluded from the calculation of consideration subject to New York State transfer tax.

(For example, for a unit price of less than $500,000, if the unit price is $490,000.00, for purposes of calculating the transfer taxes, the unit price of $490,000.00 is multiplied by 1.014 for a total price for New York City tax purposes of $496,860.00, while $490,000.00 is multiplied by 1.010 for a total price for New York State tax purposes of $494,900.00). Both of the transfer taxes are added as additional consideration on which the New York City transfer tax is calculated. However, New York State transfer tax will be excluded New York State

transfer tax shall be excluded from the calculation of consideration subject to New York State transfer tax. Therefore, the New York State Transfer Tax would be approximately $1,979.6 instead of $1,960.00, and the New York City Transfer Tax would be approximately $4,969.00 instead of $4,900.00.

(For example, for a unit price of more than $500,000, if the unit price is $600,000.00, for purposes of calculating the transfer taxes, the unit price of $600,000.00 is multiplied by 1.01825 for a total price for New York City tax purposes of $610,950.00, while $600,000.00 is multiplied by 1.01425 for a total price for New York State tax purposes of $608,550.00). Both of the transfer taxes are added as additional consideration on which the New York City transfer tax is calculated. However, New York State transfer tax will be excluded New York State transfer tax shall be excluded from the calculation of consideration subject to New York State transfer tax. Therefore, the New York State Transfer Tax would be approximately $2,434.2 instead of $2,400.00, and the New York City Transfer Tax would be approximately $8,706.00 instead of $8,550.00.

The New York City Department of Finance has taken the position that when a Purchaser purchases a non-residential unit, or, two or more Units, the New York City Transfer Tax may be 1.425% where the consideration is $500,000.00 or less and 2.625% where the consideration is greater than $500,000.00. Purchasers are advised to discuss this with their own attorney and/or accountant if they purchase Community Facility Unit, or, two or more units.

(VI) **Cost of Mortgage Recording Taxes.** In the event that a Purchaser obtains a mortgage from a lending institution, then he or she will customarily pay at the closing of title the following additional costs: (i) mortgage recording taxes in the amount of 1.80% of the first ten thousand dollars of the amount of the mortgage executed by the Purchaser and a mortgage recording tax of 2.05% of the amount of the balance of the mortgage actually executed by Purchaser for mortgages in the amount of less than $500,000.00. The mortgage recording tax for mortgages in the amount of $500,000.00 or more is 2.175% after the $30.00 deduction on the first ten thousand dollars of mortgage amount and, (ii) in addition, the recording charges imposed by the New York City Register which are approximately $20.00 plus $5.00 per page or part thereof and a service charge of approximately $20.00 per document. All purchasers will also be required to pay all fees and charges imposed by their respective lending institutions. Purchasers will also likely pay lender's appraiser fees, origination fees, lender's attorney's fees, reserves for real estate taxes and insurance premiums. The Sponsor makes no representation as to what additional closing costs may be charged by a particular lender.

(VII) **Working Capital Contribution by Purchaser.** A Working Capital Fund for the Condominium shall be established as follows:

Upon the closing of the purchase of a Unit, the Purchaser will be required to pay to the Condominium an amount equal to two (2) months Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time as initial working capital. (See SECTION (Z): WORKING CAPITAL FUND.) This contribution is not refundable or transferable if the Purchaser sells his or her Unit.

(VIII) **Cost of Purchaser's Attorney's Fees.** Purchaser shall have the sole responsibility for payment of his or her own attorney's fees and any attorney's fees or other fees required by his or her lending institution.

(b) **Estimated Apportioned Costs, Fees and Charges to be Paid by Purchaser:**

The following costs are to be apportioned at the closings:

(i) If units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, sponsor may place in escrow, in the name of the board of managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six-month period following the first closing. Alternatively, the sponsor may place in escrow, in the name of the board of managers, an amount equal to the real estate taxes attributable to the unsold units for such six-month period and may collect at each unit closing the estimated amount of taxes attributable to such unit for the balance of the six-month period. The board of managers will pay the real estate taxes from the escrow account when taxes are due and payable, and the funder of the escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment. No escrow will be required if the condominium by-laws include as part of the common expenses, real estate taxes on the property until the units are separately assessed and after assessment unit owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. Also, in the event that Sponsor prepays the insurance premium for the Condominium, Purchaser shall reimburse Sponsor Purchaser's portion of the insurance premium.

(ii) **Numerical Examples of Closing Costs for Typical Condominium Unit.** The following is an example of the closing costs applicable to a purchase a unit with price of $789,600 and a mortgage of $631,680:

| **Sample of Unit Closing Cost** | |
|---|---|
| **Unit: 3A** | |
| **Offering Price** | **$789,600** |
| **Mortgage Amount** | **$631,680** |
| | |
| Title Insurance Fee Premium | $2,964 |
| Title Insurance Mortgage Premium | $726 |

| | |
|---|---|
| Mortgage Recording Tax | $12,130 |
| New York State Transfer Tax | $3,218 |
| New York City Real Property Transfer Tax | $11,457.17 |
| New York State Mansion Tax | 0 |
| Recording of Deed, Mortgage, Unit Power of Attorney | $685 |
| Contribution to Working Capital Fund (Est.) | $659.72 |
| First Month's Common Charges (Est.) | $329.86 |
| Basic Sponsor's Attorney's Fee | $2,000 |
| Acris Transfer Tax Preparation Fee | $250 |
| **Total Estimated Closing Costs** | **$32,226.94** |

Note that the example does not include costs that may be incurred for purchaser's attorney's fee, apportionments for real estate taxes, water and sewer charges and similar items (see Unit Closing Costs and Adjustments Section, Part I) and fees required by purchaser's lending institution. When the purchaser pays the transfer tax, the law requires that the tax that the seller would pay be treated as additional consideration for the purpose of computing the New York State and City of New York City Transfer taxes. See Section (S)(1)(V).

**(2) Mortgage Tax Credit**

**Purchaser to Reimburse Mortgage Tax Credits**. To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by reasons of any prior mortgage against the Unit or the Property, the Purchaser shall pay to the Sponsor at the closing for such Unit the amount of any such credit.

The Sponsor may pay or may have paid a mortgage recording tax in connection with obtaining a construction loan mortgage for the construction of the Property. Section 339-ee(2) of the New York Real Property Law provides for a mortgage tax credit upon transfer of the Units.

If the Sponsor has obtained construction loan financing prior to the closings, and Sponsor has paid mortgage recording taxes, the mortgage tax credit will be applicable. If the Sponsor has not yet obtained construction financing, and does so prior to conveying units, then Section 339-ee (2) of the New York Real Property Law would be applicable. The pertinent language of the statute is as follows:

> "If in the event the proceeds of a construction mortgage were applied to construction of a unit of a condominium submitted to the provisions of this article, or in the event that a unit submitted to the provisions of this act was subject to a blanket mortgage, and a mortgage tax was

> duly paid on such construction or blanket mortgage in accordance with article eleven of the tax law, then, as each unit is first conveyed, there shall be allowed a credit against the mortgage tax that would otherwise be payable on a purchase money mortgage, said credit to be in the amount resulting from the product of the purchaser's pro rata percentage of interest in the common elements and the mortgage tax already paid on the construction or blanket mortgage. No credit shall be allowed under this subdivision (a) on account of the special additional mortgage recording tax imposed by subdivision one "a" of section two hundred fifty-three of the tax law or (b) where the first condominium unit is sold more than two years after the construction or blanket mortgage was recorded."

The Sponsor shall receive the benefit from any credit on purchaser's mortgage recording tax which may be available pursuant to the quoted statute. Accordingly, at closing, each purchaser electing mortgage financing shall pay the full amount of the mortgage recording tax chargeable on the entire amount being financed. Sponsor will be reimbursed at closing to the extent of any mortgage tax credit allowed.

**(3) No Financing for Qualified Purchasers**

There are no closing costs in connection with financing for qualified purchasers as there is no financing by sponsor or a lender procured by sponsor to finance the purchase of units. (See SECTION (P): FINANCING FOR QUALIFIED PURCHASERS.)

**(4) Costs for Sponsor and Sponsor's Attorney's Fees to be Paid by Purchaser.**

The Purchaser is responsible to pay Sponsor's Attorney’s closing documents preparation fee of $2,000.00, and may be responsible for additional fees in the event the transaction requires financing as well as certain other fees such as travel fees and default fees. The Purchaser is responsible to reimburse the Sponsor’s Prepaid Taxes, Common Charges and Insurance Premium. Purchaser is responsible to reimburse to Sponsor the sum of Acris Transfer Tax Preparing fee $250. (See SECTION (C): SPECIAL RISK.)

If a closing takes place at the request of the Purchaser and so approved by Sponsor's attorney, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney (in addition to the fee set forth above), a travel fee in the sum of $750.00 in New York County, Kings, Queens County and Nassau County, and in the sum of $1,000 in the Richmond County. No Closing shall be held outside of the counties referred above. In the event that a closing is adjourned within two business days with Sponsor's consent, at the request of the Purchaser, or Purchaser's attorney, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $250. If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay an additional fee of $500 for each rescheduled Closing granted at Purchaser’s request to defray the cost of preparing and coordinating the Closing and recalculating the Closing appointments. Purchaser shall reimburse Sponsor the legal fee for $250 for each default notice.

This contract may not be assigned or recorded, and any proposed assignment, amendment to the purchase agreement, or recordation without express written permission of the Sponsor shall be deemed a default hereunder entitling Sponsor to either cancel the contract and retain all sums deposited pursuant hereto or void any purported assignment of this Agreement in violation hereof at the option of Sponsor. In the event that Sponsor allows such assignment or amendment to the purchase agreement, Purchaser shall pay a fee of $750 for each assignment or amendment to the purchase agreement.

## SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR

(1) Sponsor is reserving the unconditional right to rent after consummation rather than sell units. Because sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than fifteen percent (15%) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the condominium. Sponsor will endeavor in good faith to sell units rather than rent. If sponsor makes a bulk sale of all or some of its unsold units, the transferee successor sponsor is bound by sponsor's representations regarding its commitment to sell units.

**BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT AFTER CONSUMMATION RATHER THAN SELL UNITS, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. [SEE COVER PAGE OF THIS OFFRING PLAN; SECTION (C): SPECIAL RISKS; AND SUBDIVITION (4) TO SECTION (D): INTRODUCTION.]**

(2) The Sponsor shall be obligated to defend any suits or proceedings arising out of Sponsor’s obligations set forth in the Plan and shall be obligated to indemnify the Condominium Board and Unit Owners against any such action or proceeding.

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

(4) Sponsor and its principals will remain liable notwithstanding any disclaimers or limitations of liability on the part of the sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation. This offering plan does not include any financial limitation on sponsor's liability for failure to perform its obligations under the offering plan. With regard to Warranty, the Sponsor's obligation, regardless of any limitations in the warranty or in this offering plan, cannot go below the duty to construct the premises in accordance with all applicable codes, filed plans and specifications and locally accepted building practices for items which are not covered by codes. (See SECTION (C): SPECIAL RISK.)

(5) The sponsor agrees to pay all common charges, special assessments and real estate taxes with respect to unsold units. Sponsor represents that it has the financial resources to meet its obligations with respect to unsold units. Sponsor will fund its financial obligations to the condominium through sale of a condominium unit pursuant to this plan or through cash on hand. No bond or other security has been furnished to secure Sponsors obligations under this plan or to complete construction of the building.

(6) Risk of loss from fire or other casualty remains with the sponsor unless and until a purchaser takes actual possession of a unit pursuant to an interim lease (or written agreement with the sponsor) or legal title to the unit has been conveyed to the purchaser. The Sponsor is obligated to repair any and all damages from casualty or other cause that occurs before the closing, unless the Purchaser has taken the possession of the Unit prior to closing. In the event the closing delays for more than six (6) months due to the Sponsor's inability to repair the damages, Purchaser may rescind the contract and receive the refund of the downpayment. (See SECTION (R): TERMS OF SALE.)

Prior to the first closing, the entire building will be insured by Sponsor; after the first closing, the entire building will be insured by the Condominium. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. Thus, the risk of loss cannot, as a practical matter, be passed on to a person in possession. It would be acceptable to state that a person who takes possession prior to Closing assumes the risk of losses not covered by insurance.

(7) Sponsor shall procure fire and casualty insurance, as set forth in Schedule B of Part I, pursuant to an agreed amount replacement value policy.

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

(9) Sponsor has obtained a building loan from Bank of Hope, with an address at 138-02 Northern Boulevard, Flushing, NY 11354 (the "Lender") in the sum of $18,000,000. The Lender imposes no minimum number or percentage of units which must be under contract before the plan can be declared effective. The minimum release price set by the Lender or a required minimum payment per sale which must be made to the Lender in order for the Lender to release its lien from the unit being sold is as follows:

Subject to the reasonable approval of the Lender, during the term of the Loan (Building Loan), Borrower is required to pay the greater of: (1) ninety five percent (95%) of the gross sales price, less any New York City and New York State transfer tax and real estate broker commission, or (2) 120% of the original loan amount multiplied by the percentage interest in the common elements of the Unit to be released. Upon any such repayment by the Borrower, Lender shall release all of its security interests (i.e. security interests securing the Loan (Building Loan) and the Mortgage Note executed therewith in the amount of

$18,000,000) as to said unit. Borrower shall pay for any and all reasonable attorney's fees and costs of the Lender in connection with any of the aforementioned releases.

There are no limits or requirements imposed by the lender for sponsor to rent rather than sell under specified market conditions.

(10) Sponsor shall have the obligation to build and complete the Condominium in accordance with applicable codes and the building plans and specifications identified in this Offering Plan. Sponsor (i) shall have the right to substitute equipment or materials of Equal or Better Quality and design as those originally specified; (ii) may modify the layout or design of the building; provided however, that Sponsor may not:

(i) substitute equipment or materials of lesser quality or design; or
(ii) change the size, location of building or units or other improvements or common elements if such changes affect the percentage of common interests or adversely affect the value of any unit to which title has closed or for which a purchase agreement has been executed and is in effect unless all affected unit owners and contract vendees consent in writing to such change.

(11) Prior to closing the first unit, sponsor must obtain a permanent certificate of occupancy for the property or, alternatively, obtain a temporary or partial certificate of occupancy for the unit or the building in which the unit to be closed is located. The sponsor and its principals must obtain a permanent certificate of occupancy for the property within a projected timetable after closing the first unit. Sponsor must obtain the permanent certificate of occupancy before the partial or temporary certificate of occupancy expires, unless extended.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within two years, which is the timeframe anticipated by the Multiple Dwelling Law for issuance of a FCO. In order to allow

each Purchaser of Community Facility Unit to finish the interior of the Unit, each Community Facility Unit will be delivered unfinished, without interior walls, partitions, floor coverings, fixtures or appliances and it shall be the responsibility of the Purchaser to finish the interior of the Unit within one-hundred twenty (120) days following the Purchaser's unit Closing Date. Due to the unfinished state of each Community Facility Unit, the Purchaser thereof shall be required to undertake further renovation activities in compliance with applicable building regulations, including obtaining necessary work permits and achieving requisite sign-offs for the renovation work. As a consequence, the issuance of the final certificate of occupancy will be delayed and will be obtained after all the open permits and applications are signed off. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO-YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

(12) The common areas and public portions of the building will be completed before the closing of title to the first unit.

(13) If first closing takes place prior to the issuance of a permanent certificate of occupancy of the property:

(i) Sponsor will maintain all deposits and funds received from purchasers in a special escrow account in accordance with Section 352-e (2-b) of the General Business Law, unless Sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the amount so certified by such engineer or architect may be released from the special escrow account. Alternatively, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law.

Before posting a bond, Sponsor will file an amendment to the Plan and notice of such intention will be given to all purchasers and contract vendees.

(ii) This Offering Plan is not subject to the provisions of GBL §352-ee (Conversion of Non-residential Property to Residential Cooperative

or Condominium Ownership). (See TERMS OF SALE section.)

(14) Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does not apply to this offering as the Building comprises more than 5 stories. Sponsor makes no other warranties, express or implied, in connection with this offering of the Units and all such warranties are excluded, except as provided in the limited warranty ("Limited Warranty") set forth in this Section. Sponsor will correct, repair, or replace any and all defects relating to construction of the Building, Common Elements or the Units or in the installation or operation of any appliances, fixtures, or equipment therein, or will cause the same to be corrected, repaired, or replaced, but only if:.

(1) such defects are due to substantially improper workmanship or construction practices or the use of materials that are substantially and materially at variance with the Plans and Specifications for the same; and

(2) Sponsor is notified by the Condominium Board or the affected Unit Owner, as the case may be, of the same in accordance with the following, which notice shall be by certified mail, return receipt requested:

(i) with respect to any latent defect (that is, a defect that is not visually ascertainable) in the construction of a Unit, within 1 year of the earlier to occur of (a) the Closing of Title to the Unit or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing;

(ii) with respect to any patent defect (that is, a defect that is ascertainable through inspection) in the construction of a Unit within 6 months of the earlier to occur of (a) the Closing of Title to the Unit, or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing, provided, in each instance such patent defect is not caused by the Unit Owner or other occupant of the Unit;

(iii) with respect to any defects (patent or latent) in the construction of the Common Elements, within 1 year from the date of substantial completion of the portion of the Common Elements claimed to be defective. The issuance of a TCO or PCO covering such Common Elements shall be presumptive evidence that the construction of the Common Elements has been substantially completed.

The method of correcting any defect will be selected by Sponsor in its sole discretion. The quality of construction as to any such correction will be comparable to local standards customary in the particular trade or trades involved and will be in accordance with the Plans and Specifications.

Sponsor will be conclusively considered to have discharged any obligation that it may have with respect to the repair of a defect or replacement of a defective item, whether patent or latent, if:

a. Sponsor is not notified of the existence of such defect, in the manner and within the appropriate time period specified above;

b. The Condominium Board and/or Managing Agent and/or the Unit Owner fails to allow prompt access to the Unit in question by Sponsor or Sponsor's contractors; or

c. Sponsor has corrected, or caused the correction of, the defect in accordance with the practice of the industry, as determined by Sponsor's general contractor, architect, or engineer, in their sole judgment.

d. Purchaser, through any act or omission (i) is the cause of such defect, (ii) obstructs, delays, prevents or hinders Sponsor from gaining access to the Unit in order to repair or replace the defect, or (iii) undertakes the repair or replacement of such defect.

(3) This Limited Warranty is only available to the first Purchaser of the Unit and Sponsor shall have no liability to any subsequent Purchaser with respect to any claimed defects relating to the construction of the Units, the Common Elements, or the Building.

(4) Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner as a result of any defects in construction or renovation, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including appliances and bathroom fixtures) or any other condition:

(i) with respect to which assignable warranties or other undertakings (however denoted) from manufacturers, contractors, materialpersons, or others which are assigned to the Condominium Board and/or any Unit Owner;

(ii) resulting from normal wear and tear, natural deterioration, normal settling (including, without limitation, cracks in crown molding, minor gapping in the flooring, uneven ceilings or floors, "checking" or cracking of floors and floor buckling), damage to wood due to changes in humidity, deflection, expansion or shifting of the Building;

(iii) resulting from Purchaser's (i) failure to maintain such appliances, equipment, finishes, materials or fixtures in accordance with manufacturers' guidelines and specifications and renovations and/or alterations to a Residential Unit or its appurtenant Residential Limited Common Elements; or

(iv) that are not of a material nature, including, without limitation, the following:

a. death of trees or landscape improvements, cracks in roof ballast, or concrete cracks that do not impair the structural soundness of the Building, including cracks or discoloration in concrete walls and paving, leaching or color variation in colored mortar, tiles or pavers, and brick, dimensional variations in brick joints, mortar droppings on bricks, ponding, and/or controlled drainage on roof and terrace surfaces, terrace tiles or pavers not laid flat, stained tiles or color variations in tiles or pavers, and cracks in pressure treated wood used, or intended for use, outside the Building;

b. protruding dry wall fastenings, nail pops, ridging on gypsum board, slight variations in gypsum board taping visible only under certain lighting conditions, walls not square, lumber shrinkage, painting defects, electrical plates not straight, slight separation between base and floor, variations in floor and ceiling levels, carpet or floor discoloring or stretching, variations in width, length, thickness, finish, or color range of wood floors, ceiling imperfections, and stains, runs, lumps, shags, or imperfections in weave in fabric panels;

c. door or window sticking due to weather, door warpage (including warpage of the main entrance door or Terrace door to a Unit within reasonable tolerances of doors of similar size, weight and quality), adjustment of bi-fold doors, and air and water infiltration from windows or Terrace doors in excess of industry standards;

d. variations in tone or color of interior and exterior natural materials or natural stone including variations in tone or color of flooring, walls, countertops, backsplash, vanity tops or other natural stone, marble, ceramic or wood surfaces, slight scratches in plastic laminate, glass, metal, vitreous china, natural stone, wood, stainless steel, porcelain or other surfaces, discoloration to hardware and plumbing finishes, cracked bath tile grouting, variation in grouting thickness, and misalignment of bathroom finishes;

e. variations in wood floor stains and finishes;

f. noise, vibrations or odors from normal plumbing, heating, air conditioning, ventilating, mechanical equipment operation and elevator operation, and floor noises and creaking;

g. repair of chips, scratches, mars, breaks, dents, cracks, and other defects in any windows and window sashes, sliding glass doors, shower doors, louvers, insulation attached to the curtain wall, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, water closets, kitchen

cabinets, backsplashes, and countertops, vanity tops and cabinets, tile or natural stone floors and walls, saddles, appliances, woodwork, millwork, doors, mirrors, and hardware;

h. normal wear, including chips, to passenger elevator cabs, cab doors, elevator door frames, cab panels, Unit doors and Unit door frames; and

i. pertaining to television, radio, internet or other telecommunication reception.

Sponsor's obligation, regardless of any limitations in the warranty, cannot go below the duty to construction the premises in accordance with all applicable codes, filed plans and specifications and locally accepted building practices for items which are not covered by codes, pursuant to General Business Law §777-b(4)(e)(l). [See SECTION (C): SPECIAL RISK.]

(15) Upon the closing of title, Sponsor will assign to the purchaser, and to the Board of Managers upon the recording of the Declaration, all applicable warranties, if any, of manufacturers and subcontractors relating to heating, electrical work, plumbing, and appliances, as well as bonds relating to the purchasers Unit or the Common Elements, if any. Sponsor undertakes to supply warranties only to the extent that warranties are actually made by such manufacturers and subcontractors and only to the extent that such warranties and bonds are assignable. The Housing Merchant Implied Warranty Law (General Business Law, Article 36-B) is not applicable to the condominium units.

(16) Sponsor will pay the cost of all authorized and proper work involved in the construction, establishment and sale of the condominium property that Sponsor is obligated to complete under the Plan and to cause all mechanics liens filed with respect to the construction of the building to be promptly discharged or bonded.

(17) Sponsor will deliver a set of "as built" plans to the Board of Managers.

(18) No bond or other security has been furnished to secure Sponsor's obligations to complete construction after closing title to the first unit and obtain a permanent certificate of occupancy and all necessary permits.

(19) The Sponsor has a right of access to complete construction of the condominium. The Sponsor is obligated to repair any damages caused by Sponsor or Sponsor's contractors to any condominium unit and the common areas as a result of the work performed in accordance with gaining access to condominium units and/or the common areas. The Sponsor may not interfere with the unit owner's use and may only gain access to sold units during normal business hours, from 8AM to 5PM, Mondays through Fridays. Sponsor will provide Purchasers with two business days’ notice.

(20) Effective November 5, 2004, owners of Class A multiple dwellings in New York City, which include condominium units, must install carbon monoxide detectors. The Sponsor will install a carbon monoxide detector in each residential condominium unit. The law requires the owners of the residential condominium units to maintain the carbon monoxide detectors.

(21) Sponsor must make a written demand for payment after default at least 30 days before forfeiture of the deposit may be declared in accordance with13 NYCRR §20.3(o)(13) promulgated by the Department of Law.

(22) Sponsor reserves the right, in its sole and absolute discretion, to delay the collection of Common Charges from Purchasers under the Plan for a period of time prior to full occupancy of Residential Units (the "Delay Period"); provided, however, that Sponsor shall be solely responsible for timely payment of all expenses to operate the Condominium during the Delay Period (the "Operating Expenses") as well the Residential Units' share of General Common Charges. The expenses shall include, but not be limited to, insurance premiums and any reserve fund payment required by lenders. All Operating Expenses paid by Sponsor during the Delay Period are based on the actual cost of operating the Residential Units and not on estimates set forth in Schedule B "Projected Budget for First Year of Condominium". Purchasers should note that Schedule B will not be in effect until the expiration of the Delay Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include individual Unit Owner expenses such as utility charges, real estate taxes, etc. regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners terminate the Delay Period.

In the event Sponsor elects to delay the collection of Common Charges as set forth above, Sponsor shall disclose such fact in the closing notice to Purchasers and in the post-closing amendment to the Plan as a benefit to subsequent Purchasers. Such amendment shall also disclose the anticipated period of delay. Sponsor will give all Unit Owners at least thirty (30) days prior written notice (which may, but need not be by amendment) of the commencement of collection of Common Charges. Thereafter, to the extent not already included in an amendment to the Plan, Sponsor will disclose in the next substantive amendment to the Plan that the collection of Common Charges is commencing or has commenced as a benefit to subsequent Purchasers. Upon expiration of any such Delay Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such common charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of common charges. During any such Delay Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same.

(23) If units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, sponsor may place in escrow, in the name of the board of managers, an amount equal to the unpaid real estate taxes which will be levied against the

parcel for the six-month period following the first closing. Alternatively, the sponsor may place in escrow, in the name of the board of managers, an amount equal to the real estate taxes attributable to the unsold units for such six-month period and may collect at each unit closing the estimated amount of taxes attributable to such unit for the balance of the six-month period. The board of managers will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment. No escrow will be required if the condominium by-laws include as part of the common expenses, real estate taxes on the property until the units are separately assessed and after assessment unit owners will be reimbursed for any overpayment of taxes or assessed for an underpayment.

## SECTION (U): CONTROL BY THE SPONSOR

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

(1) The By-Laws are reproduced in Part II. A summary of certain pertinent provisions of these By-Laws is set forth below. The By-Laws limit the number of Board of Managers (hereinafter called "Managers") to not less than three (3). 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 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 30 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.

The By-Laws provide that at such time as the Unsold Units constitute less than twenty five percent (25%) of the Condominium, or upon the second (2nd) anniversary of the first closing date, whichever is sooner, not less than a majority of Managers to be elected at all subsequent annual meetings of Unit Owners shall be elected by Unit Owners other than the Sponsor. Notwithstanding the foregoing, the Sponsor may vote for Unit Owners of his choice. A meeting to elect a new Board of Managers will be held within thirty (30) days of seventy five percent (75%) of the units being sold, or within thirty (30) days of the second (2nd) anniversary of the Closing Date, whichever is sooner.

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

(i) Shall not eliminate or reduce the number of employees, insurance coverage or any service to a level less than that provided in Schedule B unless a majority of board members elected by bona fide unit Purchaser vote in favor thereof.

(ii) 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.

(iii) 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.

Sponsor exercises voting control of the board of managers until the second (2nd) anniversary of the closing of the first unit or whenever the unsold units constitute less than twenty five percent (25%) of the common interests, whichever is sooner. (SEE SECTION (C): SPECIAL RISK.) [A meeting to elect a new Board of Managers unrelated to the sponsor will be held within thirty (30) days of seventy five percent (75%) of the units being sold, or within thirty (30) days of the second (2nd) anniversary of the closing date of the first unit, whichever is sooner.] The By-Laws of the condominium does not include a provision that,

after an initial sponsor voting 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, such as Sponsor, may have inherent conflicts on the management of the Condominium

Until the earlier of five (5) years from the date of closing of the first unit, or at the time at which five the Sponsor or successor sponsor owns units consisting of less than twenty five percent (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 (1) 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.

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 in dealing with the Sponsors to all Unit Owners.

(2) Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required:

(i) to comply with applicable laws or regulations; or
(ii) to remedy any notice of violation; or
(iii) to remedy any work order by an insurer; or
(iv) to preserve the health and safety of occupants.

(3) Sponsor may exercise veto power over expenses other than those described in Paragraph (2) above, for a period ending not more than five (5) years after the closing of first unit or whenever the unsold units constitute less than twenty five percent (25%) of the common interest, whichever is sooner.

(a) (4)During the Sponsor control period, any provision that gives the Sponsor control of enforcement of the Sponsor obligations is not lawful. If there is a vote on whether to sue the Sponsor, The Sponsor’s representative may not vote.

## SECTION (V): BOARD OF MANAGERS

The Condominium Board shall initially consist of three (3) persons designated from time to time by Sponsor. Sponsor presently anticipated that the initial members of the Condominium Board shall be Cai Yu Chen, Heng Yuan Ou and Mei Song Xiaoto be designated by Sponsor, who will serve as President, Vice President, and Secretary/Treasurer, respectively. Each of these individuals is a principal of, or is affiliated with, Sponsor.

The Condominium shall be governed according to the By-Laws in Part II. The summary of the important sections of the by-laws and declaration of condominium are as follows:

(1) The By-Laws limit the number of Managers to not less than members. The first Board of Managers shall consist of three (3) parties to be named by the Sponsor. 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 30 days after the First Closing; they may, however, be re-elected at such time. 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 Principal after the end of the initial Sponsor control period. Purchasers for their own occupancy may never gain control of the Board of Managers. Owner-occupants and non-resident Owners, such as Sponsor, may have inherent conflicts on the management 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, each Unit Owner shall be entitled to cast one vote for each .01% of common interest in the condominium appurtenant to such owner's unit, which may be cast all for one nominated manager or divided among any number of candidates. At such time as the Unsold Units constitute less than twenty five percent (25%) of the Condominium, or upon the second (2nd) anniversary of the first closing date, whichever is sooner, not less than a majority of Managers shall be Unit Owners other than, and unrelated to, the Sponsor. 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, 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 of 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.

The principal officers of the Condominium shall be the President, the Vice President, Secretary and Treasurer, all whom shall be elected by 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 of a Condominium organized under the **New York State 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 his/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, and 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 of a Condominium organized under the New York State 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 December 31 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.

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 $14,875,000 or less and to the insurance trustee, if the loss exceeds $14,875,000. Such proceeds shall be applied to the repairing, restoring or rebuilding 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.

During the Sponsor control period, the unit owners shall have some possible remedies to enforce the obligations of Sponsor:

(a) Warranty claims: The developer/sponsor may be obligated to provide warranties or guarantees for certain aspects of the construction, such as the quality of materials and workmanship. Unit owners can pursue claims under these warranties if they experience defects or deficiencies.

(b) Disclosure violations: The sponsor must comply with state and federal laws related to disclosure of information about the condominium, such as the offering plan and the budget. If the sponsor violates these laws, unit owners may have legal remedies, such as rescinding the contract or seeking damages.

(c) Fraud or misrepresentation: If the sponsor made false or misleading statements about the condominium, unit owners may have legal remedies, such as seeking rescission or damages.

(2) Each Unit Owner and each mortgagee of a unit shall, upon prior request and with a valid purpose, 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.

(3) 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.

(4) The Managers shall serve without compensation or remuneration.

(5) 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 Sponsor and/or Sponsor designees can be removed only for cause by vote of a majority of the Unit Owners or without cause by the Sponsor and/or Sponsor designees.

(6) Unit Owner's voting rights:

At each meeting of Unit Owners, as referred to Section 1 and 2 in Article II of the By-Law, 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.

As set forth in Section 4 in Article II of the By-Law, 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 her/her Unit, and in addition, the names of the proxy of such ballot if cast by a proxy.

(7) Amend Condominium By-Laws and Change Declaration of 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 or sixty-six and two-thirds percent (66 2/3%) of the common interest, 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.

Copies of the Declaration and By-Laws are set forth in Part II of the Plan.

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 which shall change the percentage of Common Interests 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 Sponsor, its designee, or any Unsold Unit until the Sponsor or such designee shall consent thereto in writing.

The Sponsor 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 which 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 Queens County Office of the Register of the City of New York.

## SECTION (W): RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

(1) **Sale or Lease of Unit; Right of First Refusal of Board of Managers**

**FOR THE PROPOSED RESALE OF A CONDOMINIUM UNIT:**

Any Unit Owner shall have the right to sell his or her Unit under the following terms and conditions:

The terms of any lease, including the rent, will be subject to state or local laws.

A. The Unit Owner shall first give the Board of Managers thirty (30) days prior written notice of the terms of any bona fide sale, together with a copy of a contract of sale executed by a prospective purchaser, which the Unit Owner desires to execute. Written notice with a copy of the contract of sale shall be sent to the managing agent, if any, or to the President of the Condominium by Certified Mail or overnight mail by via a nationally recognized overnight courier service with proof of delivery being retained by the Unit Owner. The Board of Managers shall have thirty (30) days to exercise the right of first refusal.

B. The Board of Managers may require the prospective purchaser to complete an application and/or questionnaire for consideration by the Board of Managers or Sponsor of the proposed transaction. (The 30-day period as discussed above shall commence from the time that the managing agent or the President of the Condominium receives a fully completed application in the event that the condominium requires applications to be completed by prospective purchasers). The Board of Managers shall require photo identification of all persons who are prospective purchasers and who may reside in the condominium unit; the names, addresses and social security numbers of all proposed occupants shall be provided to the Board of Managers with the proposed contract of sale. Any prospective purchaser of any condominium unit consents to the Board of Managers obtaining a criminal background check on the proposed purchasers. The Board of Managers may not discriminate against any proposed purchaser or proposed occupant on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

If the Board of Managers fails to act within such thirty (30) day period, it shall be deemed to have waived the right of first refusal to the proposed transaction;

Any such deed to convey any condominium unit shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time.

C. If the Board of Managers refuses to exercise its right of first refusal to the transaction, it shall, within the thirty (30) day period, either:

(i) Produce a purchaser who will purchase the unit upon the same terms as stated in

the Unit Owner's notice to the Board of Managers and the contract of sale executed by the proposed purchaser, or

(ii) Agree to purchase the Unit on behalf of all other Unit Owners on the same terms stated in the contract of sale submitted to the Board of Managers.

If the Board of Managers desires to purchase the condominium unit from a unit owner, at the closing, the Unit Owner shall convey the unit (and Appurtenant Interests) to the Board of Managers or to its designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-0 of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all transfer and other taxes arising out of such sale. Real estate taxes, mortgage interest and common charges and expenses shall be apportioned between the Unit Owner and the Board of Managers, or its designee, as of the closing date. The closing shall occur within 45 days from the date that the Board of Manager exercises its right of first refusal to purchase the condominium unit. The closing shall occur at the offices of the attorney for the condominium.

In connection with the foregoing, the Board of Managers may not purchase a Unit without the approval of a majority of the Unit Owners (as such term "majority" is defined in Section 8 in Article II of the By-Laws). In the event that the Board of Managers does not have sufficient funds on hand for the purchase of a Unit which has been approved by the majority of the Unit Owners, the Board of Managers may borrow such funds or may assess the Unit Owners in proportion to their respective common interests to the extent of the purchase price amount. In the event that the Board of Managers exercises its right to purchase the condominium unit, it may do so on the same terms and conditions (including but not limited to the mortgage contingency provisions and closing date provisions set forth in the contract executed by the proposed purchaser). In the event that the Board of Managers does not either produce a purchaser for the Unit or agree to purchase the Unit on behalf of all of the Unit Owners as set forth above within the stated thirty (30) day period, the Unit Owner shall have the right to consummate the sale on the terms submitted to the Board of Managers and in accordance with the terms set forth in the contract of sale executed by the proposed purchaser. The proposed purchaser must comply with the requirements set forth in the Declaration and By-Laws.

The restrictions upon the sale of Units, set forth in this Section shall not apply to the Sponsor, or its designee, or to a mortgagee (including the holder of a construction loan, if any) acquiring title in foreclosure or by deed in lieu of foreclosure. The foregoing persons shall be free to sell without first notifying or obtaining the waiver of right of first refusal of the Board of Managers or Sponsor. The Board of Managers and the Sponsor, as the case may be, shall be required to cooperate in providing appropriate physical access to any such Unit and the common elements, as well as all financial information regarding same.

A Unit acquired by the Board of Managers pursuant to the Right of First Refusal described herein may be sold, leased, mortgaged or otherwise dealt with in the discretion of the Board of Managers. The proceeds of such disposition will be received by the Board of Managers on behalf of all Unit Owners in proportion to their respective common interests.

Purchasers of Units may not assign their Purchase Agreements without first obtaining the written consents of the Sponsor, which consents may be granted or withheld in Sponsor's sole and absolute discretion. Purchasers are prohibited from listing their Units for sale prior to the closing of such unit. In the event that purchasers sell their Units within 12 months of the closing date of their Units (the "subsequent sales"), purchasers shall be obligated to pay to the Sponsor 50% of the net profit from the subsequent sales. Net profit is defined as the sale price for the subsequent sale, less transfer taxes and brokerage fees paid by a purchaser (who purchased from Sponsor), less the price which the purchaser paid to sponsor for the purchase of the Unit and any other costs incurred in selling the Unit.

FOR THE PROPOSED LEASING OF A CONDOMINIUM UNIT BY A UNIT OWNER:

Any Unit Owner shall have the right to lease their condominium unit subject to Board's right of first refusal under the following terms and conditions:

The Unit Owner shall first give the written notice by Certified Mail or via a nationally recognized overnight courier service with proof of delivery being retained by the Unit Owner to the (a) Sponsor if Sponsor is in control of the Board of Managers, or (b) the Board of Managers if Sponsor is no longer in control of the Board of Managers, of no less than thirty (30) days written notice of the terms of any bona fide proposed lease and tenant, together with a copy of a completed lease to be executed by a prospective tenant, or if executed by the prospective tenant, the lease must include the following provision:

**For a lease:**

**"THIS LEASE IS SUBJECT TO THE WRITTEN WAVIER OF THE RIGHT OF FIRST REFUSAL OF THE BOARD OF MANAGERS OF PENROSE TOWER. THIS LEASE IS NOT VALID UNLESS THE BOARD OF MANAGERS ISSUES A LETTER STATING THAT THE CONDOMINIUM HAS WAIVED ITS RIGHT OF FIRST REFUSAL TO THE PROPOSED LEASING OF THE CONDOMINIUM UNIT WHICH IS THE SUBJECT OF THE LEASE".**

Written notice must be sent by the Unit Owner by Certified Mail or via a nationally recognized overnight courier service with proof of delivery being retained by the Unit Owner to the Sponsor if the Sponsor is still in control of the Board of Managers, or to the President of the Condominium if the Sponsor is no longer in control of the Board of Managers.

If the Board of Managers fails to exercise the right of first refusal to the proposed leasing of the subject condominium unit within thirty (30) days of receipt by the Sponsor or President of the Board of Managers, as the case may be, of the notice and lease as set forth above, it shall be deemed that the Board of Managers or the Sponsor, as the case may be, has waived the right of first refusal to the proposed transaction. If there is a managing agent managing the condominium building, then such notice may be sent to the managing agent instead of the President of the Condominium.

The Board of Managers may require the prospective tenant to complete an application

and/or questionnaire for consideration by the Board of Managers or Sponsor of the proposed leasing transaction. (The 30-day period as discussed above shall commence from the time that the managing agent or the President of the Condominium receives a fully completed application in the event that the condominium requires applications to be completed by prospective purchasers). The Board of Managers shall require photo identification of all persons who are prospective tenants and occupants who shall reside in the condominium unit which is the subject of the lease. The names, addresses and social security numbers of all persons who will reside in the condominium unit must be submitted to the Board of Managers with the proposed lease. Any prospective tenant of any condominium unit consents to the Board of Managers obtaining a criminal background check on the proposed tenants and occupants. The Board of Managers may not discriminate against any proposed purchaser or proposed occupant on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

If the Board of Managers or the Sponsor exercises the right of first refusal to the proposed leasing of any condominium unit, the Unit Owner may not execute the lease with the proposed tenant.

Any purported leasing of a Condominium Unit in violation of this Section shall be voidable at the election of the Board of Managers or Sponsor as the case may be.

The restrictions upon the leasing of Condominium Units, set forth in this Section shall not apply to the Sponsor, or its designee, or to a mortgagee (including the holder of a construction loan, if any) acquiring title in foreclosure or by deed in lieu of foreclosure. The foregoing persons shall be free to lease, without first notifying or obtaining the consent of the Board of Managers or Sponsor. The Board of Managers and the Sponsor, as the case may be, shall be required to cooperate in providing appropriate physical access to any such Unit and the common elements, as well as all financial information regarding same.

Any lease of a Unit shall be in the form recommended for apartments by the Real Estate Board of New York, except as otherwise provided in the By- Laws.

Notwithstanding the foregoing, no Unit Owner may sell or lease his Unit if he is in arrears on payment of common charges.

Unit Owners will be free, without restriction, to sell or lease their respective Units to a spouse or, any adult children, without first offering the unit for sale or lease to, or obtaining the consent of the Board of Managers. Furthermore, a Unit Owner is free, without restriction, to make a gift of his Unit to anyone during his lifetime, to devise such Unit by will or pass such Unit by intestacy. No Unit can be sold, leased or in any way transferred apart from its appurtenant interest in the Common Elements.

The Board of Managers may make further restrictions on or conditions to sale or lease of Units in the future consistent with the Condominium Declaration, By-Laws and applicable law.

Every Unit Owner shall be required to pay a processing fee, to be determined by the

Board of Managers, per transaction to the Board of Managers for each sale (other than the initial purchase by the Unit Owner) or lease of his or her Unit.

(2) **Mortgaging of Units by Unit Owners.**

Each Unit Owner may mortgage his Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. Failure to pay his or her share of the Common Charges will result in the Board of Managers having a lien on the Unit for the unpaid Common Charges.

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."

(3) **Common Charges and assessments.**

(i) **Procedure to Establish.** 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.

(ii) **Reserve for Capital Expenditures.** 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. There are no restrictions imposed on the right of the Board of Managers to accumulate reserves for Capital Expenditures, or otherwise. 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.

(iii) **Termination of Common Charges and Assessment Liability of Unit Owners.** 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 BOARD OF MANAGER Section 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, provided that his Unit is free and clear of liens and encumbrances, other than permissible mortgages and the statutory lien for unpaid common charges, 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. The By-Laws do not contain a provision stating that the obligation to pay common charges is terminated if the Unit Owner conveys the Unit to the Board without compensation.

(iv) **Sections 339-z and section 339-aa of the Real Property law.** Under the provisions of Section 339-z of the Condominium Act, 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 of 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 Queens 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.

(v) **Board of Manager to File a 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.

(4) **Repairs**

(i) **Allocation of Responsibility.** 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, and the exterior side of windows), 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.

(ii) **Required of Unit Owners.** 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.

(iii) **Responsibility for Repairs or Replacements for Negligence or Abuse.** All maintenance, repairs, and replacements to the Common Elements (including the exterior walls of the Building and exterior sides of the windows) 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

(iv) **Right of Access.** 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 Board of Managers and/or Managing Agent and/or any other person authorized by the Board of Managers of 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) is 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.

As part of Purchase of the Unit, 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 downpayment. Please see the POWER OF ATTORNEY set forth in Part II of this Offering Plan.

**(v) Limited Common Elements**

Numerous units in the subject premises will have limited common elements. No structures may be built on these areas without the express written permission of the Board of Managers. 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 Owners, their agents, employees or invitees) are the responsibility of the condominium through the Board of Managers. The limited common elements may not be used for any type of occupancy, including but not limited to dining, sleeping, living room, recreation and office, breach of which may result in a violation issued by Department of Building against the Condominium building and in which case, Unit Owner shall be fully responsible for clearance of the violation at Owner's cost and expense. (SEE PART II, DESCRIPTION OF PROPERTY AND SPECIFICATIONS; SECTION (D): INTRODUCTION; AND SECTION (W): RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND BOARD OF MANAGERS.)

(5) **Additions, Alterations and Improvements**

(i) **Rights and Obligations of Unit Owners and Board of Managers.** No Unit Owner may make any structural addition, alteration or improvement in his Unit, or do any work which would jeopardize the soundness or safety of the Building, reduce the value thereof, or impair any easement or hereditament of the Property, 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 any contractors, subcontractors, material men, architects or engineers, by reason of such additions, alterations, or improvements, or to any persons having any claims for injury to persons, or damage to property arising therefrom. Such contractors, subcontractors, material men, architects or engineers, by reason of such additions, alterations, or improvement, or any person having any claims for injury to persons, or damage to property arising therefrom shall fully indemnify the Board of Manager or any of them. 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.

(ii) **Work That Unit Owners Can Do with or Without Consent.** 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 apartment and standard home improvements 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.

(iii) **Requirement in the By-Laws.** 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 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 13 NYCRR Section (W) (5) promulgated by the Department of Law which requires 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 (W) (5) shall apply to all Units.

Non-structural alterations and improvements to Units that do not affect the exterior of the Buildings may be made without the prior approval of the Board of Managers.

(iv) **Community Facility Delivered Unfinished.** In order to allow each Purchaser to finish the interior of the Purchaser’s Unit, each Community Facility Unit will be delivered unfinished, without interior walls, partitions, floor coverings, fixtures or appliances and it shall be the responsibility of the Purchaser to finish the interior of the Community Facility Unit

within one-hundred twenty (120) days following the Purchaser's Unit Closing Date.

(6) **Insurance.**

(i) **Provided by Board of Manager.** The Board of Managers shall obtain and maintain, to the extent determined by them to be appropriate: (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) machinery insurance; (3) water damage legal liability insurance; (4) liability insurance for personal injury or property damage in an amount not less than one million dollars; (5) officer's and director's insurance covering the board of managers; and (6) 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.

(ii) **Not Provided by Board of Manager.** Unit Owners shall be entitled to carry casualty insurance protection for their furniture and the interior of their Units and for personal liability coverage for their own benefit at their own expense, provided that such policies contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any other insurance carried by a Unit Owner. Please see **footnote 6** to SCHEDULE B of this Offering Plan for the details of the insurance coverage.

(iii) **Conditions and Proceeds Allocations.** 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 $14,875,000 or less and to the insurance trustee, if the loss exceeds $14,875,000. Such proceeds shall be applied to the repairing, restoring or rebuilding 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.

(7) **Restrictions on Occupancy and Use.**

Occupancy shall be limited to residential uses, as described in the DESCRIPTION OF PROPERTY AND SPECFICATIONS Section of the Offering Plan, unless permission for other use is granted by the Board of Managers and meets approvals of government agencies and authorities.

Purchasers are prohibited from listing their Units for sale prior to the closing of such unit. In the event that a purchaser sells his or her unit within 12 months of the closing date of their unit (the "subsequent sale"), purchaser shall be obligated to pay to the sponsor 50% of the net profit from the subsequent sale. Net profit is defined as the sale price for the subsequent sale, less transfer taxes and brokerage fees paid by purchaser (who purchased from Sponsor), less the price which purchaser paid to sponsor for the purchase of the unit and any other costs incurred in selling the unit.

(i) **Limitation on Pets.** No animals, birds, or reptiles of any kind shall be raised, bred, or kept in any unit or in the common elements or limited common elements, except that dogs, cats or other household pets, not to exceed two per unit with the maximum size of any dog shall be no more than forty pounds, without the written consent of the Board of Managers, may be kept in units, subject to the rules and regulations adopted by the Board of Managers, provided, that they are not kept, bred or maintained for any Commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the property subject to these restrictions upon three (3) days written notice from the Board of Managers.

In no event shall any dog be permitted in any portion of the common elements unless carried or on a leash, or in any grass or garden plot under any circumstances.

(ii) **Aesthetic Controls.** In order to retain the structural integrity and aesthetic appearance of the building, no additional window or through-the-wall air-conditioning appliances may be installed in any unit and no radio, television aerial or awning shall be attached to or hung from the exterior of the building by the Unit Owner without consent of the Board and otherwise in accordance with applicable laws and rules. Painting of doors to the individual residential units or any portion of the property outside of the Condominium Unit is prohibited.

(iii) **Limitation on Business or Professional Use.** Except for Community Facility Units, business or professional use is not permitted without the express written consent of the Board of Managers and must be permitted by zoning regulations. The sponsor may maintain an office on the premises while there is at least one unit unsold.

(iv) **Restrictions on Occupancy of Units Owned by Corporations, Partnerships or Fiduciaries.** Except for Community Facility Units, Corporations, Partnerships and Fiduciaries may own condominium units provided that the use is for residential purposes only, and not for any business or non-residential purpose

(v) **Restrictions on Illegal or Offensive Uses.** Units may not be used for illegal or offensive uses.

(vi) **Limitations on Guest Privileges.** A Unit Owner may not permit a guest to use the Unit in the absence of the Unit Owner without the express written consent of the Board of Managers.

(vii) **Limitations on Utilization of Common Elements and Parking Facilities.** Common Elements may not be used for storage or loitering.

(viii) **Limitations Contained in the Certificate of Occupancy and Zoning Regulations.** There are no known restrictions set forth in the Zoning Regulations to prohibit the use as contemplated for this condominium. There are no known limitations in the Certificate of Occupancy which will be sought by the Sponsor which would limit the use of the condominium property other than as set forth in this offering plan.

(ix) **Window Guards.** Each Unit Owner must notify the Managing Agent, or the Board of Managers if there is no Managing Agent, when a child or children ages eleven (11) years or under live or reside, permanently or temporarily in the Condominium Unit. Each Unit Owner must install at the Unit Owner's sole cost and expense the required window guards in all windows of the Unit. The Unit Owner must maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without written consent of the Managing Agent and/or Board of Managers. [See SECTION (C): SPECIAL RISK.]

(8) **Other Material Restrictions.** There are no other material provisions in the declaration or by-laws, which significantly affect the rights and obligations of the unit owners or the board of managers other than the following:

(i) **Limitations on Smoking.** Smoking and using electronic cigarettes are prohibited in any common areas within the interior of the building(s) as required by all applicable laws and is permitted in any of the dwelling units, provided that smoke does not enter into other Units or the Common Elements.

Smoking and using electronic cigarettes are permitted in all outdoor areas, including but not limited to, common courtyards, rooftops, balconies and patios, and any outdoor areas connected to dwelling units.

Unit Owners and their guests shall not permit cigarette, cigar or pipe smoke from escaping from the Unit and entering any other Unit or the Common Elements. Unit Owners shall not smoke in their Units if they are unable to prevent the smoke from entering the Common Elements or another Unit. The Board shall have the right to obtain a court order enjoining occupant of a Unit from smoking in the Unit or the Common Elements if the smoke escapes the Unit and the Board shall have the right to seek the eviction of a tenant who smokes in a Unit or the Common Elements if the smoke escapes from the Unit. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement for any fees or expenses incurred by the Condominium to cause the smoke infiltration into the Common Elements or another Unit to cease (including but not limited to legal fees) in enforcing this provision.

## SECTION (X): REAL ESTATE TAXES

(1) **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.

(i) There is no guaranty that there would be no delay in obtaining separate assessments by the appropriate tax assessor's office. There is currently no anticipated delay. Sponsor will use best efforts to obtain the aforementioned real estate tax exemption benefits, and will make all filings necessary to obtain such benefits, including a timely filing of all applications, and timely compliance with all procedures required to properly process and maintain the benefits. Upon closing, the Sponsor will make all documents available to the Board of Managers for inspection and copying for the life of the benefits.

(ii) If the units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, the procedure by which unit owners will make payments towards real estate taxes to the board of managers.

The **non-residential Unit Owners** may receive tax benefits pursuant to Industrial & Commercial Abatement Program (ICAP) under City of New York. The ICAP abatement shall only apply to the parking garage and community facility Units for a period of fifteen (15) years. While non-residential unit owners may be eligible for tax abatement benefits under the ICAP program, residential unit owners are currently not eligible for the same benefits or other real estate tax abatements. The ICAP tax abatement is a tax benefit offered by the New York City government to incentivize the construction or renovation of commercial and industrial properties. ICAP stands for Industrial and Commercial Abatement Program, and it allows property owners to receive a reduction in property taxes.

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. Based on the opinion of Thomas E. Berinato, Esq., the assessed valuation after completion of improvement is estimated to be $2,999, 166$2,989,759 for 2023/2024 fiscal year and $3,079.451 (3% more) for the 24/25 fiscal year, applying the current residential condominium tax rate of 12.23612,267%, the total rea property tax for the first tax year from July 1, 2024 to June 30, 2025 is approximate $366,947$373,255. The real property tax is assumed to be allocated between the Units based on relative square footage, which resulted in the tax figure in the Schedule A.. ***In addition, as the taxes during the first year of operation will be much lower than the taxes in future years when the DOF's assessment will be based on the fully collected value of the property***. As such, an estimate of the taxes based on such value so prospective purchasers are apprised of what could be significant tax increases for future years. In the event tax exemption benefits are not obtained, the assessed value used for calculations is the post-completion assessed value estimated by the Sponsor's real estate tax exemption and abatement expert, and set forth in his letter included in this Plan. The Property Tax Projection Letter provides, in part, that upon conversion to a condominium, the Residential Units will be designated Tax Class 2 and the Non-Residential Units will be designated Tax Class 4. Property Tax Professional assumed a Tax Class 2 tax rate of 12.400% and Tax Class 4 tax rate of 10.600% for tax year 2023. Unit owners shall be entitled to deduct

real property taxes paid on the unit for income tax purposes subject to certain limitation.

The Sponsor filed the Preliminary Application for Certification of Eligibility for ICAP, which was acknowledged by Department of Finance on May 2, 2018. The ICAP program provides an exemption from any increase in assessed value of the property for real estate tax purposes, to the extent that such increase results from the reasonable cost of alteration or improvement to the building, for a period of eleven (11) years after granting of the exemption. Thereafter, the exemption declines by 20% per year until, after the fifteenth (15th) year, real estate taxes will be based on the full assessed value of the property. SCHEDULE A includes the estimated tax payments in the event ICAP Benefits are not obtained. The following table indicates in the schedule form of progressive decrease in tax benefits during the benefits period:

| YEAR | PORTION OF TAX EXEMPTION REMAINING IN EFFECT |
|---|---|
| 1st to 11th | 100% |
| 12nd | 80% |
| 13rd | 60% |
| 14th | 40% |
| 15th | 20% |
| 16th | 0% |

The projections set forth herein are based on current New York City Tax rate and assessment procedures. No guarantee or warranty is or can be made that the tax rate 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 which are reflected in the assessed value. Therefore, the estimate contained in Schedule A for monthly real estate taxes in the event ICAP tax benefits are not obtained may not accurately reflect the taxes which will apply at the expiration of the benefits period.

However, the purchasers of the non-residential Units are hereby advised that they are purchasing with no guarantee of obtaining tax benefits, as it is possible that the benefits will not be obtained before the closing of the first unit and there is no guaranty that benefits will be granted to the property. The Sponsor will use its best efforts to obtain those benefits.

The Sponsor's projection of tax due for the first year of operation is based on the figures and assumptions in the accompanying Tax Counsel's opinion as to real estate tax benefits. However, it is not possible to accurately determine what the increase and actual assessed valuation will be. Moreover, it is equally impossible to predict any future increases in real estate tax rates, which may affect the amount of tax due on the property.

**NO WARRANTY IS OR CAN BE MADE THAT THE BENEFITS SET FORTH HEREIN WILL BE OBTAINED. IN THE EVENT THE BENEFITS ARE NOT**

**OBTAINED, OR IN THE EVENT THERE ARE INCREASES IN THE TAX RATE, OR THE PROPERTY'S ASSESSED VALUATION, OR IN THE STATUTES GOVERNING THE TAX BENEFITS, REAL ESTATE TAXES MAY BE HIGHER THAN THOSE SET FORTH ON SECTION (X): REAL ESTATE TAXES FOR THE FIRST YEAR OF OPERATION AND IN FUTURE YEARS. HENCE, INDIVIDUAL CARRYING COSTS FOR ALL UNITS WOULD ALSO BE HIGHER.**

On closing, Sponsor shall deposit with the Board of Managers a sum sufficient to pay all taxes due for the balance of 2023/2024 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 Purchaser 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 2023/2024 tax year. On closing, Sponsor may pay directly all real property taxes due for the balance of 2023/2024 tax year. It is anticipated that Units will be separately assessed for the 2023/2024 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.

(2) **The Property is taxed by the City of New York** which, through the Department of Finance, should have a projected assessed value for Residential Units for 2023/2024 $850,838, and imposes a tax rate of Twelve point four percent (12.235%) on Residential units and impose a tax rate of ten point six percent (10.6%) on Community Facility. The amounts of real estate taxes payable are set forth in SCHEDULE A and the amounts are determined by applying the applicable tax rate to the non-exempt portion of the assessment as set forth in the attached letter from Thomas E. Berinato, Esq., and then allocating the amount due in conformity with the allocation of Common Interests. The City of New York is not bound by the allocation of Common Interests, and may allocate on a different basis. All figures are estimates.

(3) **Sponsor has obtained an estimate** from Thomas E. Berinato, Esq. of a post-completion assessed value of $2,999,166, commencing in the 2023/2024 Tax Year.

(4) Unless otherwise as set forth in the attached letter from Thomas E. Berinato, Esq., there are no other known or tentative changes in the assessed valuation or tax rates which will affect the condominium unit. 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.

(5) There are no tax certiorari proceedings currently pending.

(6) **Individual owners may challenge the assessment** of their property by filing a tax protest in accord 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.

(7) **Tax Exemption and Abatement Benefits**. The Offering Plan represents that the non-residential Unit Owners may receive tax benefits pursuant to Industrial & Commercial Abatement Program (ICAP) under City of New York. However, the possibility of not obtaining real estate tax benefits is included in the SPECIAL RISK section of the plan and purchasers should be clearly advised that they are purchasing with no guarantee of obtaining tax benefits. Sponsor will use its best efforts to obtain those benefits and must project the amount, commencement and duration of the benefits as indicated therein the letter from Thomas E. Berinato, Esq., and Schedule A. (SEE SECTION (C): SPECIAL RISK.)

(i) The Unit Owners may receive tax benefits pursuant to Industrial & Commercial Abatement Program (ICAP) under City of New York. However, the purchasers are hereby advised that they are purchasing with no guarantee of obtaining tax benefits. As it is possible that the benefits will not be obtained before the closing of the first unit and there is no guaranty that benefits will be granted to the property. The Sponsor will use its best efforts to obtain those benefits. (SEE SECTION (C): SPECIAL RISK.)

(ii) If the tax benefits are not in place at the time the proposed offering plan is first submitted to the Office of the Attorney General, the effect on the projected total monthly carrying charges with and without tax benefits is as detailed in Schedule A under Columns (8) and (9).

(iii) Tax benefits for non-residential units may be available and sponsor is applying for such benefits. (SEE SECTION (C): SPECIAL RISK.)

(iv) Sponsor is not applying for J-51 benefits.

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(v) (a) Upon closing, Sponsor will make all tax benefit documents available to the board of managers for inspection and copying for the life of the benefits; and

(b) Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits. (See SECTION (C): SPECIAL RISK.)

(vi) The anticipated benefits provided pursuant to this section are stated in more particularity in the letter, included in this Offering Plan from Thomas E. Berinato, Esq. An application was filed on behalf of the Sponsor. Briefly stated, however, the program provides an exemption from any increase in assessed value of the property for real estate tax purposes, to the extent that such increase results from the reasonable cost of alteration or improvement

to the building, for a period of eleven (11) years after granting of the exemption. Thereafter, the exemption declines by 20% per year until, after the fifteenth ($15^{th}$) year, real estate taxes will be based on the full assessed value of the property. SCHEDULE A includes the estimated tax payments in the event ICAP Benefits are not obtained. The following table indicates in the schedule form of progressive decrease in tax benefits during the benefits period:

| YEAR | PORTION OF TAX EXEMPTION REMAINING IN EFFECT |
|---|---|
| 1st to 11th | 100% |
| 12nd | 80% |
| 13rd | 60% |
| 14th | 40% |
| 15th | 20% |
| 16th | 0% |

The projections set forth herein are based on current New York City Tax rate and assessment procedures. No guarantee or warranty is or can be made that the tax rate 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 which are reflected in the assessed value. Therefore, the estimate contained in Schedule A for monthly real estate taxes in the event ICAP tax benefits are not obtained may not accurately reflect the taxes which will apply at the expiration of the benefits period.

The explanation and projection prepared by the Sponsor's tax abatement expert, who prepared the ICAP application, is expressly adopted by the Sponsor and included as part of this Offering Plan.

**(8) Tax Status of the Condominium.** Ordinarily, a condominium board may elect to be exempt from federal income taxes on Common Charges collected from Unit Owners under Section 528 of the Internal Revenue Code, provided certain prerequisites are met.

In order to elect such status,

a) the Condominium must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property;

b) 60% or more of the gross income of the Condominium for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Units in the Condominium;

c) 90% or more of the net expenditures of the Condominium for the taxable year must be for the acquisition, construction, management, maintenance and care of the Property;

d) no part of the net earnings of the Condominium may inure (other than by acquiring, constructing or providing management, maintenance and care of the Property and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual;

e) substantially all of the Units must be used by individuals as residents; Treasury Regulation 1.528-4(b) provides that substantially all of the Units will be treated as used by individuals for residences only if at least 85% of the total square footage of all Units are used as such residences; and

f) the Condominium must make such election at such time in such manner as the Secretary of the Treasury prescribes by regulations.

Under the Treasury regulations issued pursuant to Section 528, a condominium management association must qualify annually for the election under Section 528; and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of Section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

The Condominium will not fulfill the requirement mentioned in e) as the total square footage of all Residential Units does not account for 85% of the total square footage of all Units. The Condominium does not qualify for exemption from federal income taxes on Common Charges collected from Unit Owners, as stated under Section 528 of the Internal Revenue Code.

## INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of a Residential Unit as a personal unit was prepared by Sponsor, based in part, upon the income tax opinion of Dylan Chan Law Firm, P.C., counsel to Sponsor, a copy of which is set forth in the Offering Plan.

**DYLAN CHAN LAW FIRM, P.C. IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT PURCHASER'S OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF THE UNIT OWNERSHIP UNDER THE PLAN.**

### Income Tax Deductions to Residential Unit Owners

A Residential Unit Owner will own the Condominium Unit which he or she purchases and its appurtenant Common Elements in fee simple absolute and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. As a result, a Unit Owner may be entitled to deduct for Federal, New York State and in case of New York City residents, New York City income tax purposes, real estate taxes assessed against the Unit and paid by such owner as well as interest paid by the Unit Owner on certain mortgages made against the Unit, subject to certain exceptions and limitations as discussed in the Attorney's Income Tax Opinion. Generally, an individual Unit Owner may only deduct interest on debt incurred to acquire his principal residence or a designated secondary residence subject to certain limitations. Each Purchaser should consult with his or her own tax counsel, accountant or other financial advisor as to the tax consequences of the ownership of a condominium unit.

Subject to certain exceptions and limitations that are more particularly discussed in the Opinion of Counsel – Income Tax Deductions to Unit Owners and Tax Status of Condominium," it is the opinion of Dylan Chan Law Firm, P.C. that a Residential Unit Owner who uses the Residential Unit as a personal residence will, under present law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that deductions, if applicable, may vary in the future due to changes in the interest rate or the Residential Unit Owner's mortgage or from changes in the allocation of the constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assess value, the tax rate or the method of assessing the real property. Purchasers who are individuals should note that interest paid on a mortgage secured by a personal residence generally is deductible only with respect to indebtedness that is incurred in acquiring or substantially improving a principal or secondary personal residence and, for taxable years beginning after December 31, 2017 and before January 1, 2026, only up to an aggregate indebtedness of $750,000 (or $375,000 in the case of a married individual filing a separate return).

Interest on home mortgage debt that does not satisfy these requirements, such as home equity indebtedness, or is in excess of these limitations would not be deductible. In addition, Residential Unit Owners should note that special limitations may apply to the deductibility of points and prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions. Purchasers should further note that, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes, state and local personal property taxes, state and local, and foreign, income, war profits, excess profits taxes, and general sales taxes (if elected) for any tax year is limited to $10,000 ($5,000 in the case of a married individual filing a separate return). Purchasers should discuss the Alternative Minimum Tax ("AMT") with their accountant to understand the impact by AMT on their deductions.

No opinion is rendered with respect to the deductibility of any payments by the Non-Residential Unit Owners.

**Tax Status of the Condominium**

Ordinarily, a condominium board may elect to be exempt from federal income taxes on Common Charges collected from Unit Owners under Section 528 of the Internal Revenue Code, provided certain prerequisites are met.

In order to elect such status,

a) the Condominium must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property;

b) 60% or more of the gross income of the Condominium for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Units in the Condominium;

c) 90% or more of the net expenditures of the Condominium for the taxable year must be for the acquisition, construction, management, maintenance and care of the Property;

d) no part of the net earnings of the Condominium may inure (other than by acquiring, constructing or providing management, maintenance and care of the Property and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual;

e) substantially all of the Units must be used by individuals as residents; Treasury Regulation 1.528-4(b) provides that substantially all of the Units will be treated as used by individuals for residences only if at least 85% of the total square footage of all Units are used as such residences; and

f) the Condominium must make such election at such time in such manner as the Secretary of the Treasury prescribes by regulations.

Under the Treasury regulations issued pursuant to Section 528, a condominium management association must qualify annually for the election under Section 528; and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of Section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

The Condominium will not fulfill the requirement outlined in Treasury Regulation 1.528-4(b), which stipulates that substantially all of the Units must be used exclusively for residences, with at least 85% of the total square footage dedicated to such purposes. Consequently, the condominium does not qualify for exemption from federal income taxes on Common Charges collected from Unit Owners under Section 528 of the Internal Revenue Code.

It is also our opinion under present law that real estate taxes assessed against a Unit Owner's Unit which are paid or accrued by such owner will be deductible for federal income tax purposed in the appropriate year according to his method of accounting, provided that he itemizes his deductions. Pursuant to changes in the 2017 Tax Cuts and Jobs Act, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes, state and local personal property taxes, state and local, and foreign, income, war profits, excess profits taxes, and general sales taxes (if elected) for any tax year is limited to $10,000 ($5,000 in the case of married individual filing a separate return).

Each purchaser should consult with his or her own tax counsel as to the tax consequences of the offering plan and of the purchase of a condominium unit.

## SECTION (Y): OPINIONS OF COUNSELS

## OPINION OF COUNSEL - INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

**Dylan Chan Law Firm, P.C.**
**136-20 38th Ave, Suite 11C, Flushing, NY 11354**
**Tel: (212) 274-9930 Fax: (212) 274-8613**

September 1, 2023

136-78 LLC
131-03 40th Road, Apt 8F
Flushing, NY 11354

Re: Offering Plan for Condominium of Premises:
Penrose Tower
136-80 41 Avenue, Queens, NY 11355

Gentlemen:

This letter is being sent to you with the expressed understanding that our firm assumes no liability for our opinions presented herein. These opinions are presented only for your assistance in preparation of your offering plan for the above captioned project.

You have requested our opinion with respect to:

A. The availability of certain deductions for Federal, New York State and New York City income tax purposes (but not for purposes of New York City Earnings tax on nonresidents) to persons who purchase Units for private residential use ("Unit Owners") under the plan; and

B. The proper treatment by the Condominium Board for such income tax purposes of the Common Charges paid or borne by all Unit Owners. Except where otherwise indicated herein, the terms used in this opinion have the same meanings as in the offering plan.

A. Deductions for Mortgage Interest and Real Estate Taxes:

Pursuant to the Plan, the purchaser of a Condominium Unit will receive legal title in fee simple to a Condominium Unit as well as ownership of an undivided interest in the land and appurtenances and all other parts of the Condominium Property held in common with the other owners of Condominium Units. Such a purchaser will have the right to place an individual mortgage on his separate Condominium unit and will be liable to the local tax authority for the real estate taxes and assessments with respect to his interest in the property.

This opinion addresses certain of the federal, New York State and New York City income tax consequences that would result from the ownership of a Unit by an individual who is a resident of New York City for tax purposes, who purchased such Unit on or after the date hereof, and who uses the Unit as a qualified residence. It does not address, among other things, the tax consequences of ownership of a unit other than a Unit by any person or entity; and does not address the tax consequences of the ownership of Units by corporations, other entities or foreign persons, or individuals who are not residents of New York City; or, except as specifically discussed, by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income.

In our opinion under present law, subject to the limitations discussed in the following paragraph, interest on a mortgage secured by a Unit paid or accrued by the owner of such Unit who is liable for the interest payment on such mortgage and who uses the Unit exclusively as his personal residence will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion, we assume that such interest is not prepaid, that the mortgage proceeds were used by the Unit Owner to purchase the Unit, that the Unit is the owner's principal residence and that the Unit Owner is an individual.

Except as provided below, residential interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Unit, this ceiling is $750,000, or $375,000 in the case of a married individual filing a separate return. However, special limitations may apply to the deductibility of points and prepaid interest if any.

It is also our opinion under present law that real estate taxes assessed against a Unit Owner's Unit which are paid or accrued by such owner will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. Pursuant to changes in the 2017 Tax Cuts and Jobs Act, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes, state and local personal property taxes, state and local, and foreign, income, war profits, excess profits taxes, and general sales taxes (if elected) for any tax year is limited to $10,000 ($5,000 in the case of a married individual filing a separate return).

We note that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax.

Subject to certain limitations for high income taxpayers, the mortgage interest and real estate taxes described above will also be allowable as deductions for New York State and New York City income tax purposes to a resident individual, under Section 615 of the New York State Tax Law.

B. Common Charges:

Common Charges will be borne by the Unit Owners and assessed and collected by the Board of Managers ("Condominium Board").

Under Section 528, some Condominium Boards may be eligible to be exempt from tax on Common Charges collected from Unit Owners, provided the requirements of Section 528 are met. Generally, the requirements of Section 528 are as follows:

i. The condominium management association must be organized and operated solely to provide for the acquisition, construction, management, maintenance and care of the association property;

ii. Sixty percent or more of its gross income of the condominium management association must consist of membership dues, fees and assessments from owners of residential units;

iii. Ninety percent or more of the expenditures of the condominium management association must be for the purpose of acquiring, constructing, managing, maintaining and caring for property of the Condominium;

iv. No part of the net earnings can inure to the benefit of private individuals other than by the acquisition, construction, management or maintenance of the condominium management association's property or by rebates of excess assessments;

v. Substantially all of the units must be used as residences; Treasury Regulation 1.528-4(b) provides that substantially all of the Units will be treated as used by individuals for residences only if at least 85% of the total square footage of all Units are used as such residences; and

vi. The Condominium must make such election at such time in such manner as the Secretary of the Treasury prescribes by regulations.

Under the Treasury regulations issued pursuant to Section 528, a condominium management association must qualify annually for the election under Section 528, and it must make a separate election for each taxable year. The ability of the Condominium Board to elect the benefits of Section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

It appears that based upon your representations to us, that the requirements will not be met as the Offering Plan is presently structured. With respect to requirement (v) above "Substantially all" is interpreted in Treasury Regulation 1.528-4(b) as meaning at least 85% of the total square footage of all units in the project. Since more than 85% of the total square footage of all of the Units are residential, the "Substantially all" requirement is not met. The Condominium will not meet the requirement outlined in Treasury Regulation 1.528-4(b), which stipulates that substantially all of the Units must be used exclusively for residences, with at least 85% of the total square footage dedicated to such purposes. Consequently, the

condominium does not qualify for exemption from federal income taxes on Common Charges collected from Unit Owners under Section 528 of the Internal Revenue Code.

Under existing law, the tax status of the Condominium Board is uncertain. The By-Laws provide that the Condominium Board will act as the agent of the Unit Owners. Thus, the Condominium Board may take the position that it is simply a conduit for receipts and payments of the Unit Owners for whom it acts as agent and not a separate entity. In such case, the Unit Owners for whom it acts as agent and not a separate entity, would themselves be taxable on any interest or similar income which is earned from investments of the amounts which are assessed and collected from the Unit Owners and/or held as reserve funds.

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Condominium Board, such as the assessment and expenditure of Common Charges, the Unit Owners through the Condominium Board, constitute an association taxable as a corporation. In such event, such association may be deemed subject to the Federal Corporation income tax (and also to New York State and New York City income taxes) on the portion of the Common Charges which is deemed to constitute gross income of such association, to the extent that such portion (together with any income earned from other sources, such as interim investments of funds by such association) exceeds the current expenses paid or incurred through the Condominium Board which are deductible for Federal income tax purposes.

In this connection, published rulings indicate that Common Charges which are assessed by the Condominium Board and designated for use solely to make specified capital improvements and which are maintained in a separate bank account should not constitute gross income to such Board, either because it is deemed to receive and hold such Common Charges as agent for the Unit Owners from whom the assessments were collected (Revenue Ruling 75-370, 1975-2 Cumulative Bulletin 25) or because the assessed Common Charges are deemed to be nontaxable contributions to the capital of the association (Revenue Ruling 75-371, 1975 Cumulative Bulletin 52, *cf.* Concord Village, Inc. 65 T.C. 142 (1975)). However, if treated as contributions to the capital of the association, it should be noted that when such amounts (together with any other funds accumulated by the association) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be treated as receiving a distribution equal to the fair market value of that benefit; under the usual rules applicable to distributors of associations, a distribution is first treated as taxable ordinary income to the extent of the distributee's proportionate share of the association's earnings and profits, then as a tax free recovery of basis to the extent thereof, and the balance, if any, as capital gain.

In the event that the Condominium Board is required to pay any Federal, State or City income tax and the Condominium Board makes an additional assessment in order to meet this tax liability, it should be noted that the additional amount collected through such assessment may itself be subject to tax (see Old Colony Trust Co. v. Commission, 279 U.S. 716 (1929); Revenue Ruling 74-75, 1974-1 Cumulative Bulletin 19, Revenue Ruling 86-14 I.R.B. 1986-5, 33).

We express no views as to any Federal, State or City tax consequences or as to any

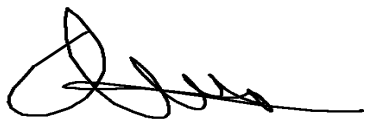
aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or as to any tax status of the Plan of a Unit under the laws of any other jurisdiction.

This opinion does not deal with tax consequences which may result from ownership of a Unit in connection with the Unit Owner's trade or business, other than set forth herein, or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units or Limited Common Elements are acquired and/or leased by the Condominium Board. It is also to be noted that under certain circumstances an owner of any Unit, by virtue of such ownership, may be deemed to become a resident of New York City and that this opinion does not deal with circumstances under which this may occur, or with the income, estate or other tax consequences that may arise therefrom. Thus, each person contemplating purchasing of a Unit is strongly advised to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

**In our opinion, Unit Owners will be entitled to income tax deductions. However, this opinion is not a guaranty; 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 or any other person be liable if there are changes in the facts on which counsel has relied in issuing this opinion or if there are changes in the applicable statues, regulations, law or rulings of the Internal Revenue Service on which counsel has relied which causes Unit Owners not to be entitled to income tax deductions.**

We have been retained by you to provide the opinions expressed in this letter and consent to the inclusion of this letter in any Offering Plan with respect to the Building.

Very truly yours,



Dylan W. Chan, Esq.

# OPINION OF COUNSEL – AVAILABILITY OF PARTIAL REAL ESTATE TAX EXEMPTION

**THOMAS E. BERINATO**
**Attorney At Law**
**123-40 83rd Avenue**
**Suite #1D**
**Kew Gardens, New York 11415**
**Tel.: (718) 575-3400**
Tberinato@verizon.net

March 12, 2024

136-78 LLC
86-22 Broadway
Elmhurst, NY 11373

Re: The Penrose Tower Condominium
136-80 41st Avenue
Flushing, NY

Dear Sirs:

You have requested that I advise you with respect the estimated real estate taxes with respect to the above-referenced building. I am an attorney licensed to practice law in the State of New York since 1982. In that time, I have been continuously practicing real estate law in the State of New York. For several decades, my practice has included a substantial amount of property tax exemption applications, assessment review petitions, certiorari proceedings, and related real property tax work. As such, I am familiar with real property tax assessment practices and procedures in Queens County, where the subject property is located.

The actual assessed valuation after completion of improvement is $2,168,010 for the 24/25 fiscal year and estimated at $3,079,451 (42% more) for the 25/26 fiscal year. This is an estimate of the post completion assessed value made prior to completion and the actual post completion assessed value may be significantly greater resulting in higher taxes. This estimate assumes the building will be complete July 1, 2024. The first year of operation coincides with a single fiscal year and the computation of the estimated taxes for the first two years is as follows:

| Fiscal Year | Assessed Value Year 1 and Estimate Year 2 | Percentage of Condominium Operating Year | Tax Rate | Actual Taxes or Estimate of Taxes For the period in Question |
|---|---|---|---|---|
| 24/25 | $2,165,010 | 100% | 12.502% | $271,044.61 |
| 25/26 | $3,079,451 | 100% | 12.502% | $384,992.96 |

In making this estimate we have assumed the 25/26 assessed value will be 42% greater than the 24/25 assessed value and we have further assumed that the tax rate for class 2 properties will remain at 12.502%.

Real estate taxes for the units will be assessed by the New York City Department of Finance. The current tax rate for residential condominiums (class 2) is 12.502%. We have assumed that the taxes will be allocated between units based on relative square footage. The estimates for the residential units are as follows:

| | Unit Net Square Footage | Estimated Annual Taxes | Estimated Taxes with ICAP exemption |
|---|---|---|---|
| P | 7397 | $47,674 | $11,918 |
| 1A | 1773 | $11,427 | $2,857 |
| 1B | 1500 | $9,667 | $2,417 |
| 2A | 1773 | $11,427 | $2,857 |
| 2B | 758 | $4,885 | $1,221 |
| 2C | 1062 | $6,845 | $1,711 |
| 2D | 1200 | $7,734 | $1,933 |
| 3A | 658 | $4,241 | |
| 3B | 716 | $4,615 | |
| 3C | 860 | $5,543 | |
| 3D | 431 | $2,778 | |
| 3E | 623 | $4,015 | |
| 3F | 492 | $3,171 | |
| 3G | 393 | $2,533 | |
| 3H | 504 | $3,248 | |
| 4A | 641 | $4,131 | |
| 4B | 800 | $5,156 | |
| 4C | 852 | $5,491 | |
| 4D | 428 | $2,758 | |
| 4E | 623 | $4,015 | |
| 4F | 492 | $3,171 | |
| 4G | 393 | $2,533 | |
| 4H | 504 | $3,248 | |

| | Unit Net Square Footage | |
|---|---|---|
| 5B | 800 | $5,156 |
| 5C | 852 | $5,491 |
| 5D | 428 | $2,758 |
| 5E | 623 | $4,015 |
| 5F | 492 | $3,171 |
| 5G | 393 | $2,533 |
| 5H | 504 | $3,248 |
| 6A | 641 | $4,131 |
| 6B | 800 | $5,156 |
| 6C | 852 | $5,491 |
| 6D | 428 | $2,758 |
| 6E | 623 | $4,015 |
| 6F | 492 | $3,171 |
| 6G | 393 | $2,533 |
| 6H | 504 | $3,248 |
| 7A | 641 | $4,131 |
| 7B | 800 | $5,156 |
| 7C | 852 | $5,491 |
| 7D | 428 | $2,758 |
| 7E | 623 | $4,015 |
| 7F | 492 | $3,171 |
| 7G | 393 | $2,533 |
| 7H | 504 | $3,248 |
| 8A | 797 | $5,137 |
| 8B | 731 | $4,711 |
| 8C | 716 | $4,615 |
| 8D | 739 | $4,763 |
| | **42055** | $271,044 |

With ICAP, the commercial units' taxes are estimated to be reduced to about 25% of the unabated amount shown above.

Real estate taxes for the units will be assessed by the New York City Department of Finance. The current tax rate for residential condominiums is 12.502%. In making our

determination of the estimated taxes, we have reviewed similar residential condominium space constructed within the last 5 years in various location in Queens County. The information is summarized below:

| Condominium | Unit | Sq. Foot | Assessed Value | Assessment Per Sq. Foot |
|---|---|---|---|---|
| **Union Turnpike** | #201N | 703 | $38,909 | $55.35 |
| **Mansion** | #202N | 636 | $35,168 | $55.30 |
| 158-15 Union Tpke | #203N | 669 | $37,037 | $55.36 |
| Fresh Meadows, NY | | | | |
| **Grandview** | #2A | 894 | $76,679 | $85.77 |
| **Condominium** | #3B | 764 | $65,784 | $86.10 |
| 145-38 34th Avenue | #4C | 826 | $70,812 | $85.73 |
| Flushing, NY | | | | |

The above comparison of other similar residential condominium space constructed in the last 3 years in Queens County show an estimated average Assessed Value of $70 per square foot per year. For the subject building, I have estimated the taxes based on an assessed value per square foot of $73.22 for the entire building for the 25/26 fiscal year. The 24/25 taxes are actual figures as of this date.

I consent to the inclusion of this letter in the offering plan. I have made this estimate using reasonable care; however, in no event will my firm, the Sponsor, the condominium or any other person be liable if the assessed valuation made is lesser or greater than predicted or if the facts as represented prove to be untrue.

Very truly yours,

THOMAS E. BERINATO

OPINION OF COUNSEL – COMPLIANCE WITH REAL PROPERTY LAW 339(i)

**Youyork Management LLC**
60 E 42nd St, Suite 2140, New York, NY 10165
T: 347-774-5720
E: info@youyorkmgt.com

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

June 6, 2022

Department of Law
28 Liberty Street
New York, NY 10005

Re: Penrose Tower Condominium ("Condominium")

To Whom It May Concern:

You have requested an opinion form us with regards to your allocation of common interest to units in your proposed condominium at 136-80 41st Avenue, Flushing, NY 11355, with section 339-i (1) (iv) of the New York Real Property Law. You have informed us that the method of allocation chosen is based upon floor space, subject to the location of such space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit. Based 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 State Real Property Law.

We have been a licensed Real Estate Broker with extensive experience in the sale, management and rental of cooperative and condominium units in Queens County. We have been a licensed real estate broker for at least four (4) years, and have managed approximately four (4) buildings in this area. We have previously participated in the preparation of individual unit value appraisals for the purpose of inclusion in Offering Plans for the sale 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 only as to the relative value of each unit in relation to the value of the project as a whole; is strictly 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,

Youyork Management LLC

By: _____
Name: Hangyuan Zhang
Title: Licensed Real Estate Broker

SECTION (Z): RESERVE FUND AND/OR CAPITAL FUND

**RESERVE FUND**

Schedule B – Budget for First Year of Condominium Operation includes a line item for a Reserve Fund for the sole purpose of costs and expenses related to capital repairs, replacements and improvements.

While the Sponsor is in control of the Board of Managers, the reserve fund or working capital fund may not be used to reduce projected common charges in the Plan.

If a fund is called a reserve fund, it may be used only for capital expenditures, and the condominium's by-laws shall contain a provision authorizing the establishment of such a fund. All reserve funds collected will be deposited into a separate Reserve Fund Account.

Neither the Department of Law nor any governmental agency has passed upon the adequacy of the fund.

Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within five (5) years of condominium operation. As the systems are new in this project, it is estimated that there will be no foreseeable major capital improvements and/or replacements within the next five (5) years.

Should monies be required by the Condominium for capital expenditures, the condominium board could vote to obtain loans for required expenditures as provided by the New York Real Property Law. Real Property Law § 339 states:

> 1. To the extent authorized by the declaration or the by-laws, the board of managers, on behalf of the unit owners, may incur debt. In addition, subject to any limitations set forth in the declaration or the by-laws, the board of managers, on behalf of the unit owners, may incur debt for any of the purposes enumerated in paragraph (b) of subdivision two of section three hundred thirty-nine-v of this article, provided that (a) such debt is incurred no earlier than the fifth anniversary of the first conveyance of a unit and (b) the incurrence of such debt shall require the consent of a majority in common interest of the unit owners.
>
> 2. In connection with a debt incurred by it, the board of managers, on behalf of the unit owners, may (a) assign the rights in and to receive future income and common charges, (b) create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds, (c) agree that, to the extent of any amounts due under any of the provisions of the agreements under which the debt was incurred and subject to the provisions of subdivision two of section three hundred thirty-nine-I of this article, all common charges received and to be received by it, and the right to receive such funds, shall constitute trust funds for the purpose of paying such debt and the same shall be expended for such purpose before expending any part of the same for any other purpose, and (d) agree that at the lender's direction it

will increase common charges to the extent necessary to pay any amount when due under any of the provisions of the agreements under which the debt was incurred. The preceding sentence shall not be construed to authorize the board of managers to create a lien on the common elements. Any such assignment may provide that, in the event of a default, the lender shall have the right of the board of managers to file liens in the lender's name on units for unpaid common charges pursuant to sections three hundred thirty-nine-z and three hundred thirty-nine-aa of this article and the right to foreclose such liens pursuant to section three hundred thirty-nine-aa of this article.

3. Nothing in this section shall impair rights under any loan or other agreement existing prior to the effective date of this section or limit any right or power that a board of managers would otherwise have.

**WORKING CAPITAL FUND**

At closing of title to each residential Unit, the Unit Owner for such Unit will contribute an amount equal to two (2) months Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time at the closing of title to his or her unit for a working capital fund of the condominium. [See SECTION (S): UNIT 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. 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 A.

The Working Capital Fund will depend on the timing of the closing of title to individual condominium units and any expenditure made by the Condominium Board from such fund. The contribution is not refundable or transferable if Purchaser sells his or her condominium unit.

The initial working capital will be used for working capital and to pay for insurance premiums and other items in the budget which will be payable prior to the time that sufficient monthly Common Charges and assessments have accrued to pay these items. While the Sponsor is in control of the Board of Managers of the Condominium, the Working Capital Fund will not be used to reduce Common Charges, it may not be used to pay operating expense during Sponsor control period..

The Sponsor will be responsible for all of the required operating expenses of the Property prior to the date of the closing of title to the first Unit pursuant to the Plan. The Condominium shall be required to pay all of the operating expenses of the Property accruing on or after the date of the closing of title to the first Unit pursuant to the Plan.

(1) While the Sponsor controls the Board of Managers (see CONTROL BY THE SPONSOR), the Working Capital Fund will not be used to reduce projected Common Charges

in the plan.

(2) Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the Working Capital Fund.

(3) Adjustments for prepaid expenses between the Sponsor and the Board of Managers may be deducted only from the working capital fund. However, Sponsor does not anticipate any substantial credit to the sponsor can be anticipated with reasonable probability, the approximate range or amounts of such adjustment item must be disclosed. Sponsor anticipates no substantial credit.

The net adjustments for prepaid expenses, if in favor of the sponsor, are to be paid in equal monthly installments over the twelve (12) month period following closing.

There will be no minimum working capital fund regardless of the amount of adjustments.

(4) If, by reason of any substantial adjustment item in favor of the sponsor, the sponsor will be paid over a period of time, such as by an installment note, the budget in the plan (Schedule B) must reflect such proposed payments for which there is no item already budgeted, including interest, as a separate line of the budget with a footnote disclosing the nature and purpose of the payments.

Except as expressly provided in this Section of the Plan, Sponsor shall have no obligation to establish or make any contributions to a working capital fund or reserve fund of any kind with respect to the Condominium or the Property.

(5) No representation is made by Sponsor that the Working Capital Fund will be adequate to cover current or future expenses, including repairs or replacements. If additional funds are required over and above the Working Capital Fund for the payment of items not covered by Sponsor's obligations, it may be necessary to increase Common Charges or separately assess all Unit Owners.

The condominium board could vote to obtain loans for required expenditures as provided by the New York Real Property Law.

## SECTION (AA): MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

The Condominium will initially be managed by Sponsor, 136-78 LLC, a limited liability company, with an office located at 131-03 40th Road, Apt 8F, Flushing, NY 11354. There is no management agreement.

The Condominium will initially be managed by Sponsor at the annual fee of twenty thousand dollars ($20,000**)** for two (2) year after the closing of the first unit or whenever the unsold units constitute less than twenty five percent (25%) of the common interests, whichever is sooner. This period corresponds directly to the Sponsor's control period. This amount is slightly less than the prevailing rate of such service which is commonly nine percent (9%) of the total common charges to be collected from the unit owners, amounting annually to $20,142.75 (9% of $18,650.69 per month multiplied by 12 months). The budget for the first year of operations does provide full amount for the services of sponsor for the Condominium. Purchaser shall note, however, that the termination of such arrangement may not be likely with the Sponsor-controlled Board. Should a unit owner-controlled board assume management, it has the option to retain a managing agent. An independent managing agent or company is estimated to charge a similar fee of about $20,000 per year, consistent with the prevailing rate, and this fee is accounted for in the budget.

The Condominium Board has a fiduciary duty to the Condominium, even during while Sponsor is in control. While the Sponsor manages the Condominium, the Sponsor will have all the rights and obligations set forth in "SECTION (T): RIGHTS AND OBLIGATIONS OF THE SPONSOR," along with the management duties set forth in the By-Laws as belonging to the Board of Managers. As managing agent, Sponsor 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, the enforcement of the provisions of the By-Laws, collecting common charges, bookkeeping, and providing payroll services, and shall have the powers and duties necessary for the administration of such affairs. After Two (2) year from the date of closing of the first unit or whenever the unsold units constitute less than twenty five percent (25%) of the common interests, whichever is sooner, management of the Condominium shall be transferred from Sponsor to Board of Managers. It is anticipated that the affairs and management of the Condominium shall be done by the Board of Managers at no cost. The duties of the Board with respect to management of the Condominium are set forth in Section "V & W" of this Offering Plan. After management duties are turned over to the Board of Managers, 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, as set forth in the By-Laws. **(SEE SECTION (H): FOOTNOTE 9 TO SCHEDULE B; SECTION (V): BOARD OF MANAGERS; AND SECTION (W): RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND BOARD OF MANAGERS FOR A MORE COMPLETE EXPLANATION.**)

There are no contracts and leases binding on the Condominium. [SEE SECTION (C):

SPECIAL RISK.]

## SECTION (BB): IDENTITY OF PARTIES

## IDENTITY OF PARTIES

### SPONSOR

The Sponsor of this project is 136-78 LLC, a limited liability company organized on May 24, 2016, with office located at 131-03 40th Road, Apt 8F, Flushing, NY 11354. ("Sponsor").

The Sponsor has not been involved with any other real estate development and have no prior experience as a Selling Agent of condominium units. The Sponsor is not a contract vendee.

The Principals of the Sponsor are Cai Yu Chen, Shao Zhen Lin, Mei Song Xiao, Heng Yuan Ou, and Li Yun Ou, having an office address c/o Sponsor at 131-03 40$^{th}$ Road, Apt 8F, Flushing, NY 11354.

The Sponsor's principal, Cai Yu Chen, serving as a chef in Q&Q Restaurant Inc. since January 2012, has never been involved in the real estate construction industry. This is his first condominium development project.

The Sponsor's principal, Shao Zhen Lin, working as Manager Assistant in Q&Q Restaurant Inc., has never been involved in the real estate construction industry. This is his first condominium development project.

The Sponsor's principal, Mei Song Xiao, working as Manager in China Wok Buffet, has never been involved in the real estate construction industry. This is his first condominium development project.

The Sponsor's principal, Heng Yuan Ou, working as Manager in Eastern Buffet, has never been involved in the real estate construction industry. This is his first condominium development project.

The Sponsor's principal, Li Yun Ou, working as Cashier in Ruxin Grocery, has never been involved in the real estate construction industry. This is his first condominium development project.

There are no felony convictions of Sponsor and/or any Principals of Sponsor. There are no prior bankruptcies, convictions, injunctions and judgments against the Sponsor, any Principals of the Sponsor, and/or entities in which Principals of the Sponsor were principals, that may be material to the Offering Plan or to an offering of securities generally and that

occurred within the last fifteen (15) years prior to submission of the proposed Offering Plan.

Also, all individuals who own or control a ten percent (10%) or more equity interest in the Sponsor are listed above as the Principal(s). There are no other individuals who own or control a ten percent (10%) or more equity interest in the Sponsor other than said Principals(s).

There are no other properties offered for sale by Sponsor, Sponsor's Principals, or any affiliates of Sponsor or Sponsor's Principals, as cooperatives, condominiums, planned unit development homes, or time shares which were first offered within the past five (5) years.

There is no other cooperative, condominium or homeowners association, other than the subject building(s), where the Sponsor, general partner or principal of the Sponsor, or the successor sponsor, owns ten percent or more of the unsold shares or units as an individual, general partner or principal.

The Sponsor, general partner, principal or successor sponsor is current in its financial obligations, including, but not limited to, payment of maintenance or common charges, taxes, reserve or working capital fund payments, assessments, payments for repairs and improvements promised in the plan, and payments of underlying mortgages and loans for which shares or units have been pledged or mortgaged.

## ATTORNEY

Sponsor has engaged Dylan Chan Law Firm, P.C. to represent them in legal matters arising or pertaining to the filing of Condominium offering plan. Dylan Chan Law Firm, P.C. represents the Sponsor, not the Condominium, which is not represented by counsel. Mr. Chan also prepared this Offering Plan. Dylan Chan Law Firm, P.C. will represent the Sponsor in connection with the individual Unit closings. Dylan Chan Law Firm, P.C. will also act as the escrow agent and as Sponsor's closing attorney. Dylan W. Chan, as principal of Dylan Chan Law Firm, P.C., has practiced law in State of New York for more than twenty-two (22) years.

## MANAGING AGENT

The Condominium will initially be managed by the Sponsor. The Condominium will be managed by a Board of Managers elected by the Unit Owners and Sponsor. Sponsor has no experience as a managing agent.

## SELLING AGENT

The Sponsor of this project is also the Selling Agent of Condominium Units.

(i) There are no felony convictions of Selling Agent or any Principals of the Selling Agent;

(ii) There are no prior bankruptcies, convictions, injunctions and judgments against the Selling Agent, or any Principals of the Selling Agent that may be

material to the Offering Plan or to an offering of securities generally and that occurred within the last fifteen (15) years prior to submission of the proposed Offering Plan.

## REGISTERED ARCHITECT

The architect, Raymond Chan, R.A., Principal of Raymond Chan Architect P.C., having address at 136-68 Roosevelt Ave, #6C was the signing architect of the architectural plan for the project. Raymond Chan, R.A. has been an architect in excess of 30 years providing architecture and engineering solutions; has participated in the design of numerous buildings throughout New York City, covering a wide range of construction projects including residential, retail, office, mixed-use, cultural, institutional, healthcare, condominiums and hospitality properties.

The following is a representative list of condominium projects in which Raymond Chan Architect P.C. has been involved:

The Farrington, situated at 134-37 35th Avenue, Flushing, New York.
The Meridian, situated at 37-24 33rd Street, Long Island City, New York.
The Bond, located at 46-20 11th Street, Long Island City, New York.
The Giovanni, situated at 501 Myrtle Avenue, Brooklyn, New York.
The Bowery, located at 139 Bowery, New York, New York.
Northern Residences, situated at 35-32 Leavitt St, Flushing, New York.
Winley Plaza, located at 55-21 8th Ave, Brooklyn.
Union Center, situated at 37-16 Union Street, Flushing, New York.
The Roosevelt, located at 136-68 Roosevelt Avenue, Flushing, New York.

Raymond Chan, R.A. was responsible for the preparation of the Architect's Property Description.

## RELATIONSHIP

There is no relationship between the Sponsor or its Principals and (i) the Registered Architect; and (ii) any person or firm who will provide services to the Condominium subsequent to the commencement of condominium operation; except that the Sponsor and Selling Agent are the same entity and there is no Managing Agent.

## SERVICE OF PROCESS

There is no out-of-state Sponsor or Selling Agent or any principals of the Sponsor or of the Selling Agent who reside outside of New York. Thus, there is no designation of the Secretary of State to receive service of process for same.

## SECTION (CC): REPORTS TO UNIT OWNERS

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

(1) a financial statement of the condominium prepared by a certified public accountant or public accountant by **on or before March 1 of each year**; such statement shall be certified while the sponsor is in control of the board of managers;

(2) **not less than ten (10) nor more than forty (40) days** prior notice of the annual Unit Owner's meeting; and

(3) a copy of the proposed annual budget of the condominium by **thirty (30) days** prior to the date set for adoption thereof by the board of managers; while the sponsor is in control of the board of managers such budget shall be certified in compliance with 13 NYCRR Section 20.4(d).

## SECTION (DD): DOCUMENTS ON FILE

Sponsor shall keep copies of the plan, all documents referred to in the plan and all Exhibits submitted to the Office of the Attorney General in connection with the filing of the plan, on file and available for inspection without charge and copying at a reasonable charge at a specified location for six (6) years from the date of first closing.

Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first unit.

## SECTION (EE): 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.

(1) **Pending Lawsuits.** There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or any other person or persons which might become a lien against the Property or which 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.

(2) **Property Prior Offering.** The Property has not been the subject of any prior cooperative or condominium offerings. There are no preliminary binding agreements entered with any Purchaser, nor has any money been collected from any perspective Purchaser. There has been no market test pursuant to Cooperative Policy Statement No. 1.

(3) **Non-Discrimination.** 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 Agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

(4) **Material Amendment and Rescission Right.** If there is a material amendment to the Offering Plan that adversely affects a Purchaser, Purchaser shall have the right to rescind his 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. [See PROCEDURE TO PURCHASE Section and 13 NYCRR Section 20.5(a)(5).]

(5) **No Circumstances Affecting Use or Enjoyment of Property.** There are no existing circumstances which may affect use or enjoyment of the property and appurtenances, such as reciprocal covenants or easements, impending adjacent high-rise construction, any usage restriction by statute, ordinance or zoning resolution such as specified occupancy percentage by certified artists, or historic district or landmark designation, unless disclosed elsewhere in the plan.

(6) **All Units are Vacant.** All Units are vacant and not occupied by any tenants as of the date of this Offering Plan for any condominium unit.

(7) **No Contracts.** No contracts or agreements have been entered into and no deposits or advances of funds have been accepted as of the date of the plan is accepted for filing.

## SECTION (FF): RESERVATION OF AIR AND DEVELOPMENT RIGHTS

Sponsor is not reserving the right to transfer air or developmental rights to other buildings.

## SECTION (GG): SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the DESCRIPTION OF PROPERTY set forth in Part II of this Offering Plan. Sponsor represents that sponsor has no knowledge of any material defects or need for major repairs to the property except as set forth in the DESCRIPTION OF PROPERTY AND SPECIFICATIONS. With reference to such material, a licensed architect prepared the DESCRIPTION OF PROPERTY AND SPECIFICATIONS contained therein.

In as much as the building is newly constructed, there is no official inspection report reflecting upon condition of the premises, such as notices of building code violations, or any reports required by local law. In compliance with the federal law, lead-based paint is not used for the construction of the building.

This plan contains a fair summary of the pertinent provisions of the various documents referred to herein and does not knowingly omit any material fact or contain any untrue statement of material fact relating to this offering. Any information or representation made, not contained in this Plan, must not be relied on. This Plan may not be modified orally.

# PART II

**PURCHASE AGREEMENT**

Sponsor: 136-78 LLC Unit _____ Date: _____

Address: 131-03 40th Road, Apt 8F, Flushing, NY 11354

Purchaser(s)_____

Purchaser's Address_____

Purchaser's contact Phone Number: _____

Purchaser's Attorney_____Email_____

Attorney's Address_____

Attorney's Telephone No. _____Fax: _____

Broker_____ Telephone No _____

Premises: Penrose Tower, 136-80 41 Avenue, Unit_____, Queens, NY 11355

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.** Any payment made by check is accepted subject to collection. If any check tendered is not honored, Purchaser shall provide a certified check or bank cashier's check payable directly to the payee on the dishonored check within seventy-two (72) hours after demand for replacement therefore.

Notwithstanding the foregoing, if for any reason whatsoever the check given by Purchaser as the down payment hereunder is dishonored, Seller shall have the right to cancel this Purchase Agreement. Seller's election to cancel shall not be deemed a waiver by Seller of its right to pursue other remedies.

**THE PAYMENT DUE AT CLOSING IN ACCORDANCE WITH THIS PURCHASE AGREEMENT ON ACCOUNT OF THE PURCHASE PRICE MUST BE MADE BY PURCHASER'S PERSONAL CERTIFIED CHECK OR OFFICIAL TELLERS CHECK ON A NEW YORK CLEARINGHOUSE BANK PAYABLE DIRECTLY TO SELLER OR SELLER'S DESIGNEE. IF PAYMENT SHALL BE MADE TO SELLER'S DESIGNEE, SELLER SHALL GIVE PURCHASER PRIOR INSTRUCTIONS. UNCERTIFIED CHECKS OF FUNDING COMPANIES, ATTORNEY'S ESCROW CHECKS AND CHECKS PAYABLE TO PURCHASER OR ANOTHER PARTY AND ENDORSED TO SELLER WILL NOT BE ACCEPTED AND TENDER OF SAME WILL NOT CONSTITUTE COMPLIANCE BY PURCHASER OF THEIR OBLIGATIONS HEREUNDER.**

Title to all items of personal property shall be delivered free and clear of all liens and encumbrances, except the lien of the mortgage applied for by Purchasers herein, if any.

1) **DESCRIPTION OF UNIT** - Seller agrees, at its own cost and expense, to erect and complete, and Purchaser shall buy from Seller, the condominium unit(s) known as Residential Unit No. _____ (the "Residential Unit"), together with a combined _____percent undivided interest in the common elements of the condominium (the "Common Elements") known as Penrose Tower Condominium (the "Condominium"), located on 136-80 41 Avenue, Queens, NY 11355, and as described in the Declaration of Condominium to be recorded in the New York County Register's Office, Queens County, to be built by Seller on property comprising the Condominium Map (the "Property") filed or to be filed in the New York County Register's Office, Queens County. The Residential Unit shall hereinafter be referred to as the "Unit". The Unit shall be constructed in accordance with the requirements as to materials and workmanship of the Building Department of the City of New York, which, when completed, will be in substantial accordance with the plans as filed or to be filed with the Building Department of the City of New York.

The Unit may vary from any models displayed to Purchaser, and Purchaser should not rely on any model depiction of the units in the Condominium. All dimensions are approximate and may vary from the floor plans of the Condominium.

The Unit shall not include any of the following if displayed in any unit or model unit: decorative fixtures, furniture, furnishings, paint, wallpaper, carpeting, shelves, wall and window treatments, built-ins, burglar alarm systems, site lighting, special landscaping installed

at any model units, washer/dryer, central vacuum systems, patios, decks, high-hat lighting, additional fixtures and switches added for decorative purposes, pull down staircases and skylights and other optional fixtures or features exhibited in any model units and/or any sales office excepting those specifically set forth as may be attached to this Purchase Agreement, or above. Purchaser acknowledges that the above features, as contained in any model unit and/or sales office are for display purposes only and are not included in this sale unless specifically provided for in this Purchase Agreement.

All improvements containing natural materials are subject to fade. Seller shall not be responsible to change, replace or remove any improvements in the event they fade.

2) **OFFERING PLAN** - Seller has exhibited and delivered to the Purchaser, and Purchaser acknowledges having received, read and understood, the Offering Plan for condominium ownership of the Property and all amendments thereto filed to date, all of which are incorporated by reference and made a part of this Purchase Agreement, with the same force and effect as if fully set forth in this Purchase Agreement. Purchaser agrees to be bound by the Offering Plan, including all amendments thereto now or hereafter filed by Seller (collectively the "Plan"). Seller may freely amend the Plan in any respect from time to time, without Purchaser's approval or consent. Any conflict between the Plan and this Purchase Agreement shall be resolved according to the terms of the Plan. Purchaser acknowledges having received and read the Plan at least three (3) business days prior to signing this Purchase Agreement and having had full opportunity to examine all papers and documents and investigate all matters set forth in the Plan.

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

4) **GOVERNMENTAL REQUIREMENTS** – If after the date of this Purchase Agreement any law or governmental authority requires any substitutions, changes or additions in any part of the construction of the Unit, the materials used in construction, the manner of construction or any other aspect of development, then the actual cost of such substitution, change or addition shall be added to the price of the Unit and shall be payable by Purchaser to Seller at Closing (defined below), provided, however, that if the amount of such additional cost exceeds $1,000, then Purchaser may cancel this Purchase Agreement and receive a full refund of all payments made to Seller on account of the purchase price, whereupon neither party shall have any further liability of obligation to the other in connection with this Purchase Agreement or transaction.

However, such right to cancel this Purchase Agreement shall automatically terminate if Purchaser fails to give written notice of cancellation to Seller within ten (10) days after Seller informs Purchaser of the amount of the additional expense.

5) **MORTGAGE FINANCING** - This Purchase Agreement is not conditioned upon Purchaser obtaining mortgage financing. In the event Purchaser is unable to obtain a mortgage, this Purchase Agreement shall remain in effect and Purchaser shall have an ongoing obligation to consummate the transaction. If a Purchaser does not consummate the transaction

and close title to the Unit as a result of Purchaser's inability to obtain a mortgage, Purchaser will be in default under this Purchase Agreement and Seller may retain all monies as provided for in Paragraph 22 herein. Purchaser further understands and agrees that if he or she chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in his financial status or condition shall release or relieve him of his obligations pursuant to this Purchase Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the closing beyond the expiration of the loan commitment.

6) **CLOSING DATE; ADJOURNMENTS; CONSTRUCTION DELAYS BY SELLER** - The act of transferring ownership of the Unit in return for payment in full of the Purchase Price and all other sums due from Purchaser under this Purchase Agreement is known as the "Closing". The Anticipated Closing Date indicated on the first page of the Purchase Agreement is an approximate date and Seller cannot make any guarantees that such date will be the actual Closing Date. Seller shall have the right to adjourn or advance such Closing Date as provided herein. The Closing shall take place at such time and place and on such date as Seller shall designate by prior written notice ("Notice for Closing") delivered in accordance with Paragraph 30 herein, which shall be given no less than thirty (30) days before the date set for Closing. Purchaser may waive the thirty (30) day notice period by execution and delivery a rider to the Purchase Agreement if so agreed upon by the Purchaser.

Should Seller be unable to convey title to Purchaser in accordance with the Notice for Closing, Seller shall have the right, from time to time, to adjourn the date and time for Closing on written notice to Purchaser. In such event, Seller shall, by a new Notice for Closing, fix a new date and time for Closing, which shall be no less than ten (10) days before the new scheduled date and time for Closing.

If the Closing takes place at the request of Purchaser at any location other than the office of Seller's attorney, Purchaser shall pay to Seller's attorney a travel fee as stated in the Section (S): Unit Closing Costs and Adjustments. The Closing may not take place in any other location without Seller's prior written consent.

In the event the Closing is adjourned with Seller's consent, at the request of Purchaser or Purchaser's attorney within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Seller's attorney an adjournment fee as stated in the Section (S): Unit Closing Costs and Adjustments.

In the event that the closing of title to the first Residential Unit in the Condominium has not occurred within twelve (12) months of the anticipated date of first closing set forth in the Offering Plan, as same may be amended, Purchasers will be afforded a right of recission.

If Purchaser is not in default under this Purchase Agreement and the Closing has not taken place within twelve (12) months after the Anticipated Closing Date set forth on the first page of this Purchase Agreement, either Seller or Purchaser may cancel this Purchase Agreement by forwarding written notice of cancellation to the other no later than ten (10) days

after expiration of such twelve (12) month period whereupon Seller shall refund to Purchaser, subject to the escrow provisions as disclosed in Section XII of the Plan, all payments, other than Funds used towards upgrades, options or extras, made by Purchaser to Seller on account of the Purchase Price and neither party shall thereafter have any further liability or obligation to the other in connection with this Purchase Agreement or transaction. Purchaser shall be obligated to notify Seller in writing of its intent to exercise said option no later than ten (10) days after the twelve (12) month period. Failure to so notify Seller shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. In the event Seller shall be unable to convey title to the Residential Unit within twenty-four (24) months of the proposed date of delivery through no fault of the Purchaser, the Purchase Agreement shall be deemed null and void and Seller shall return all monies being held in escrow within thirty (30) days thereafter.

7) **ADDITIONAL MONEY TO BE PAID BY PURCHASER AT CLOSING** - In addition to all other sums payable or reimbursable elsewhere under this Purchase Agreement, Purchaser shall at Closing pay, or reimburse to Seller if Seller has already made payment, or pay to any Lender, all applicable charges for:

(a) Any Lender's charges for inspections, appraisals, title examination and policy insuring the Lender's interest, Lender's attorneys' fees for preparation of all loan documents, all commitment fees, points, origination fees and other fees and charges (however characterized) imposed or exacted by the Lender or incurred by Seller or Purchaser in connection with Purchaser's mortgage loan;
(b) any mortgage recording taxes on Purchaser's mortgage;
(c) governmental charges which may be assessed on account of any mortgage loan;
(d) mortgage insurance, if required, on Purchaser's mortgage;
(e) New York State real estate transfer tax on the deed;
(f) New York City real estate transfer tax on the deed;
(g) Mansion Tax pursuant to Section 1402-a of the Tax Law of the State of New York, if applicable;
(h) all recording and filing charges payable on account of the transfer of title and recording of all documents in connection therewith including without limitation any mortgage, the deed, power of attorney, affidavit required pursuant to Section 339-ee of the New York State Real Property Law and any blanket mortgage release documents;
(i) a sum equal to the partial mortgage tax credit to which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller;
(j) $2,000 to Seller's attorney for the preparation of the closing documents and $250 for Acris transfer tax from;
(k) a pro-rata portion of the Condominium's estimated first year insurance, based on the Unit's percentage of Common Interest; and
(l) an initial non-reimbursable capital contribution in an amount equal to two (2) months Common Charges, payable to the Condominium;

New York State and New York City Transfer taxes are normally expenses of

the Seller, however, by contractual arrangement they will be paid by the Purchaser. The City of New York Department of Finance and the State of New York Department of Taxation and Finance have taken the position that when a Purchaser assumes the obligation to pay the New York City Real Property Transfer Tax and /or New York deed documentary stamps, all the transfer tax to be paid by the Purchaser will be added to the consideration subject to transfer tax, except that pursuant to the New York State Tax Law Section 1404(a), effective as of July 1, 2021, the amount of New York State Transfer Taxes shall be excluded from the calculation of consideration subject to New York State transfer tax.

Purchaser shall also apportion with Seller as of the end of the day prior to Closing, and pay to Seller at Closing, the apportioned amount due for taxes, condominium Common Charges, sewer use, water use, fuel oil (if any) and any other utility costs. Purchaser shall also pay the deposits required by the Lender to establish the estimated or escrow fund for future payments of taxes, condominium Common Charges, sewer use and insurance premiums (if applicable). If through no fault of Seller, Purchaser fails for any reason to close title on the date originally scheduled in Seller's Notice for Closing, or such later date (if applicable) to which Seller in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of the end of the day preceding (i) the date originally scheduled for Closing or (ii) Seller's adjourned closing date (as the case may be).

Purchaser shall pay to Seller at or prior to the date of the actual adjourned Closing, an amount equal to .0438% per diem (which equals an annual rate of 16%) of the Purchase Price for the Unit for each day beyond such originally scheduled or Seller adjourned Closing Date, to and including the date of actual Closing, for reimbursement and defrayal of Seller's carrying costs and other charges, which amount Purchaser acknowledges to be reasonable and proper.

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

8) **CONSTRUCTION LOAN MORTGAGE** - This Purchase Agreement is subject and subordinate without the necessity of Purchaser signing or delivering any documents or papers, to the lien of any existing or future construction loan mortgage and all payments or expenses already made or incurred or which may hereafter be made or incurred in connection with such construction loan mortgage. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the construction loan schedule of payments or accelerated thereunder by virtue of the construction lender's right to make advances before they become due in accordance with the schedule of payments. The Unit and its/their appurtenant percentage of Common Interest in the Common Elements (as such term is defined in the Plan), shall be released from the lien of such construction loan mortgage upon Closing, except where such mortgage is converted to Purchaser's individual mortgage on the Unit. In such case, the Unit shall remain subject to the lien of such construction loan

mortgage and Purchaser shall reimburse to Seller at Closing, in addition to all other sums to be reimbursed by Purchaser to Seller under this Purchase Agreement, an amount equal to the mortgage tax paid by Seller on such construction loan mortgage. In all other cases, any mortgage tax credit available under Real Property Law Section 339-ee shall inure exclusively to the benefit of Seller.

9) **DEED AND ENCUMBRANCES UPON OWNERSHIP** - The deed to be given by Seller to Purchaser at Closing shall be a Bargain and Sale with Covenant against Grantor's Acts deed, but subject, nevertheless, to the matters set forth in sub-paragraphs (a) through (f) below which need not be recited in the deed given at Closing but shall survive Closing, and Seller's covenant in the deed against encumbrances shall be deemed modified accordingly. The deed shall be duly executed and acknowledged by Seller in proper statutory form for recording (except for payment of the New York State and City transfer tax which is the obligation of Purchaser) so as to convey to Purchaser fee simple title to the Unit, free and clear of all liens and encumbrances, except as herein stated. The deed shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. Purchaser shall accept such title and deed description of the Unit subject to the liens, encumbrances and other matters set forth in this Purchase Agreement, as Federal Standard Abstract Inc., a title company authorized to do business in the State of New York, 36-36 Main Street, Flushing, New York 11354, (718) 888-7778, is willing to approve and insure without additional premium. Purchaser may obtain title insurance from any title insurance company or abstract company, or Purchaser may decline to obtain any title insurance at all, however Seller recommends that Purchaser utilize Federal Standard Abstract Inc. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against the title insurance company which insured Purchaser's title to the Unit before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss of damage not covered by such title insurance company. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would have been covered by the title insurance that was available to Purchaser at the time of closing of title.

Purchaser shall be responsible for payment to the title company of the entire premium for Purchaser's title insurance, and shall also pay the applicable New York State and City transfer tax and mansion tax, if applicable.

The sale and transfer of ownership of the Unit to Purchaser shall, even though not stated in the deed, be subject to:

(a) Ordinances, rules, regulations, requirements and approvals of applicable governmental authorities, provided not violated by the Unit to be constructed.

(b) Rights for installation, use and/or maintenance of easements and rights of way for utilities, sewer, cable television, drainage, scenic purposes, screening and planting which have already been granted or may be granted after this Purchase Agreement is signed or after Closing, provided they do not prevent use of the Unit for their intended purposes.

(c) Declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of the Unit for their intended purposes.

(d) Unpaid taxes and liens, provided the title insurance company shall insure against collection of same out of the Unit.

(e) The filed Condominium Map and all matters reflected thereon.

(f) The Declaration and By-Laws of the Condominium and any amendments or supplements thereto.

Purchaser shall deliver to Seller's attorney at least ten (10) days prior to Closing, a written notice setting forth each objection to title, if any (other than those specifically set forth herein subject to which the Property are being sold), and a copy of Purchaser's title report. Seller shall have the right to a reasonable adjournment of Closing, not to exceed sixty (60) days, for the purpose of curing any title defect; however, no such action taken by Seller shall be deemed an admission by Seller that such defect is one that would entitle Purchaser to cancel this Purchase Agreement. However, if such defect in title existed at least ten (10) days prior to the closing of title and Purchaser failed to send Sponsor's attorney written notice of such defect in title at least ten (10) days prior to the closing of title, then Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered at the request of Purchaser.

10) **PERSONAL PROPERTY INCLUDED IN SALE** - All articles of personal property, fixtures and equipment for the Unit which are included in this sale will be delivered free and clear of all liens and encumbrances, except as stated in Paragraph 9 herein, if applicable.

11) **UNIT POWER OF ATTORNEY** - At closing, Purchaser shall execute, acknowledge and deliver to Seller in recordable form, a power of attorney in the form set forth in the Offering Plan, as same may be amended from time to time to comply with applicable law, to the Plan (the "Unit Power of Attorney"), in favor of the Board of Managers of the Condominium relative to leasing and purchasing of Units in the Condominium under certain circumstances and to foreclose upon Units in the Condominium for which the payment of Common Charges is delinquent, and in favor of Seller relative to amending the Condominium documents to the extent provided for in the Plan. In the event the form Unit Power of Attorney set forth in the Plan is deemed to be insufficient, in Seller's sole discretion, due to statutory changes to the New York State short form Unit power of attorney, Purchaser shall execute an amended Unit power of attorney to effectuate the powers granted in the Unit Power of Attorney set forth in the Plan. This paragraph shall survive delivery of the deed.

12) **ENCUMBRANCES/LIENS EXISTING AT CLOSING** - The existence of anything affecting the sale at Closing, including unpaid taxes or liens of any kind, shall not constitute an

objection to title provided VP, or another title or abstract company selected by Purchaser, is willing to insure Purchaser's title clear of the matter or is willing to insure against enforcement or collection out of the Unit upon Seller's doing whatever acts as may be required by said company and/or the depositing of money. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the Unit, not provided for in this Purchase Agreement, out of the monies to be paid by the Purchaser at the time of Closing.

13) **EXTRA WORK AND EXTRA ITEMS ORDERED BY PURCHASER -** Any work or items ordered from Seller by Purchaser which are not included in the plans or standard model of the Unit shall, except as may otherwise be provided in this Purchase Agreement or in a writing signed by Seller, be paid for in full by Purchaser at the time they are ordered. The failure of Seller to perform or supply and install such work or items shall not entitle Purchaser to cancel this Purchase Agreement even if Purchaser has already paid for such work or items. Purchaser's only right, in the event of Seller's failure to perform such extra work or supply and install such extra items, is to receive a refund or credit at Closing equal to the total payments made to Seller for such extra work or extra items. All extras must be ordered prior to commencement of construction and must not delay construction. In the event Purchaser orders upgraded or optional items or finishes other than the standard provided by Seller, Seller or Seller's contractors shall not be responsible or liable for any defects in quality of materials or workmanship in installation. Failure to make any payments due in accordance with the payment schedule of Seller, Seller's contractors or sub-contractors, as applicable, shall constitute a breach in accordance with Paragraph 22 herein. As noted as a Special Risk in the Plan, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid for Extras. Seller shall have no responsibility for any work, fixtures, appliances, equipment or materials not ordered directly from Seller by Purchaser. For the purposes of this provision, any orders which Purchaser places directly with Seller's contractors or suppliers shall not be deemed to have been ordered directly from Seller.

14) **OPTIONS AND COLOR SELECTIONS** - Any choices given by Seller to Purchaser in colors, products, materials, design, features and similar matters shall be made by Purchaser in writing at Seller's office or model site, within ten (10) days after notification to Purchaser to make such choices. If there is anything as to which Purchaser has a choice, and Purchaser fails to inform Seller of Purchaser's choice within such ten (10) day time period, then Seller may make the choice on Purchaser's behalf and Purchaser shall accept such choice so made by Seller as if originally made by Purchaser. No claim or objection to Closing shall be made by Purchaser because of any choice made by Seller in any case where Purchaser failed to give Seller timely notice of Purchaser's choice.

15) **NO INSPECTIONS DURING CONSTRUCTION** - Purchaser acknowledges that unsupervised visits to the Property (the "Construction Site") present a dangerous circumstance and could incur liability to Seller. **Unless specifically agreed to by Seller in writing, Purchaser shall not visit the Unit or any other portion of the Construction Site, and shall only have the right to visit the Seller's sales office (the "Sales Office"). Any unauthorized visits to the Construction Site by Purchaser are subject to a charge by Seller of $750 per visit, which Purchaser agrees to pay Seller within ten (10) days of billing thereof.** Purchaser hereby releases and indemnifies, defends and holds Seller harmless for all claims

and liabilities incurred by Seller resulting from the presence of Purchaser or Purchaser's family members or invitees on the Property prior to Closing. Purchaser further agrees to execute the Express Assumption of Risk Form, in the form set forth as Schedule D-3 to the Plan.

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

17) **PURCHASER MAY NOT TAKE POSSESSION OF THE UNIT PRIOR TO CLOSING** - Neither Purchaser nor anyone acting on Purchaser's behalf may enter or take possession of any part of the Unit nor have any work performed or materials supplied or installed at the Unit prior to Closing without the prior written consent of Seller.

Purchaser acknowledges and agrees that Seller will accept no liability whatsoever for any property belonging to the Purchaser, their agents, employees, family, or belonging to any party other than Seller which is placed on the Property and/or in the Unit prior to Closing. No act of the Seller, whatever its nature, shall constitute a waiver of this Paragraph.

18) **CHANGES BY SELLER -** In building the Unit and performing any other work on the Property, Seller reserves the right to: (a) make changes or substitutions of materials or construction from those shown in the model units or building plans, provided any such changes or substitutions are of substantially similar or better quality; (b) determine the exterior color and design of the Building; (c) change the location and type of the Units to be constructed in the Condominium; (d) fix the location and setbacks of the Building; (e) determine whether existing trees, shrubs and other plant life on the Property are to be moved or removed, (f) add or remove retaining walls on the Property where required by grade conditions; (g) determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, mailboxes; (h) change appliances as long as they are equal to or better than originally offered; (i) change the location of kitchen and bathroom cabinets, counters and drawers; (j) make changes to the Unit, which result in variations of up to five (5%) percent of the Unit square footage listed in Schedule A to the Offering Plan; and (k) make any other changes required by the City of New York.

Seller shall notify Purchaser of any major changes, specifications, deviations, additions or deletions, which are beyond the scope of those set forth above ("Extraordinary Changes"). If Seller notifies Purchaser in writing of any Extraordinary Changes, Purchaser shall be deemed to have approved of same, unless Seller receives Purchaser's written disapproval thereof within ten (10) days from date of the notice by Seller. Upon receipt of Purchaser's disapproval, Seller may, within thirty (30) days thereafter, give Purchaser written notice withdrawing its proposed Extraordinary Changes, in which case Seller shall thereafter continue with its development activities without the Extraordinary Changes. If Seller fails to give Purchaser notice of withdrawal within such thirty (30) day period, Purchaser may declare

this Purchase Agreement null and void by so notifying Seller in writing delivered to Seller no later than forty-five (45) days after having delivered Seller the original notice of disapproval, whereupon Seller shall promptly return to Purchaser all monies paid by Purchaser to Seller, except Funds used towards upgrades, options or extras, on account of the purchase price and thereafter neither party shall have any further liability or obligation to the other in connection with this Purchase Agreement or transaction.

19) **COMPLETION OF CONSTRUCTION; PURCHASER'S INSPECTION** - Purchaser shall accept title (without abatement in or credit against the Purchase Price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit or the building in which it is located, or (b) other units in the Condominium, or (c) the landscaped areas of the Property, or (d) parking spaces or driveway or garage, or (e) other portions of the Common Areas have not been completed. Purchaser will inspect the Unit with a representative of the Seller during normal business hours approximately five (5) days prior to Closing and will sign and deliver to Seller on or before Closing, a Pre-Title Inspection Statement supplied by Seller, acknowledging the condition of the Unit. Receipt of the executed Pre-Title Inspection Statement shall be a condition precedent to closing. Purchaser agrees to accept the Pre-Title Inspection Statement wherein the Seller shall agree to complete all unfinished items within six (6) months from the date of Closing, weather and other circumstances permitting. Any such incomplete items shall not constitute an objection to closing provided Seller executes and delivers to Purchaser, a letter agreement in accordance with the foregoing. Purchaser shall allow Seller, its agents, servants and/or employees the right to enter the Unit and shall provide reasonable access thereto subsequent to Closing to complete any incomplete items.

In the event Seller is required to make any repair or complete any item of work to be performed by Seller after Closing, the limit of Seller's liability shall be to make said repair and/or to complete such item. This Paragraph shall survive Closing and delivery of the deed.

20) **CERTIFICATE OF OCCUPANCY** - At Closing, Seller shall deliver to Purchaser a temporary or permanent Certificate of Occupancy for the Unit (or building in which it is located) and, if available, a New York Board of Fire Underwriter's Certificate for the Unit.

21) **UNIT PART OF DEVELOPMENT** - Purchaser acknowledges that they may be living in an active construction site after Closing on the Unit. During the period of construction, there may be dirt and debris and construction material on the Property, construction vehicular traffic, construction noises, unfinished areas of the Condominium and other inconveniences, which are normal in a community undergoing construction. Purchaser further acknowledges that other units and infrastructure are presently being constructed at the Property and that Seller anticipates that such construction shall continue until the Condominium project is completed in accordance with the Plan. Accordingly, Purchaser agrees that such continuing construction shall not be deemed a nuisance nor an interference with Purchaser's quiet enjoyment of the Unit after Closing. This Paragraph shall survive Closing and the delivery of the deed.

22) **PURCHASER'S DEFAULT** - If Purchaser fails to appear and close title in

accordance with this Purchase Agreement on the date and at the time and place stated in Seller's Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under this Purchase Agreement, Seller may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default. Upon Purchaser's failure to cure such default within such thirty (30) day period, this Purchase Agreement shall, at Seller's option, be deemed canceled and Seller shall have the right to retain as and for liquidated damages, all sums paid by Purchaser to Seller on account of the Purchase Price plus all additional sums paid and/or payable by Purchaser for all Extras ordered by Purchaser, together with all interest credited thereon, if any, which total amount Purchaser acknowledges to be fair and reasonable.

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

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

Upon cancellation of this Purchase Agreement for Purchaser's failure to timely cure any such default, Seller shall be released and discharged of all further liability and obligations to Purchaser under this Purchase Agreement. Thereafter the Unit may be sold or disposed of as though this Purchase Agreement had never existed and without any accounting to Purchaser for the proceeds of any subsequent sale. The foregoing remedy shall be in addition to any and all other remedies available to Seller under this Purchase Agreement or at law for any default by Purchaser under this Purchase Agreement.

23) **SELLER'S RIGHT TO CANCEL** - Seller may cancel this Purchase Agreement by forwarding a full refund of the Downpayment to Purchaser together with written notice of cancellation in the event of the occurrence of any of the following:

(a) any governmental authority imposes a ban on the construction or completion of residential dwellings or imposes restrictions on the manufacture, sale, distribution and/or use of materials from Seller's regular suppliers or from using same in the construction and/or completion of the Unit; or

(b) Seller is unable to obtain materials from its usual sources due to labor troubles, lockouts, war, military operations and requirements, civil unrest, act of God or national emergencies; or

(c) the installation of public utilities is restricted or curtailed; or

(d) should zoning and/or building restrictions and regulations, imposed by any governmental body having jurisdiction over the construction of residential housing and appurtenances, either presently in effect or as enacted or promulgated in the future, create or impose requirements upon the Seller which

are not presently contemplated; or

(e) the Plan is abandoned, withdrawn or not consummated for any reason.

Upon such cancellation and refund, this Purchase Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Purchase Agreement and the Offering Plan.

24) **INABILITY OF SELLER TO TRANSFER OWNERSHIP** - Except for Seller's willful default, if Seller is unable to transfer ownership of the Unit in accordance with this Purchase Agreement, Seller shall only be liable to Purchaser for the return to Purchaser of the down payment. Thereafter, this Purchase Agreement shall be deemed canceled and neither party shall have any further liability to the other in connection with this Purchase Agreement or transaction. Seller shall not be required to commence any action or proceeding or incur any expense in order to remove the condition, which prevents Seller from transferring ownership of the Unit in accordance with this Purchase Agreement.

25) **PROHIBITION AGAINST ASSIGNMENT OR RECORDING OF PURCHASE AGREEMENT** - Neither this Purchase Agreement nor Purchaser's interest hereunder may be assigned by Purchaser without the written consent of Seller. In addition, neither shall this Purchase Agreement nor any memorandum thereof be recorded in the office of any county clerk or the Queens County Register's Office by Purchaser or anyone on Purchaser's behalf. Should Purchaser violate the provisions of the foregoing sentence, this Purchase Agreement, at Seller's option, shall become null and void, whereupon all rights of the Purchaser shall cease and terminate and Seller shall have the right to retain the Downpayment and all amounts paid by Purchaser for Extras, as and for liquidated damages on account of such default by Purchaser pursuant to the provisions of Paragraph 22 hereunder.

26) **PROHIBITION AGAINST SIGNS ON UNIT** - Purchaser shall not place any sign anywhere on the Unit or Property at any time.

27) **PROHIBITION AGAINST ADVERTISING OF UNIT FOR SALE** - From and after the date hereof, Purchaser shall not place an advertisement for the sale of the Unit in any newspaper or other publication or media or list the Unit with any real estate broker prior to Closing. Such action will constitute a material breach of this Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement plus the cost of Extras as liquidated damages.

28) **RESTRICTIONS ON SALE -** Purchaser covenants and agrees to retain ownership in the condominium unit for a period of one (1) years from the date Purchaser acquired the condominium unit, except in the case of the death of Purchaser or spouse. Failure to abide by this requirement shall result in the Purchaser paying the Seller a sum equal to 25% of the difference between the new purchase price of the condominium unit and the Purchase Price set forth in paragraph 1 of this Purchase Agreement but in no event less than 10% of the purchase price set forth in paragraph 1 of this Purchase Agreement. The provisions of this Paragraph

shall survive delivery of the deed and the closing of title.

29) **NO BROKER CONSULTED BY PURCHASER** – Purchaser represents that no broker other than Seller's broker (the "Broker") brought about this sale, and Purchaser agrees to indemnify Seller against any claim brought by any other broker for brokerage commission based upon Purchaser's acts. Seller shall pay the Broker pursuant to separate agreement. In the event Purchaser is represented or has consulted with an outside broker (other than the Broker), Purchaser shall be responsible for all costs and commissions associated therewith, and Seller shall not be responsible for any co-broker commission. This Paragraph shall survive Closing and delivery of the deed.

30) **TRUST FUNDS** – Dylan Chan Law Firm, P.C., 136-20 38th Avenue, Suite 11C, Flushing, NY 11354, telephone number (718) 888-9880, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following to serve as signatories: Dylan Chan, 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.

Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the down payment from escrow.

The Escrow Agent has established the escrow account at a bank authorized to do business in the State of New York. The escrow account is entitled "Dylan Chan Law Firm, P.C., As Escrowee" ("Escrow Account"). The Escrow Account is an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured.

All down payments received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to the order of Dylan Chan Law Firm, P.C., as Escrow Agent.

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

The Purchase Agreement shall only be deemed accepted when countersigned by the Seller or Seller's authorized agent. **In addition, although all funds received by Seller for Extras will initially be placed in the Escrow Account; such funds may be released from the Escrow Account as long as Seller uses the funds for such Extras. In the event Purchaser is entitled to a right of rescission, the return of their Downpayment shall <u>not</u> include any funds paid towards Extras.** At Closing the Downpayment shall be paid to Seller upon consummation of the Closing and execution of this Purchase Agreement shall be deemed a writing executed by both Seller and Purchaser authorizing the Escrow Agent to

release said funds to Seller at Closing. Purchaser shall execute the Tender of Escrow form, as set forth in Schedule
D-4 of the Plan upon execution of this Purchase Agreement; and shall execute the Release form, as set forth in Schedule D-1 of the Plan, at Closing.

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, conforming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance with the terms of a written agreement between Purchaser and Sponsor.

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 16th Floor, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

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

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Purchase Agreement in Section 5 upon closing of title to the Unit; or

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

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

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a)

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

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

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

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

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

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

**Escrow Agent shall maintain the Escrow Account under its direct supervision and control.**

**A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).**

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

**Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.**

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

Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

31) **NOTICES** - Any notices, statements, certificates, requests or demand required or permitted to be given or delivered under this Purchase Agreement shall be in writing and may be sent by mail, overnight courier or personal delivery, addressed to Purchaser or to Seller, as the case may be, at their respective addresses shown at the beginning of this Purchase Agreement, or to such other address as Purchaser or Seller may designate in the manner herein provided, or to their respective attorneys. Such notice, statement, certificate, request or demand shall be deemed to have been given

(a) when delivered to an overnight courier service, if sent by overnight courier,

(b) upon personal delivery actually being made, and

(c) upon receipt or first refusal of delivery or inability of delivery after delivery to the United States Post Office with proper postage prepaid, if sent by regular mail, registered or certified mail return receipt requested.

Notwithstanding the foregoing, any notice of default must be delivered only by overnight courier service, personal delivery, or certified mail return receipt requested.

32) **PURCHASER GENERAL REPRESENTATIONS -** Purchaser represents that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates, written or oral, of any nature whatsoever, made by Sponsor, or otherwise, including but not limited to, any of the above relating to the description or physical condition of a Condominium building or the Unit or the Property, the size or the dimensions of the Unit or the rooms therein contained or any physical characteristics thereof, the services offered by the Condominium, the estimated Common Charges for the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the Purchase of the Unit, the potential for future profit with respect to the Unit, any future appreciation in value of the Property, the Condominium building or the Unit, any rental income potential, depreciation or investment potential with respect to the Property, the Condominium building or the Unit, any monetary or financial advantage with respect to the Property, the Condominium building or the Unit, or any other data, the environmental and/or flood plan conditions affecting the Condominium building, the availability of liability, casualty and flood insurance or the cost thereof, the costs of ongoing maintenance and repair of the Condominium building or any other matter or estimate not set forth herein and in the Plan. Purchaser further represents that Purchaser has not relied on any verbal or written representations made by the Broker or any other agent of Seller. No person has been authorized to make any representation on behalf of Sponsor except as herein or in the plans specifically set forth. Purchaser further acknowledges having had full opportunity to examine all documents and investigate all facts referred to and stated herein and in the Plan. Purchaser has relied solely on his own judgment and investigation in deciding to enter into this Purchase Agreement and purchase of the Unit. No oral representations or statements shall be considered a part of this Purchase Agreement, and any current or prior oral statements are void and have no effect. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Purchaser agrees that the Seller shall have no liability or responsibility to Purchaser and that Purchaser will not be relieved from his or her obligations hereunder, by reason of any inaccuracy or error in the layout or dimensions of the Unit or any part thereof, or of the Common Elements, and (2) any immaterial or insubstantial accuracy or error. Purchaser agrees that a change in the square foot area and dimensions of the Unit due to the failed conditions, construction variances and tolerances, which do not increase or decrease the square foot area of the Unit by more than 5% (excluding interior partitions), shall not be deemed a material or adverse change the provisions of this paragraph shall survive the closing of title or the termination of this Purchase Agreement. Purchaser understands and acknowledges that the Seller cannot guarantee a firm completion and availability date for the Unit and agrees that the Seller shall not be obligated to make, provide or compensate for any accommodations or costs to Purchaser as a result of construction delays nor shall such delays serve to cancel, amend or diminish any of Purchaser's obligations hereunder.

33) **ACKNOWLEDGMENT THAT THERE ARE NO OTHER UNDERSTANDINGS** - All prior understandings and agreements are hereby superseded and merged into this Purchase Agreement, which alone contains the final and entire understanding and agreement between Seller and Purchaser. Neither Seller nor Purchaser shall be bound by any terms,

conditions, statements, or representations, oral or written, not set forth in this Purchase Agreement or in the Offering Plan. Purchaser acknowledges that Purchaser is buying a Unit in a condominium development which may not yet have been formed at the time this Purchase Agreement is signed, and that, except as stated in this Purchase Agreement, the Declarations, By-Laws, Exhibits, Schedules and Plan, Purchaser has not relied on any representations or other statements of any kind or nature made by Seller or anyone else except as set forth in the Plan or any amendment thereto and this Purchase Agreement, including but not limited to, the description, size or dimensions of the Unit or rooms therein, or the estimated common charges, or other expenses relative thereto.

Purchaser also acknowledges that none of Seller's representatives has the authority to modify this Purchase Agreement or to make any oral promise, agreement or representation inconsistent or contrary to the terms of this Purchase Agreement. This Purchase Agreement may be changed only by a written document signed by both Purchaser and Seller's Authorized Agent. The invalidity or unenforceability of any particular provision of this Purchase Agreement will not affect the other provisions, and this Purchase Agreement will be interpreted in all respects as if such unenforceable provisions were omitted.

34) **RISK OF LOSS** - The risk of loss or damage to the Unit by fire or any other cause until delivery of the deed is assumed by Seller. In the event a substantial portion of the Unit or Condominium shall be destroyed or damaged prior to Closing, Seller shall be entitled to cancel this Purchase Agreement by written notice to Purchaser, together with a check in the amount of the Downpayment paid by Purchaser, with interest, if any; however, Purchaser will not receive a refund of any funds paid for Extras. The parties shall thereafter be released from any further liability hereunder.

If any part of the Unit is damaged or destroyed by any casualty prior to Closing, Seller will have the option to restore the Unit to its previous condition as soon as reasonably possible. In the event Seller elects to restore the Unit, then the Closing Date and any other applicable date or deadline will be extended in a reasonable manner by Seller. Seller agrees to notify Purchaser of Seller's decision within ten (10) business days of the date of such casualty. In the event Seller elects not to restore the Unit, then this Purchase Agreement will terminate and Purchaser will receive a full refund of all monies paid to Seller. The parties shall thereafter be released from any further liability hereunder.

35) **DAMAGE TO PUBLIC IMPROVEMENTS, AMENITIES AND COMMON ELEMENTS** - Purchaser shall repair and/or restore to their original condition and standards any public improvement, amenity or Common Elements on the Property damaged by Purchaser or Purchaser's agents, employees, contractors or licensees. Upon failure of Purchaser to complete such repair and/or restoration work within thirty (30) days after written notice from Seller, then and in that event, Seller may complete same at the expense of Purchaser who shall reimburse Seller for the cost thereof immediately upon demand. This Paragraph shall survive Closing and delivery of the deed.

36) **STRICT COMPLIANCE; SEVERABILITY; WAIVER OF TRIAL BY JURY** - Any failure by Seller to insist upon strict performance by Purchaser of any of Purchaser's

obligations under this Purchase Agreement shall not be deemed a waiver of such obligations, and Seller may at any time insist upon strict performance by Purchaser of any and all obligations to be performed by Purchaser under this Purchase Agreement irrespective of the number of times Purchaser failed to strictly comply with such obligations in the past. If any part of this Purchase Agreement or the Plan is invalid or unenforceable with respect to a particular individual or circumstance, the remainder of this Purchase Agreement or the Plan and the applicability to other individuals or circumstances shall not be affected thereby but shall continue in full force and effect. Purchaser waives all rights to trial by jury in any action, proceeding or counterclaim in any way arising out of or relating to this Purchase Agreement or the Plan. Purchaser agrees to pay all court fees, including reasonable attorney fees, should Purchaser bring an action against Seller in any court of proper jurisdiction (including small claims court) and be unsuccessful. Further Purchaser agrees to waive the right to file a Lis Pendens if not filed within sixty (60) days of the cancellation of this Purchase Agreement.

Purchaser and Seller hereby waive trial by jury in any action, proceeding or counterclaim arising out of this Purchase Agreement, provided such waiver is not prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this Purchase Agreement, shall be instituted in a court in Queens County and all motions in any such action shall be made in Queens County.

This Paragraph shall survive Closing and delivery of the Deed.

37) **LIEN OF DEPOSIT** - All sums paid on account of this Purchase Agreement are hereby made liens upon the Unit, but such liens shall not continue after default by the Purchaser under this Purchase Agreement.

38) **MISCELLANEOUS:**

(a) The start of any activity by Seller in connection with the Unit is not to be deemed a waiver of any of Seller's rights under this Purchase Agreement.

(b) The personal property referred to in this Purchase Agreement shall be deemed conveyed by the deed, and no part of the Purchase Price shall be deemed allocated to such personal property.

(c) The attorneys representing the Seller, or any Lender represent such parties only and not the Purchaser. The Purchaser may retain independent counsel at Purchaser's own expense in order to protect Purchaser's own interest.

(d) The delivery of the deed for the Unit to Purchaser or Purchaser's representative at Closing shall be deemed to mean that all things required to be done by Seller under this Purchase Agreement have been done and that Purchaser shall not claim otherwise except as to those things, if any, which are specifically stated in this Purchase Agreement or in a separate writing signed by Seller or Seller's attorney on Seller's behalf, to survive or continue beyond Closing or delivery

of the deed.

(e) The paragraph headings set forth in this Purchase Agreement are inserted solely for convenience of reference and in no way deemed to affect, amend, define, describe or limit the scope or intent of the provisions set forth in this Purchase Agreement.

(f) No provision of this Purchase Agreement may be changed, waived, discharged, or terminated orally, by telephone, or by any other means, except an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge, or termination is sought and then only to the extent set forth in such instrument.

(g) Any singular word or term herein shall also be read as in the plural whenever the sense of this Purchase Agreement may require it. The use of the masculine gender shall be deemed to refer to the feminine gender, or neuter, whenever the context so requires.

(h) If two (2) or more persons are named as Purchaser in this Purchase Agreement, (i) each person shall be jointly and severally liable for payment, observance and performance of all obligations under this Purchase Agreement and (ii) anyone of them is hereby made agent for the other in all matters of any and every kind or nature with respect to the Unit and/or this Purchase Agreement. The act, assent, election or approval by one shall conclusively constitute the act, assent, election and approval by all.

(i) The provisions of this Purchase Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Seller and its successors and assigns.

(j) This Purchase Agreement shall not be binding or effective until fully executed and delivered by Seller and Purchaser.

(k) Purchaser shall provide Purchaser's social security number(s) or EIN number if Purchaser is a legal entity with its shareholders/members name and corresponding social security numbers, if applicable.

(l) In the event any portion of this Purchase Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be deemed severed from this Purchase Agreement and the remaining parts hereof shall remain in full force and effect, as fully as though such invalid, illegal or unenforceable portion had never been part of this Purchase Agreement.

(m) The parties agree that this Purchase Agreement shall be governed by, and

construed in accordance with the laws of the State of New York.

39) **SMOKING POLICY** - In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the Sponsor has adopted the following smoking policy for the Building (the "Smoking Policy"):

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

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

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

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

**40) NOTICES TO PURCHASER - WHEN SIGNED BY SELLER AND PURCHASER (OR PURCHASER'S AUTHORIZED AGENT), THIS PURCHASE AGREEMENT WILL BECOME A LEGALLY BINDING AGREEMENT. PURCHASER SHOULD MAKE SURE THAT ALL PROVISIONS ARE READ AND UNDERSTOOD BEFORE SIGNING. IF PURCHASER DOES NOT UNDERSTAND ANY PROVISION, PURCHASER SHOULD SEEK LEGAL ADVICE.**

**PURCHASER MUST BE GIVEN A COPY OF THE PLAN PRIOR TO THE SIGNING OF THIS PURCHASE AGREEMENT. BY SIGNING THIS PURCHASE**

**AGREEMENT, PURCHASER ACKNOWLEDGES RECEIPT OF THE OFFERING PLAN AND THAT PURCHASER HAS HAD AN OPPORTUNITY TO READ THE OFFERING PLAN AT LEAST THREE (3) BUSINESS DAYS PRIOR TO SIGNING THIS PURCHASE AGREEMENT.**

**41) ELECTRONIC SIGNATURE.** This Agreement may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a pdf format data file, such signature(s) shall the force and effect as if such facsimile or pdf signature(s) were an original thereof.

YOU, AS THE PURCHASER OF THIS UNIT MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.

*Signature Page to Follow*

DATED: **, 20 .**

_____
Purchaser

_____
Purchaser

SPONSOR: 136-78 LLC

By: _____
Name:
Title: Authorized Signatory

## Schedule A

The Permitted Encumbrances are the following:

1. Building restrictions, zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any covenants, easements or restrictions of record provided same do not render title unmarketable.

3. State of facts shown in the survey of the land and building and any additional state of facts which a subsequent survey or personal inspection thereof would show provided such additional facts would not prevent the use of the premises for dwelling purposes.

4. Any state of facts which an accurate survey of the Unit would show provided such state of facts would not prevent the use of the Unit for dwelling purposes.

5. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Purchaser to the Board of Managers and the Floor Plans; as all of the same may be amended from time to time.

6. Consents by Sponsor or any former owner of the land for the erection of any structure or structures on, under or above any street or streets on which the land may abut.

7. Any easement or right of use in favor of any utility company for construction, use, maintenance, or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, and other equipment and facilities on, under, and across the land and building.

8. Revocability of licenses for vault space, if any, under the sidewalks and streets.

9. Encroachments of stoops, areas, cellar steps, or doors, trim, copings, retaining walls, bay window, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the property or the street or sidewalks abutting the property and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the property and retaining walls and the like, if any.

10. Leases and service, maintenance and license agreements, if any.

11. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.

12. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board of Managers) except that Sponsor shall pay all such assessments due prior to the Closing Date and the Purchaser shall pay all assessments due from and after such date.

(However, the then current installment shall be adjusted at Closing Date.)

13. Any other declaration or other instrument affecting the property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

14. Standard exceptions contained in the form of title insurance policy then issued by Commonwealth Land Title Insurance Company (or such other New York Board of Title Underwriters member title insurance company insuring the Purchaser's title to the Unit).

15. Any encumbrances as to which such company which insures the Purchaser's title to the Unit would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

16. Any other encumbrance against the property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

17. Any Interim Lease covering the Unit made from Sponsor to the Purchaser.

18. Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulations, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building. Sponsor shall file an amendment to the Plan to reflect any such other declaration or other instrument affecting the Property which is not already disclosed herein.

19. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser’s title to his or her Unit and appurtenant interests.

20. Any other encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling or commercial purposes, as the case may be, or which does not render title unmarketable, subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

**ESCROW AGREEMENT FOR CONTRACT DEPOSIT**
**NEW YORK STATE DEPARTMENT OF LAW**
**MODEL FORM OF ESCROW AGREEMENT**

AGREEMENT made _____, by and among _____ ("PURCHASER"), 136-78 LLC ("SPONSOR"), as sponsor of the Rego Parc Condominium offering plan ("Plan") and Dylan Chan Law Firm, P.C. ("ESCROW AGENT").

**WHEREAS**, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale of condominium ownership interests at the premises located at 136-80 41 Avenue, Flushing, NY 11355, 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") Sections 352-e(2-b), 352-(h) and the New York Department of Law'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 shall establish 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 Condominium unit interest (the "Purchase Agreement") at JP Morgan Chase Bank located at 176 Canal Street, New York, NY 10013, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Dylan Chan Law Firm, P.C., As Escrowee" ("Escrow Account"). [The account number is _____.]

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: Dylan W. Chan, 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 136-20 38th Avenue, Suite 11C, Flushing, New York 11354, and a telephone number of (212) 274-9930.

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

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

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

## 2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of Dylan Chan Law Firm, P.C., As Escrowee, 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 be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 ESCROW AGENT is hereby obligated to send a notice of all Deposits received by ESCROW AGENT to PURCHASER within ten (10) business days of receipt of same. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the 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, 15th 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 the Deposit and requisite notice was timely mailed to the Purchaser.

## 3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-3(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 interest;

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/building] is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

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

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

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

## 4. RECORDKEEPING.

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

4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

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

## 5. GENERAL OBLIGATIONS OF ESCROW AGENT.

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

5.2 A fiduciary relationship shall exist between ESCROW AGENT, and 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 interest to a designated attorney who is a member of or employed by ESCROW AGENT, within two (2) business days of tender of the Deposit by 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.

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

## 9. GOVERNING LAW.

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

## 10. ESCROW AGENT'S COMPENSATION.

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

## 11. SEVERABILITY.

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

## 12. INDEMNIFICATION.

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

## 13. ENTIRE AGREEMENT.

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

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

**ESCROW AGENT**

Dylan Chan Law Firm, P.C.

By: _____
Dylan W. Chan, Esq.

**SPONSOR**

**136-78 LLC**

**By: _____**

Name:

Title: Authorized Signatory

**PURCHASER**

[INSERT NAME]

By: _____

Name:_____

Title: _____

Date:_____

# UNIT POWER OF ATTORNEY

THE UNDERSIGNED, the Owner of Unit No._____ in the Condominium known as **PENROSE TOWER**, 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 Queens County Office of the Register 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 **PENROSE TOWER COMDOMINIUM** 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 , 200, 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

**FORM OF UNIT DEED**

THIS INDENTURE made the_____day of_____,200 , between 136-78 LLC, C/O 136-20 38th Avenue, Flushing, NY 11354, (hereinafter "Grantor"), and _____ hereinafter "Grantee");

W I T N E S S E T H:

That the Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, 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 **PENROSE TOWER COMDOMINIUM** recorded in the Queens County Office of the Register of the City of New York on the _____day of_____, 20 , in 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 Queens County Office of the 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 (or community facility) 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.

*Signature page to follow*

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

Sponsor: 136-78 LLC

Accepted by Purchaser:

_____

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

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

# FORM OF INTERIM LEASE AGREEMENT

SELLER/SPONSOR: 136-78 LLC
131-03 40th Road, Apt 8F
Flushing, NY 11354

PURCHASER:

UNIT: Unit
136-80 41 Avenue, Flushing, NY 11355
New York, New York 10001

DATE: As of

WHEREAS, Purchaser has agreed to purchase Residential Unit (the "Unit") at 136-80 (a/k/a 136-78) 41st Avenue, Flushing, NY 11355 (the "Condominium") pursuant to an Agreement between Seller and Purchaser, dated as of (the "Contract").

WHEREAS, Purchaser (or if Purchaser is an entity such as an LLC, the individuals listed in the Contract's Entity Rider to Agreement) wishes to occupy the Unit prior to the closing of title to the Unit (the "Closing") and, subject to the terms and conditions set forth herein, Seller has agreed to such occupancy.

NOW, THEREFORE, Purchaser and Seller hereby agree as follows:

1. Purchaser may occupy the Unit subject to the terms of this Interim Lease Agreement (this "Agreement") commencing as of (the "Possession Date").

2. The term of this Agreement shall continue until the closing of the Unit. Purchaser has no other interest in the Unit except as expressly set forth herein or in the Contract.

3. Purchaser shall pay Seller monthly use and occupancy at the address set forth above, or at such other address as Seller may direct, in the amount of $ per month, subject to the terms of Section 9 below; provided, however, that the first month's use and occupancy is due and payable as of the date hereof and shall be paid to Seller together with the delivery of this Agreement as executed by Purchaser, or as Seller may otherwise direct. Any additional monthly use and occupancy payment shall be due and payable on or before the 1st day of such month. At Closing, Seller and Purchaser shall make adjustments for use and occupancy payments (if any) on a per diem basis.

4. In the event that Purchaser defaults under the Contract, the same shall constitute a default hereunder, and Purchaser shall surrender the Unit to Seller in the same condition as received by Purchaser no later than two (2) business days after Seller's notice of Purchaser's default under the

Contract (the "Default Vacate Date"), TIME BEING OF THE ESSENCE with respect to such Vacate Date. Additionally, in the event Contract is terminated by Seller or Purchaser for any reason, or Purchaser rescinds the Contract pursuant to any right of rescission granted under the Plan, or otherwise, this Agreement shall be deemed terminated as of the date that is thirty (30) days thereafter and Purchaser shall be obligated to vacate the Unit and surrender the Unit to Seller in the same condition Purchaser received the Unit no later than that date (the "Rescission Vacate Date"), TIME BEING OF THE ESSENCE with respect to such Rescission Vacate Date. The term "Vacate Date" as used herein shall mean the Default Vacate Date or the Rescission Vacate Date, as the case may be.

5. In the event Purchaser remains in possession of the Unit beyond the Vacate Date, then Purchaser shall be immediately obligated to pay to Seller an amount equal to $1,000.00 per day (the "Per Diem Charge") beginning on the day after the Vacate Date through and including the date that Purchaser vacates and surrenders the Unit in the condition required herein. In no event shall any provision hereof be construed as permitting Purchaser to hold over in possession of the Unit after the Vacate Date or as limiting Seller's rights and remedies in respect of same, all of which are expressly reserved.

6. Without limiting any of Seller's rights contained herein, in the event that Purchaser shall fail to vacate the Unit on or before the Vacate Date, Seller shall have any and all rights at law, in equity or otherwise, to evict and/or remove Purchaser and recover possession of the Unit, and Purchaser hereby waives any and all rights to interpose any counterclaims, defenses, or offsets to such eviction action or proceeding or to seek a stay of the warrant of eviction issued therein. Purchaser shall reimburse Seller for all expenses (including, without limitation, reasonable attorneys' fees and disbursements and reasonable expert fees) incurred by Seller in connection with such eviction or other proceedings.

7. Without limiting the foregoing, if Seller brings an action or proceeding relating to this Agreement, at law or in equity, Seller shall be entitled to any and all actual third party costs and/or expenses (including, without limitation, reasonable attorneys' fees and disbursements and reasonable expert fees).

8. Purchaser shall be responsible for obtaining and paying directly for all utilities costs including, without limitation, all electric, gas, telephone and cable charges attributable to Purchaser's usage of such services in the Unit during the term, and Purchaser shall indemnify Seller for all such costs. The provisions of this paragraph shall survive the Closing and Vacate Date, as applicable.

9. Any default by Purchaser hereunder shall constitute a default by Purchaser under the Contract; provided, however, that with respect to a default in the payment of use and occupancy following the initial use and occupancy payment, Purchaser's shall have the right to cure same within five (5) business days following the due date therefor. Notwithstanding anything to the contrary, this Agreement shall automatically terminate upon the sooner to occur of (i) the Closing or (ii) Purchaser's default hereunder (subject, with respect to a default in the payment of use and occupancy following the initial use and occupancy payment, to Purchaser's right to cure same within five (5) business days following the due date therefor).

10. Purchaser shall not make any alterations, additions, installations or improvements to the Unit during the term of this Agreement, provided that the foregoing shall not be deemed to prohibit Purchaser from placing Purchaser's furniture and other personal property in the Unit during the

term hereof. Upon the termination of this Agreement for any reason other than the Closing, Purchaser shall remove all such furniture and personal property, shall repair all damage caused thereby, and shall vacate the Unit in broom-clean condition. Any personal property not removed may, at Seller's election, be retained by Seller without compensation to Purchaser, or removed at Purchaser's expense. The provisions of this paragraph shall survive any termination of this Agreement.

11. Seller shall not be responsible for any damages arising from any bodily injury to Purchaser or Purchaser's guests or invitees or any damage to or loss of any of the property of Purchaser or of Purchaser's guests or invitees occurring in the Unit. Purchaser agrees to indemnify and to hold Seller harmless from and against any and all claims, suits, demands, judgments, and costs (including attorneys' fees) that may be made against Seller arising from or connected with Purchaser's occupancy of the Unit. The provisions of this paragraph shall survive the termination of this Agreement.

12. Purchaser agrees to maintain personal liability, property and hazard insurance throughout the term hereof in amounts reasonably acceptable to Seller and naming Seller and the Condominium as an additional insured. During the term hereof, Purchaser shall comply with all laws, rules, regulations and requirements of governmental authorities and the Condominium pertaining to the Unit and Purchaser's use and occupancy thereof. Purchaser shall deliver insurance certificates evidencing such coverage to Seller prior to Purchaser's taking occupancy of the Unit.

13. Purchaser hereby agrees to accept possession of the Unit in its "as-is, where-is" condition for purposes of this Agreement; provided, however, that Seller agrees to deliver the Unit in broom-clean condition. Purchaser shall be liable for any and all damage caused to the Unit during Purchaser's possession thereof.

14. Any notice hereunder shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, or by reputable overnight courier, with receipt confirmed, to Purchaser at the address given at the beginning of this Agreement and to Seller at the address given at the beginning of this Agreement, with a copy sent in like manner to 136-20 38th Avenue, Suite 11C, Flushing, NY 11354, Attn: Dylan W. Chan, Esq., in the same manner as notice is given to Seller, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication.

15. Nothing in this Agreement shall be construed as creating a landlord/tenant relationship between Purchaser and Seller.

16. This Agreement may not be modified, or its provisions waived except by a writing signed by the parties hereto.

17. The Condominium Offering Plan for Penrose Tower, as amended to date, (the "Plan") is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express modifications to the terms of the Plan included in this Agreement and agreed to by Seller and Purchaser, in which case such modifications will govern.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SELLER:
136-78 LLC

_____
By:

PURCHASER:

_____

# DESCRIPTION OF PROPERTY AND SPECIFICATIONS

January 18, 2024

**136-78 41st Avenue, Flushing, NY-11354**
**(A/K/A 136-80 41st Avenue, Flushing, NY-11354)**
**Description of Property and Specification**

**(A)Location and Use of Property**

This property and its use will comply with all zoning and use requirements and the Certificate of Occupancy will be presented at closing.

| | | |
|---|---|---|
| 1) | Address: | 136-80 41 Avenue, Flushing, New York |
| 2) | Block: | 5044 Tax Lot: 44 |
| 3) | Zoning District: | R7-1 Zoning Map: 10b |
| **4)** | Permissible Use: | Residential and Community Facility. Parking garage accessory to residential use only. No commercial use in the building |

The merged Tax Lots have one eight story Community Facility and Residential building that was designed under Quality Housing Program as per Zoning Resolution (ZR) 28-00.

Quality Housing Program elements applying to the building:
-Refuse storage and disposal as per ZR28-12 . Refuse disposal is provided at all residential floors. Refuse storage provided on cellar level of the building.
-Recreation space (indoor) as per ZR28-21 at 8th floor.
-Planting Areas as per ZR28-23 between street line and street wall of the building.
-Density per corridor as per ZR28-31. The public corridor on each residential floor is served less than 11 apartments, and 50% of zoning area of the public corridor on each floor is deducted from building zoning area.
-Parking for residential use as per ZR28-40 in cellar level. There are 22 attended off-street parking spaces.

Quality Housing Program element do not apply to the building:
-Laundry Facilities as per ZR28-13. Each apartment is equipped by wash/dry unit.
-Daylight in corridor as per ZR28-14. The public corridor at each residential floor does not have natural light.

**(B)Status of Construction**

(1) The new building application # 421580890 was approved by New York City Department of Buildings on 12/26/2019. A construction permit was issued on 06/14/2021. The project is currently scheduled for completion by 06.30.2024. The building is designed under 2014 NYC construction Codes. The sponsor shall obtain, at least, a temporary certificate of occupancy prior to the first closing.

(2) The building is classified as IB, as per 2014 NYC Construction Codes: all exterior walls of the building, exit ways, stair shaft, elevator shaft, wall separated units and public areas, structural members, floors and roofs are constructed of noncombustible material and assemblies affording the fire resistance

rating of two hour; all walls between apartments are constructed of noncombustible material and assemblies affording the fire resistance rating of one hour.

**(C)Site**

(1) *Size*: 136-80 LLC Development is located at 136-80 41 avenue in Flushing, New York. The Development occupies Block 5044, Lot 44 (merged 44 and 46 lots) at the New York City Tax Map. Pursuant to the survey dated 02/05/2018 by Roguski Land Surveying P.C., Lots 44 is 80.00' x 110.00' with frontages of 80.00 ft on 41st avenue. Total area of the zoning lot is 8,800.00 sq. ft. A builder's pavement plan has been filed with the Department of Buildings under application # 421610965

(2) *Number of buildings and use*: the proposed development is one 8 story (cellar, 1st to 8th floor)) reinforced concrete structure for community facility and residential uses. The handicapped access is located through out the entire building. The sprinkler room, gas meter room, and electric meter room are located on the cellar. There is a mechanical water heater room located on the roof of the building.

(3) *Streets and sidewalk owned or maintained by the project:*
- (i) Paving: at 41st Avenue front the site are paved with asphalt concrete in fair condition.
- (ii) Existing sidewalks and curbing are in fair to poor condition and will be replaced with new concrete paving as per builder's pavement plan application #421610965 filed and approved by the New York City Department of Buildings
- (iii) Drainage: City owned drainage located on 41 Avenue in fair condition.
- (iv) Street lighting: There is one (1) hot-dip galvanizing (HDG) steel silver painted street light with octagonal pole at 41st Avenue front.
- (v) All above mentioned items are in conformity with municipal building codes.

**(D)Utilities**

*(1) Water:* There is one (1) 12" diameter water main on 41st Avenue serviced by New York City Water Board. A tap connection will be made to the building. A total of one (1) water meter will be installed and water will be billed to the condominium as a common expense by the New York Water Board in accordance with the water meter reading based on actual consumption. There will be a central meter for the entire building, including residential *units* and all common spaces. No separate water meters will be provided for the unit owners. Water usage will be billed based on the water meter reading. The cost will be distributed within the common charges.

*(2) Sanitary Sewer:* There is a public owned 4'$\phi$ combined sewer on 41st Ave which is currently maintained by the City of New York, Department of Environmental Protection. A connection will be made to the building with an 8" pipe. All sewer permits will be obtained.

*(3) Gas:* Natural gas service is provided by Con Edison Company. Natural Gas service is metered to the building for cooking and domestic hot water for residential units. Individual gas meters are located in the gas meter room in cellar. The 5" incoming gas service is connected to two (2) meters for residential cooking, one (1) gas meter for the hot water heating and one (1) gas meter for energy recovery ventilation location on rooftop. Gas will be billed to common charges.

*(4) Electricity:* Electric service will be supplied by Con Edison Company. See paragraph (N) regarding electric meters.

(5) *Common Areas:* Common charges will be based proportionately by the degree of common interest per unit and billed accordingly.

(6) *Telephone:* Telephone service is by Version or Spectrum and will be available for subscription by the owner of each condominium unit.

**E)Sub-Soil Conditions**

Based on the N values registered in the SPT tests, the glacial sands were found to register mostly dense compact condition with occasionally medium dense at building footing depth, matching NYC Class 3a and 3b respectively.
No hazardous materials were founded during the construction. The entire foundation system was accurately sized to support the calculated load.
The waterproofing system "PREPRUFE 300R" by DUPOINT TYVEK was applied to foundation system.
It is no evidence of moisture seepage.
Flood zone regulations do not apply to the building. The site does not locate in any flood zone.

(1) *Groundwater:* Groundwater was observed in the two preliminary borings at depth around 47' below existing grade. It should be pointed out that groundwater table is known to fluctuate with seasonal, tidal, and climatic conditions.

**F)Landscaping and Enclosure**

(1) The installation of planting pots in the area between street line and building street wall will provided when construction work will be done. The type of planting will be chosen by the owner of the building from the list of approved Park Department species.

(2) The total number of trees is 3: existing trees are remained in front of the building along 41st avenue, and the prize of one new tree is paid to Parks Department Standards.

(3) It is chain link fence located at the rear yard (around perimeter of the terraces)

(4) Gates: None

(5) Garden Walls: None

(6) Retaining Walls: None

(7) Pool and Fountain: None

**G)Building Size:**

(1) *Total building height:* 84 ft from base plane level to top of bulk head.

(2) *Crawl space:* None

(3) *Number of Cellars:* One (1)

(4) *Number of floors:* 8 floors, roof, and bulk head

(5) *Equipment rooms*: water /sprinkler service room, gas service room and electrical service room are located in the cellar. Hot water heaters for residential units are located in 2 equipment rooms at the main roof of the building. Air conditioner units are located on main roof of the building.

(6) *Parapet*: 3'-6" at perimeter of finish main roof, at perimeter of stair and elevator bulkhead finish roof and equipment rooms finish roof.

(7) *Floor to ceiling height*:

(i) Cellar: partially 9'-3" and partially 10'-8" (in area for 2 level parking)
(ii) 1st Floor: 8'-4"
(iii) 2nd Floor: 8'-1"
(iv) 3rd Floor to 7th: 8'-0"
(v) 8th Floor: 9'-0"
(vi) Roof: 8'-6"

(1) *Occupancies:* Residential and community facility including:
2 ambulatory diagnostic facilities on 1st floor
4 ambulatory diagnostic facilities on 2nd floor,
44 condominiums Class "A" multiple dwelling units on the 3rd through 8th floor

## H)Structural System

The building structure is cast-in-place reinforced concrete framing with reinforced concrete shear wall lateral resistance system. The building has been designed in accordance with the New York City Building Code Seismic Provisions The building is supported by shallow foundation of combined isolated footing for the supporting columns and MAT footing for shear wall core with minimum depth of 2'-6". 6" concrete slab on grade is designed at cellar floor. The building foundation_wall is supported with strip wall footing with a minimum depth of 1'-6". According to geotechnical report, provided by Geo Tech Consultants, LLC on November 30,2016, the foundation drainage system is not required. The proposed cellar slab is constructed as slab on grade bearing on 6 inches of ¾" crushed stone course over competent glacial sand. The foundation walls and floor slab are waterproofed by Grace 300R prepuce system. The superstructure of the building is reinforced concrete flat slab with reinforced concrete column framing. The thickness of reinforced concrete slabs is varying:

(i) 1st floor is partially 10", partially 13"
(ii) 2nd to 7th floors is 9"
(iii) 8th floor is 10"
(iv) roof is 10"

On structural elements of the building as exterior walls the sound insulation is provided and achieve STC 56. All concrete floors of the building have STC of 60.

The building is higher than six (6) story, thus Local Law 11 is applicable

(1) *Exterior of Buildings:*

(i)Walls: The exterior side wall of the building is constructed with 8" concrete masonry units, finished on the exterior with a combination of aluminum panel. On interior of the wall the continuous R-10 value insulation was provided, and on exterior side of the wall the continuous insulation with R-13 value was provided. The front and rear façade walls consist of 6" thick metal studs with a combination of aluminum panels and stone exterior finish, with cavity insulation R-19 value and continuous rigid insulation with R-5 value. Typically, the interior of the walls has DuPont Tyvek vapor barrier on metal studs and are faced with 5/8" gypsum wall board. All exterior wall must have minimum STC rating of 55. The interior walls between units and public areas are 2-hour fire rated. They consist of 3 5/8" of metal studs with 3 1/2 "sound insulation to achieve STC rating of 44, and with double layers of 5/8" gypsum board on both sides. The interior walls between apartments are 1 hour rated and consist of

3 5/8" metal studs with 3 ½" sound insulation to achieve STC rating of 44, and with double layers of 5/8" gypsum board on one side and one layer of 5/8" gypsum layer on another side. The STC rating of concrete floors are minimum 50.

After a completion of the building the owner of the building retain a professional engineer or registered architect to examine the building's exterior walls at arm-length every five years, and file a façade report to NYC Department of buildings.

*(ii) Windows:*

There are windows on the south and north sides of the building (front and rear facades of the building). Windows are extruded aluminum with thermal break, with AkzoNobel Powder coating system, with the color defined by RAL 9023, to match the color of the Aluminum cladding system;
All windows and storefronts are provided by the Elvial system, which by a required performance from project documentation, is an adequate system replacement for the defined Kawneer systems.
There is a 1 year warranty guaranteed on all windows to be free of defect by Windoor Consulting Inc.
Window pane size:
For sizes less than 16 S.F., the Insulated glass unit with a thickness 1 3/16" contains:
1/4" exterior Heat tempered glass,
5/8" hermetically sealed aluminum spacer, filled with 90% of Argon and 10% of Air;
1/4"1/4".3/64" laminated glass with one sound layer
For sizes less than 64 S.F., the Insulated glass unit with a thickness 1 3/16" contains:
1/4" exterior Heat tempered glass,
5/8" hermetically sealed aluminum spacer, filled with 90% of Argon and 10% of Air;
1/4"1/4".3/64" laminated glass with one sound layer
All Storefront glass shall have Insulated glass unit with a thickness 1 3/16" contains:
1/4" exterior Heat tempered glass,
5/8" hermetically sealed aluminum spacer, filled with 90% of Argon and 10% of Air;
1/4"1/4".3/64" laminated glass with one sound layer
Aluminum frames will be done by AkzoNobel Powder coating system, with color defined in RAL 9023, to match color of Aluminum cladding system

The air infiltration level shall be kept to the minimum and the ability to with stand cold weather will be adequate in terms of ambient in Queens Borough.

Lot line windows:

Special Risk: There are lot line windows on both east and west exterior walls from 3rd to 7th floor 2-hour rated fixed and operable windows were provided. They are not providing legal light and ventilation, and maybe blocked by adjacent neighbors with future developments
Each lot line windows must have sprinkler head and tested as per ASTM E119.
Residential units that have lot line windows:

3A , 4A, 5A, 6A, 7A (2 windows)
3C, 4C, 5C, 6C, 7C (1 window)
3D, 4D, 5D, 6D, 7D (1 window)
3H, 4H, 5H, 6H, 7H (2 windows)

(iii) Landmark Status: this is not a landmark building
(iv) Local Law 11/98: Local Law 11/98 is applicable, as the building is more than six stories in height.

(2) *Parapets and Coping:* There is a 3'-6" high roof parapet wall. Parapet walls consist of a 9" wall system which include 6" concrete masonry units with a 3" aluminum panel system on the exterior of the building. 6" CMU with solid grout filled and a layer of self-adhered waterproofing membrane tucked underneath the aluminum coping.

(3) *Chimneys and Caps:* There is one wall 6" CMU for trash chute flue from cellar to the roof. The cap on top of trash chute is aluminum.

(4) *Balconies and Terraces*:
List of residential units with balconies:

On 3rd floor 3A, 3B, 3C
On 4th floor 4A, 4B, 4C, 4D, 4E, 4F, 4G, 4H
On 5th floor 5A, 5B, 5C, 5D, 5E, 5F, 5G, 5H
On 6th floor 6A, 6B, 6C ,6D, 6E, 6F, 6G, 6H
On 7th floor 7A, 7B, 7C, 7D, 7E, 7F, 7G, 7H
On 8th floor 8A, 8C

List of residential units with private terraces:

On 3rd floor: 3D, 3E, 3F, 3G, 3H
On 8th floor 8B, 8D

Accessory recreation area (2) : On 8th floor

All terraces are constructed on the reinforced concrete slab and consists of a non-slip roof finish over a neoprene protection layer on EPDM roofing (120 MIL minimum) over a 4" average close cell rigid tapered insulation. The 3'-6" above finish roof parapet wall and 3'-6" glass railing surrounds the balconies. There are aluminum frame and glass doors open to the balconies and terraces from the interior, Kawneer or equivalent. All terraces accessory to residential spaces as recreation areas will be indicated under Certificate of Occupancy

(i) Deck Finish: Hanover masonry pavers on reinforced concrete slab. Hanover masonry roof paver is accepted by the roof manufacturer to retain roof warranty.
(ii) Balustrade: 3'-6" high 1/2" in diameter laminated safety glass
(iii) Railings: 1" diameter high Stainless-steel handrail
(iv) Copings: N/A
(v) Soffits: N/A
(vi) Doors to balconies and terrace:

There are Entrance and Balcony Door positions on the south and north sides of the building (front and rear facade of the building). All door positions are provided by Elvial system, that by required performance from project documentation, is an adequate system replacement for the defined Kawneer systems). Profile for Door positions are extruded aluminum with thermal break and with AkzoNobel Powder coating system with color defined by RAL 9023, to match color of Aluminum cladding system;

All Doors are provided by Elvial system, that by required performance from project documentation, is an adequate system replacement for the defined Kawneer systems). For the specified door positions, according to the project documentation, it is not required that these positions have fire protection

Door panel size: the Insulated glass unit with thickness 1 3/16" contains:
-1/4" exterior Heat tempered glass -5/8" hermetically sealed aluminum spacer, filled with 90% of Argon and 10% of Ai-1/4"1/4".3/64" laminated glass with one sound layer

Entrance doors hardware schedule:
-3-point lock hardware -strike plate -handle inside on main leaf -handrail outside on main leaf
-cylinder with cylinder plate inside and outside
-hinges 2-part Fapim
-latches for slave leaf (up and down)
-door closer Dorma TS93B –electric Strike hardware

Balcony sliding doors hardware schedule:
-LS handle inside and LS pull handle outside
- opening stoper and shock absorber for slide sash

Balcony door hardware schedule:
-handle inside and outside
-hinges 2-part Fapim
-cylinder with cylinder plate inside and outside
1 point locking system

(vii) Roof: The roof is constructed on reinforced concrete slab and consists of a non-slip roof finish over a neoprene layer on EPDM roofing (120 MIL minimum) over a 4" average close cell rigid tapered insulation.
(viii) All terrace lights are wall mounted LED light w/ cover
(ix) Balconies and roof terraces designated as limited common area of a specific condominium unit shall mean that all roofing components above the structural concrete slab is the responsibility of the owner of the said unit to maintain.
The purchasers cannot obstacle Fire Department access path

(5) *Exterior Entrances*:
(i) Exterior door and frames: Aluminum frame glass door with thermal break system. Exterior doors are locked by Schlage S210PD W Interchangeable core.
(ii) Vestibule door and frames: Aluminum steel frame glass door. Vestibule doors are locked by Schlage S210PD W Interchangeable core

(6) *Services Entrance:* One service entrance is provided as second means of egress for stair number 2
(i) Doors and Frames: 1½ fire fated FPSC hollow metal doors and frames by Long Island Fireproof Door with panic exit device
(ii) Gates: garage steel rolling gate
(iii) Exterior Stairs: N/A
(iv) Railings: N/A

(7) *Roof and Roof Structures:* The expected useful life of roof is ten years
(i) Type roofs for all areas:
(a) Material: The roof is a class "A" roofing system, constructed of brick pavers over layers of neoprene protection and EPDM roofing (120ML minimum) by Carlisle-Syntec. Sure-Tough (ST) roofing system with X year labor and material non-prorated warranty, provide roof vent as per manufacturer's recommendation. The aluminum flushing and counter flashing provided.
(b) Insulation: 4" average close cell rigid tapered insulation with R-26 value.
(c) Surface Finish: Concrete pavers at all roof terraces assigned as limited common element. EPDM roofing at building's main roof is not appropriate for daily foot traffic and use as a terrace.
(d) Bond or Guarantee There is 1 year warranty on workmanship from the Grand Construction & Development Group Corp. There is one year warranty for the roofing material from manufacturer. The commencement date for workmanship and material warranty begins 01/01/2024.
(e) All terrace lights are wall mounted LED light w/ cover

(ii) Drains:
(a)Location: Four (4) cast iron roof drains are provided on the roof. Roof drains is installed pursuant to 2014 NYC PC 1102.6 and 1105. A cast iron emergency overflow drain is provided adjacent to each installed roof drain as secondary roof drainage per 2014 NYC BC 1503.4.1.
Secondary drainage is installed in accordance with 2014 NYC PC 1107.
A total of four (4) emergency overflow drains are installed on the roof.
One (1) cast iron terrace drain is provided for each terrace; total of three (3) terrace drains are provided on the 8th floor. A cast iron emergency overflow drain is provided adjacent to each

Balcony door hardware schedule:
-handle inside and outside
-hinges 2-part Fapim
-cylinder with cylinder plate inside and outside
1 point locking system

(vii) Roof: The roof is constructed on reinforced concrete slab and consists of a non-slip roof finish over a neoprene layer on EPDM roofing (120 MIL minimum) over a 4" average close cell rigid tapered insulation.
(viii) All terrace lights are wall mounted LED light w/ cover
(ix) Balconies and roof terraces designated as limited common area of a specific condominium unit shall mean that all roofing components above the structural concrete slab is the responsibility of the owner of the said unit to maintain.
The purchasers cannot obstacle Fire Department access path

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(i) Exterior door and frames: Aluminum frame glass door with thermal break system. Exterior doors are locked by Schlage S210PD W Interchangeable core.
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(i) Doors and Frames: 1½ fire fated FPSC hollow metal doors and frames by Long Island Fireproof Door with panic exit device
(ii) Gates: garage steel rolling gate
(iii) Exterior Stairs: N/A
(iv) Railings: N/A

(7) *Roof and Roof Structures:* The expected useful life of roof is ten years
(i) Type roofs for all areas:
(a) Material: The roof is a class "A" roofing system, constructed of brick pavers over layers of neoprene protection and EPDM roofing (120ML minimum) by Carlisle-Syntec. Sure-Tough (ST) roofing system with X year labor and material non-prorated warranty, provide roof vent as per manufacturer's recommendation. The aluminum flushing and counter flashing provided.
(b) Insulation: 4" average close cell rigid tapered insulation with R-26 value.
(c) Surface Finish: Concrete pavers at all roof terraces assigned as limited common element. EPDM roofing at building's main roof is not appropriate for daily foot traffic and use as a terrace.
(d) Bond or Guarantee There is 1 year warranty on workmanship from the Grand Construction & Development Group Corp. There is one year warranty for the roofing material from manufacturer. The commencement date for workmanship and material warranty begins 01/01/2024.
(e) All terrace lights are wall mounted LED light w/ cover

(ii) Drains:
(a)Location: Four (4) cast iron roof drains are provided on the roof. Roof drains is installed pursuant to 2014 NYC PC 1102.6 and 1105. A cast iron emergency overflow drain is provided adjacent to each installed roof drain as secondary roof drainage per 2014 NYC BC 1503.4.1.
Secondary drainage is installed in accordance with 2014 NYC PC 1107.
A total of four (4) emergency overflow drains are installed on the roof.
One (1) cast iron terrace drain is provided for each terrace; total of three (3) terrace drains are provided on the 8th floor. A cast iron emergency overflow drain is provided adjacent to each

installed roof drain as secondary roof drainage per 2014 NYC BC 1503.4.1. Secondary drainage is installed in accordance with 2014 NYC PC 1107. A total of three (3) emergency overflow drains are installed on the 8th floor.
Building management shall be responsible for maintaining all stormwater drains, including but not limited to: roof drains, terrace drains, emergency overflow drains, etc. In the case that potential leaks cause damage to residential property, the building management shall be liable for the repair of the leak and all related damages.

(b)Gutters and Leaders: N/A

(iii) Skylights: 2 skylights with auto sensor on staircase bulkhead roof. One is 2' by 3' and the second is 2' by 6' installed by Eastern Metal. There is one year warranty on workmanship and material from Eastern Metal. The commencement date for workmanship and material warranty begins 01/01/2024

(iv) Bulkheads:
Stair: The exterior wall of all stair bulkheads is constructed with 8" concrete masonry units with continuous insulation R-13 value and finished on the exterior with a combination of aluminum panel.
Elevators: The exterior wall of all stair bulkheads is constructed with 8" concrete masonry units With continuous insulation R-13 value and finished on the exterior with a combination of Aluminum panel.
Other: The exterior wall of all mechanical rooms is constructed with 8" concrete masonry units With continuous insulation R-13 value and finished on the exterior with a combination of Aluminum panel.

(v) Metal work at roof levels: 3 metal ladders up to (1 to stair case bulkhead roof and 2 to equipment rooms roofs)

(vi) Rooftop facilities:
No occupancy on the main roof. No recreation area on the roof. Roof is limited for common elements as mechanical equipment (45 air conditioner units, 44 hot water heater units), refrigerant pipe risers, ventilation shafts, and 70 solar panels. No antennae, no cell phone tower, no satellite dishes. The fire department access path was provided at front roof perimeter and passage way connected to the back of the roof with minimum width of 6 feet. This fire accesses path cannot be obstacle by any furniture or equipment.

(8) *Fire Escape:* N/A

(9) *Yard and Courts*:

(i) There is a rear yard at 1st floor. The rear yard is for outdoor community facility tenant's use and mechanical equipment only The square footage of rear yard used spaces:

Terrace 1 = 680 sq.f (33'-8"x19'-11")
Terrace 2 = 766 sq.f (38'-2"x19'-11")
Mechanical equipment area = 892 sq.f

The outdoor tenant's space is accessible from ambulatory diagnostic centers directly by 3'-0" exterior sliding doors.

(ii) Drainage: Cast iron area drains are provided in all yard and courts on the 1st floor as per 2014 NY PC 1101.2. A total of six (6) area drains are provided on the 1st floor; two (2) area drains are provided in the rear yard, four (4) area drains are provided in the front yard.

(iii) Railings: None

(iv) Stairs: None

(v) Fencing: The perimeter of rear yard has 6 feet high steel fence and 6 feet high wood fence between mechanical and terraces areas.

(vi) Walls: The rear yard is supported by basement foundation wall. No any defined retaining walls. The rear yard is paved by 2" thick concrete pavers. The landscape are planters provided by the tenants.

(10) *Interior Stairs:*

(i) Number of Stairs: On the residential and community facility building there are two public scissors stairs which run from the cellar to the main roof. Both stairs lead directly to 41st Avenue. There is one stair for community facility use only runs from cellar to 2nd floor, and one public stair run from cellar to first floor (as second means of egress)

(ii) Enclosure: 8" CMU block (3-hour fire rated stair enclosure)
(iii) Stair Construction: Concrete.
(iv) Stringers: Steel
(v) Treads: Concrete
(vi) Risers: Concrete
(vii) Guard Rails: Steel railing
(viii) Balustrade: Steel
(ix) Lighting: One wall mounted light and two heads emergency light on each public stair landing, see lighting schedule.

*(11)Interior door sand frames*

(i) Unit entrance doors and frames: 1-1/2" hour fire rated FPSC hollow metal doors and frames by ABCO Steel door.
Doors and frames within the units: Masonite molded, single panel series by ABCO Steel door with Schlage passage Lockset.

(ii) Corridor doors and frames: 1-1/2" hour fire rated FPSC hollow metal doors and frames by ABCO Steel door

(iii) Stair well door sand frames: 1-1/2" hour fire rated FPSC hollow metal doors and frames by ABCO Steel door

(iv) Roof doors, cellar doors and frames: 1-1/2" hour fire rated FPSC hollow metal doors and frames by ABCO Steel door

*(12) Elevator and Cab:*

Residential:

(i) Number of passenger elevators:
- Traction Elevator: One 3,500 lbs for residential
- Hydraulic Elevator: One 3,500 lbs for community facility

(ii) Manufacturer:
- Traction Elevator: UTEK Elevator
- Hydraulic Elevator: CANTON Elevator

(iii) Type of operation: simplex selective collective

(iv) Controls: Micro-processor TAC 50-04
- Traction Elevator: SMARTRISE / C4: Traction AC
- Hydraulic Elevator: Elevator System Inc (ESI) / simplex selective / Col

(v) Floors served: residential elevator from cellar floor to roof
- Traction Elevator: 9 landing, 9 Opening
- Hydraulic Elevator: 3 Landing, 3 Opening

(vi) Type: Overhead geared traction machine room-less.
- Traction Elevator: MRL
- Hydraulic Elevator: Hydraulic

(vii) Doors: all cab doors are 3'-6" wide x 7'-0" high on all floors. Stainless steel with extruded aluminum sill.

- Traction Elevator: Single speed side opening 42"W x 84"H, SS#4 with aluminum sill
- Hydraulic Elevator: Single speed side opening 42"W x 84"H, SS#4 with aluminum sill

(viii) Location of machine rooms: bulk head:
- Traction Elevator: Bulkhead
- Hydraulic Elevator: Cellar

(ix) DC motor: N/A

(x) AC motor-generator set: 30 HP Marathon.

(xi) Power Supply: #12 Neutral, 208V, 3 PH & 60HZ.

(xii) Maintenance contract: annually elevator maintenance contract, pay monthly.
- Traction Elevator: Annually Elevator maintenance contract, monthly payment
- Hydraulic Elevator: Annually Elevator maintenance contract, monthly payment

(13) Elevator cabs:

Traction Elevator: Drop Ceiling: Stainless Steel #4
Insert: Black Plastic Laminate
Panel: Stainless steel panels
Hand Rail: 3/8" x 2" Hand Rail
Base: Stainless Steel
Manufacturer: UTEK Elevator

Hydraulic Elevator: Drop Ceiling: Stainless Steel #4
Insert: Black Plastic Laminate
Panel: Stainless steel panels
Hand Rail: 3/8" x 2" Hand Rail
Base: Stainless Steel
Manufacturer: CANTON Elevator

**I) Auxiliary Facilities**

(1) Laundry facility. Each residential unit is equipped with a combo of electric washer/dryer. But as an Alternative (LCE) small laundry room in cellar floor that will provide 1 coin operated electric dryer manufactured by Speed Queen model number DV4000WE and 1 coin operated electric washer manufactured by Speed Queen model number FV6000WN. The electric dryer room is exhausted using a 300 CFM capacity fan and 300 CFM of make-up air is provided by a separate fan, both listed under Ventilation section.

(2) Refuse Disposal. The building has a vertical chute for residential refuse disposal.
The trash compactor room is located at the cellar floor and will have Refuse Compactor model MC4000 by All-City Metal. The collection of community facility refuse will be maintained by private contractor; the cost of which will be borne solely by the community facility tenants in proportion to their common interest. A building manager will be responsible for residential refuse removal and placement of refuse on the street (curbside) for pick-up by the New York City Department of Sanitation.

(3) Bicycle Storage: The enclosure of bicycle storage is 8" concrete masonry unit with hollow metal door. It is located on cellar level and accessible only for residential occupancy. It is ceiling mounted bicycle storage system of 22 by "The Park and Facilities" (2 rows). It is only for residential use, and will be locked. The lock keys will be provided by the owner of the property for each residential unit.

(4) Storage: None

- Traction Elevator: Single speed side opening 42"W x 84"H, SS#4 with aluminum sill
- Hydraulic Elevator: Single speed side opening 42"W x 84"H, SS#4 with aluminum sill

(viii) Location of machine rooms: bulk head:
- Traction Elevator: Bulkhead
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(4) Storage: None

(5) Mail/Package:

(i) Location: USPS mail boxes area is located at 1st floor in residential lobby for and amazon boxes for packages are located near residential elevator lobby

(ii) Number: It will be 44 USPS approved mailboxes + 3 Amazon mailboxes. All shall compline with NYC local law 58. (Handicap Access Law).

## J)Plumbing and Drainage

(1) Water Supply:

There is a 4-inch domestic water service at cellar connection to the existing 12-inch city water main on 41st Avenue. The residual water pressure at this point is 53 pounds per square inch with a flow rate of 500 gallons per minute. The minimum water pressure for all fixtures is 25 psi. The pressure is boosted and maintained by a *Federal* duplex domestic water booster pump system, model number *VSP-10050-2*. The duplex pumps are able to boost the incoming water at 100 gallons per minute and 116 feet of total dynamic head. The pump system is warranted for a period of three (3) years from the date of shipment and the pump manufacturer will provide a three-year limited warranty for material and workmanship is starting 01/01/2024

There will be a central meter for the entire building, including residential units and all common spaces. No separate water meters will be provided for the unit owners. Water usage will be billed based on the water meter reading. The cost will be distributed within the common charges. The water pipe material is copper and stainless steel. For pipe diameter under 1.5" use 1.5" pipe insulation, for pipe diameter over 1.5" use 2" insulation. The main shut-off valve is located in the water/gas meter room in cellar.

(2) Fire Protection System:

(i) Standpipes:

There are a total of three (3) Class I standpipes installed in the building. There is one (1) standpipe the commercial stairwell which serves the commercial portion of the building. There is one (1) standpipe installed in the central stair extending from the cellar to roof serving the residential portion of the building. There is one (1) combined sprinkler/standpipe extending from the cellar to roof that serves the residential portion of the building and provides sprinkler coverage to both the commercial and residential portions of the building; a flow control valve assembly (FCVA) is installed on this standpipe on each floor. The fire protection system is designed to provide a minimum discharge of 250 gallons per minute (gpm) at 65 pounds per square inch (psi) to the uppermost fire hose valve of each standpipe.

(ii) Hose racks, hoses and nozzles:

Each standpipe is equipped with 2-1/2" fire hose valves on each floor. (iii) Sprinkler heads:

The building is protected by a fire protection system designed in accordance to NFPA 13 and NFPA 14, as modified by 2014 NYC BC Appendix Q. The sprinkler plans are filed to DOB BIS #421580890 with the New York City Department of Buildings. There is a 6-inch fire service connection to the existing 12-inch city water main on 41st Avenue. An automatic wet sprinkler/standpipe system is provided on all floors.

To provide adequate pressure in the fire protection system, a single stage inline fire pump is installed. The fire pump is an AC Fire Pump 1580 Series Vertical In-Line Fire Pump 4x4x9.5F and is capable of boosting the pressure by 120 psi at 500 gpm. The pressure is maintained by the jockey pump; Grundfos model CR2-100.

There is one year material and workmanship warranty on the Fire Pump and Jockey pump with commencement date starting 01/01/2024.

(iv) Siamese connection:

There is a 3"x3"x6" free standing combination connection, for Fire Department use, is provided at the building on 41st Avenue.

((3) Water storage tank(s) and enclosures: N/A

(4) Water pressure and how maintained:
To maintain the minimum water pressure for all fixtures is 25 psi. the *Federal* duplex domestic water booster pump system, model number *VSP-10050-2* was installed.
For fire protection system of the building a single stage fire pump was installed.

(5) Sanitary Sewage System:
(i) Sewage piping:
All sanitary piping upstream of the house trap is constructed with cast-iron pipe and ductile-iron pipe.
(ii) Sewage pumps:
There are two (2) elevator pit sump pumps in elevator pits, 115V/1/60, SE50-GAF, 'Stancor' or equal. The pumps and control system should carry a one-year warranty.
(iii) Sewage disposal:
All sanitary discharge will be conveyed via the buildings sanitary system to an 8-inch sanitary house trap in a dedicated house trap pit in the cellar. A connection is made downstream of the sanitary house trap to a combined sanitary and storm connection. The combined sanitary and storm connection is an 8-inch extra heavy cast iron (XHCI) sewer pipe with a 4-precent slope and built on a broken stone bedding. The combined connection connects to an existing 48-inch combined sewer on 41st Avenue. The existing sewer flows southwestward from Union Street to Main Street.

(6) Permits:
- Plumbing Permit first issued on 08/03/21
- Sprinkler Permit first issued on 12/31/21
- Standpipe Permit first issued on 12/31/21

(7) Storm Drainage System:
(i) Catch basins: N/A
(ii) Yard and roof drains:
All stormwater is collected by roof drains, emergency overflow drains, terrace drains and area drains and discharged to an 819 cubic foot detention tank located on the cellar level. The detention tank is designed to have a maximum discharge rate to the sewer of 0.231 cubic feet per second and is in accordance with NYC's 2012 house/site connection stormwater rule. The detention tank discharges to an 8-inch storm house trap, downstream of which connects into the combined sanitary and storm connection as described in chapter J, section 5 (Plumbing and Drainage, Sanitary Sewer System).
(iii) Piping:
All storm piping upstream of the house trap is constructed with cast-iron pipe and ductile-iron pipe.
(iv) Eject or sump pumps:
The eject pump VSS-4C-6 will carries a one-year material and workmanship warranty on the Fire Pump and Jockey pump with commencement date starting 01/01/2024.

## K) Heating

(1) Space heating: The space heating provided in the building is in accordance with the NYC Building codes and the New York State Energy Code. The system is designed to maintain a 70-degree Fahrenheit indoor temperature when the outdoor temperature is at 13 degrees Fahrenheit. The types of units provided includes a gas fired ERV, VRF heat pumps with heat recovery, multi-split heat pumps and electric resistance unit heaters. The amount of heating provided to each space varies depending on its size, location and calculated heat requirements. The indoor design parameters are: 75 F(DB) /50% RH in

the summer and 70 F (DB) in the winter. Outdoor design parameters are: 89 F(DB) /73% RH in the summer and 13 F (DB) in the winter.

- Residential: The residential portion of the building is heated using a gas fired ERV, multi-split heat pump systems, and electric unit heaters.

The Greenheck branded ERV, with model# RVE-40-41D-15I-J-D1, provides site recovered and indirect gas heating for all of the residential corridors and residential units. The ERV provides a total heating output of 240 MBH and has a efficiency of 80%. All heating provided by this centralized unit will be considered a common charge and split among all residential units.

The common spaces shared by the residential units, including the lobby and recreational spaces, are served by Mitsubishi heat pump systems. Each air handling unit will be provided with its own thermostat, located within the space that the unit serves. The heating use of these units will also be considered a common charge. The following condensers and their related air handling units are provided:

a. Lobby: One (1) 4-ton condenser, model PUMY-P48NKMU.
- One (1) 1.5-ton high static ceiling-concealed unit, with model# PEFY-P18NMHU-E, providing 20,000 BTU of heating.
- One (1) 2-ton high static ceiling-concealed unit, with model# PEFY-P24NMHU-E, providing 27,000 BTU of heating.

b. Gym: One (1) Mitsubishi 3-ton condenser, model PUMY-P36NKMU2
- One (1) 2-ton medium static ceiling-concealed unit, with model# PEFY-P24NMAU-E, providing 27,000 BTU of heating.

c. Recreation Room: One (1) Mitsubishi 3-ton condenser, model PUMY-P36NKMU2
- One (1) 2-ton medium static ceiling-concealed unit, with model# PEFY-P24NMAU-E, providing 27,000 BTU of heating.

The residential units are provided with their own individual Mitsubishi hyper heat multi-split heat pump system. An individual thermostat will be provided for each air handling unit and located in the space that the unit serves. The heating use of these systems will be billed individually. The following system configurations are provided, depending on the heating requirements of the unit:

a.
- One (1) 4-ton condenser, model PUMY-HP48NKMU
- One (1) 2-ton medium static ceiling-concealed unit, with model# PEFY-P24NMAU-E, providing 27,000 BTU of heating.
- One (1) 1-ton medium static ceiling-concealed unit, with model# PEFY-P12NMAU-E, providing 13,500 BTU of heating.
- One (1) 0.66-ton medium static ceiling-concealed unit, with model# PEFY-P08NMAU-E, providing 9,000 BTU of heating.

b.
- One (1) 3-ton condenser, model PUMY-HP36NKMU
- One (1) 2-ton medium static ceiling-concealed unit, with model# PEFY-P24NMAU-E, providing 27,000 BTU of heating.
- One (1) 1-ton medium static ceiling-concealed unit, with model# PEFY-P12NMAU-E, providing 13,500 BTU of heating.

c.

- One (1) 3-ton condenser, model PUMY-HP36NKMU
- One (1) 2-ton medium static ceiling-concealed unit, with model# PEFY-P24NMAU-E, providing 27,000 BTU of heating.
- One (1) 0.66-ton medium static ceiling-concealed unit, with model# PEFY-P08NMAU-E, providing 9,000 BTU of heating.

d.
- One (1) 3-ton condenser, model PUMY-HP36NKMU
- One (1) 1.5-ton medium static ceiling-concealed unit, with model# PEFY-P18NMAU-E, providing 27,000 BTU of heating.
- Two (2) 0.66-ton medium static ceiling-concealed unit, with model# PEFY-P08NMAU-E, providing 9,000 BTU of heating.

e.
- One (1) 3-ton condenser, model PUMY-HP36NKMU
- One (1) 1.5-ton medium static ceiling-concealed unit, with model# PEFY-P18NMAU-E, providing 27,000 BTU of heating.
- One (1) 0.66-ton medium static ceiling-concealed unit, with model# PEFY-P08NMAU-E, providing 9,000 BTU of heating.

Other shared spaces, including the enclosed parking space, bike storage room, laundry room, and utility and heated using electrical unit heaters. Individual thermostats are provided for each unit heater, and all heating costs will be considered a common charge.

- Community facility: The community facility portion of the building is heated using VRF heat pumps with heat recovery, multi-split heat pumps, and electric resistance duct heaters.

The three larger spaces are provided with Mitsubishi VRF heat pump systems with heat recovery. Each of the related indoor air handlers are provided with their own thermostat, located within the space being served. These spaces are individually provided with one of these systems, in which all heating use is individually assessed:

a.
- One (1) 6-ton condenser, model PURY-P72TNU-A
- Two (2) 3-ton high static ceiling concealed units, with model# PEFY-P36NMHU-E, each providing 40,000 BTU of heating.

The three smaller spaces are provided with Mitsubishi multi-split heat pump systems. Each of the related indoor air handlers are provided with their own thermostat, located within the space being served. These spaces are individually provided with one of these systems, in which all heating use is individually assessed:

a.
- One (1) 5-ton condenser, model PUMY-P60NKMU2
- Two (2) 2.5-ton high static ceiling concealed units, with model# PEFY-P30NMHU-E, each providing 34,000 BTU of heating.

b.
- One (1) 4-ton condenser, model PUMY-P48NKMU2
- One (1) 4-ton high static ceiling concealed units, with model# PEFY-P48NMHU-E, providing 54,000 BTU of heating.

Additionally, the community facility corridors are provided with a multi-split heat pump system, in which all indoor air handlers are controlled by individual thermostats, and the heating use is billed to all community facility tenants. The following system is provided:

a.
- One (1) 4-ton condenser, model PUMY-P48NKMU2
- Two (2) 2-ton high static ceiling concealed units, with model# PEFY-P24NMHU-E, each providing 27,000 BTU of heating.

Electric duct heaters are provided for all outside air intake fans.

- Misc: Individual Mitsubishi heat pump systems are also provided for each of the elevator machine rooms. The thermostat for the system will be located within the elevator machine rooms, and the heating cost will be split among residents or community facility tenants, depending on if the elevator is for residential use or community facility use. Each elevator machine room is provided with the following system:

a.
- One (1) 2-ton condenser, model PUZ-A24NHA7
- One (1) 2-ton wall mounted unit, with model# PKA-A24KA7, providing 26,000 BTU of heating.

- Condenser efficiencies: The heating efficiencies of each condenser model provided for the building is listed below:

| Model Number | HSPF |
|---|---|
| PURY-P72TNU-A | 3.76 COP |
| PUMY-P60NKMU2 | 10.7 |
| PUMY-P48NKMU2 | 11.0 |
| PUMY-P36NKMU2 | 11.2 |
| PUMY-HP48NKMU2 | 11.0 |
| PUMY-HP36NKMU2 | 11.7 |
| PUZ-A24NHA7 | 11.0 |

- Rooftop piping insulation:

| Fluid Operating Temperature (°F) | Conductivity (btu-in.) | Mean rating temperature (°F) | Nominal Pipe or Tube Size (in) | | | | |
|---|---|---|---|---|---|---|---|
| | | | <1 | 1 – 1.5 | 1.5 – 4 | 4 – 8 | >8 |
| | | | Insulation Thickness (in) | | | | |
| 141-200 | 0.25-0.29 | 125 | 1.5 | 1.5 | 2.0 | 2.0 | 2.0 |
| 105-140 | 0.22-0.28 | 100 | 1.0 | 1.0 | 1.5 | 1.5 | 1.5 |
| 40-105 | 0.21-0.27 | 75 | 0.5 | 0.5 | 1.0 | 1.0 | 1.0 |

- Ductwork insulation: All supply and return ducts used for heating are insulated using fiberglass board with a vapor seal finish. The thickness and density of the insulation varies depending on the duct location. All insulation provided will meet or exceed the R-values shown below

| Climate Zone | Duct Location | | |
|---|---|---|---|
| | Exterior | Unconditioned space and buried ducts | Indirectly Conditioned Space |

| | | | |
|---|---|---|---|
| 4 | R-8 | R-6 | R-1.9 |

- Equipment Support: Condensers are held in place by a rigid support that is secured onto the roof slab. All metal used is corrosion resistant (stainless steel or similar). Additionally, condensers are provided with 1" vibration isolators to prevent excessive vibration or noise.

- Warranty: Mitsubishi provides limited parts warranty for all units installed in accordance with applicable building codes and permits, METUS installation and operation instructions, and with good practice. Up to 10 years of warranty will be provided to the original owner for all units.

2. Hot water heating: The hot water for this building is provided by a central hot water heating system and multiple individual hot water heater.

   Residential: Residential fixtures are supplied domestic hot water by a central hot water heating system. The domestic hot water is heated by four (4) A.O. Smith BTH-250 gas water heaters located in the hot water heater room on the roof of the building. Each hot water heater requires 250 kBTU/HR, has a 100-gallon storage capacity, and is capable of recovering 267 gallons of water per hour at a 100°F temperature rise. Each water heater operates at a 95% efficiency rating. The water heating of this system will be billed to residents as a common charge. There is a 3-year manufacturer warranty for the hot water heater with commencement date of 01/01/2024

   The laundry room is provided with a A.O. Smith storage electric water heater model DSE-50A. This water heater has an electrical input of 12kW/208V/three phase/60 Hz), is capable of providing 50 gpm of hot water at a 66°F temperature rise and operates at SL efficiency of 0.56. The water heating of this water heater will be billed to residents as a common charge. There is a 3-year manufacturer warranty for the hot water heater with commencement date of 01/01/2024.

   The service sink located on the cellar level is provided with a Stiebe Eltron single point electric water heater model DHC-E 12. This water heater has an electrical input of 9.6kW/208V/single phase/60 Hz), is capable of providing 1.0 gpm of hot water at a 66°F temperature rise and operates at SL efficiency of 0.99. The water heating of this water heater will be billed to residents as a common charge. The manufacturer provides 7 years leak warranty and 3 years parts warranty.

   - Common residential and community facility bathrooms: Each public and community facility bathroom is provided with a Stiebe Eltron single point electric water heater model DHC-E 8. These water heaters have an electrical input of 7.2kW/208V/single phase/60 Hz), are capable of providing 0.75 gpm of hot water at a 66°F temperature rise and operate at SL efficiency of 0.99. The manufacturer provides 7 years leak warranty and 3 years parts warranty.

(2) Number of boilers and description: N/A
(3) Manufacturer and age of boiler(s): N/A
(4) Manufacturer and age of burners: N/A
(5) Type of controls: AC is controlled by 7-day programmable thermostats.
(6) Radiators, piping, insulation, valves, pumps: N/A
(7) Fuel: N/A
(8) Location of oil tank, materials, enclosure: N/A
(9) Capacity of oil tank: N/A

## l) Gas Supply

(1) Type: The fuel will be natural gas.
(2) Meters:The gas will be metered from Con Edison Company. The gas usage is metered using four (4) gas meters, in which one (1) determines the gas usage of the central hot water heaters, two (2) determine the gas usage from the residential stoves, and one (1) determines the gas usage from the ERV. The total gas usage will be billed as a common charge, shared between all residential units.
(3) Piping: The gas supplied to the building via a 5-inch incoming gas pipe, constructed with schedule 40 steel.

## M) Air Conditioning

(1) Type of system: Space cooling: The space cooling provided in the building is in accordance with the NYC Building codes and the New York State Energy Code. The system is designed to maintain a 75 degree Fahrenheit indoor temperature when the outdoor temperature is at 89 degrees Fahrenheit. The types of units provided includes an ERV, VRF heat pumps with heat recovery, and multi-split heat pumps. The amount of cooling provided to each space varies depending on its size, location and calculated heat requirements. The indoor design parameters are: 75 F(DB) /50% RH in the summer and 70 F (DB) in the winter. Outdoor design parameters are: 89 F(DB) /73% RH in the summer and 13 F (DB) in the winter.

(2) Central system:

Residential: The residential portion of the building is cooled using an ERV and multi-split heat pump systems.

The Greenheck branded ERV, with model# RVE-40-41D-15I-J-D1, provides site recovered and packaged DX cooling for all of the residential corridors and residential units. The ERV provides a total cooling output of 204.2 MBH and has an ISMRE efficiency of 6.6.

The common spaces shared by the residential units, including the lobby and recreational spaces, are served by Mitsubishi heat pump systems. The following condensers and their related air handling units are provided:

a. Lobby: One (1) 4-ton condenser, model PUMY-P48NKMU.
- One (1) 1.5-ton high static ceiling-concealed unit, with model# PEFY-P18NMHU-E, providing 18,000 BTU of cooling.
- One (1) 2-ton high static ceiling-concealed unit, with model# PEFY-P24NMHU-E, providing 24,000 BTU of cooling.

b. Gym: One (1) Mitsubishi 3-ton condenser, model PUMY-P36NKMU2
- One (1) 2-ton medium static ceiling-concealed unit, with model# PEFY-P24NMAU-E, providing 24,000 BTU of cooling.

c. Recreation Room: One (1) Mitsubishi 3-ton condenser, model PUMY-P36NKMU2
- One (1) 2-ton medium static ceiling-concealed unit, with model# PEFY-P24NMAU-E, providing 24,000 BTU of cooling.

The residential units are provided with their own individual Mitsubishi hyper heat multi-split heat pump system. The following system configurations are provided, depending on the heating requirements of the unit:

a.
- One (1) 4-ton condenser, model PUMY-HP48NKMU
- One (1) 2-ton medium static ceiling-concealed unit, with model# PEFY-P24NMAU-E, providing 24,000 BTU of cooling.
- One (1) 1-ton medium static ceiling-concealed unit, with model# PEFY-P12NMAU-E, providing 12,000 BTU of cooling.
- One (1) 0.66-ton medium static ceiling-concealed unit, with model# PEFY-P08NMAU-E, providing 8,000 BTU of cooling.

b.
- One (1) 3-ton condenser, model PUMY-HP36NKMU
- One (1) 2-ton medium static ceiling-concealed unit, with model# PEFY-P24NMAU-E, providing 24,000 BTU of cooling.
- One (1) 1-ton medium static ceiling-concealed unit, with model# PEFY-P12NMAU-E, providing 12,000 BTU of cooling.

c.
- One (1) 3-ton condenser, model PUMY-HP36NKMU
- One (1) 2-ton medium static ceiling-concealed unit, with model# PEFY-P24NMAU-E, providing 24,000 BTU of cooling.
- One (1) 0.66-ton medium static ceiling-concealed unit, with model# PEFY-P08NMAU-E, providing 8,000 BTU of cooling.

d.
- One (1) 3-ton condenser, model PUMY-HP36NKMU
- One (1) 1.5-ton medium static ceiling-concealed unit, with model# PEFY-P18NMAU-E, providing 24,000 BTU of cooling.
- Two (2) 0.66-ton medium static ceiling-concealed unit, with model# PEFY-P08NMAU-E, providing 8,000 BTU of cooling.

e.
- One (1) 3-ton condenser, model PUMY-HP36NKMU
- One (1) 1.5-ton medium static ceiling-concealed unit, with model# PEFY-P18NMAU-E, providing 24,000 BTU of cooling.
- One (1) 0.66-ton medium static ceiling-concealed unit, with model# PEFY-P08NMAU-E, providing 8,000 BTU of cooling.

1. Commercial: The commercial portion of the building is heated using VRF heat pumps with heat recovery and multi-split heat pumps

The three larger spaces are provided with Mitsubishi VRF heat pump systems with heat recovery. These spaces are individually provided with one of these systems, in which all heating use is individually assessed:

a.
- One (1) 6-ton condenser, model PURY-P72TNU-A
- Two (2) 3-ton high static ceiling concealed units, with model# PEFY-P36NMHU-E, each providing 36,000 BTU of cooling.

The three smaller spaces are provided with Mitsubishi multi-split heat pump systems. These spaces are individually provided with one of these systems, in which all heating use is individually assessed:

a.
- One (1) 5-ton condenser, model PUMY-P60NKMU2
- Two (2) 2.5-ton high static ceiling concealed units, with model# PEFY-P30NMHU-E, each providing 30,000 BTU of cooling.

b.
- One (1) 4-ton condenser, model PUMY-P48NKMU2
- One (1) 4-ton high static ceiling concealed units, with model# PEFY-P48NMHU-E, providing 48,000 BTU of cooling.

Additionally, the commercial corridors are provided with a multi-split heat pump system. The following system is provided:

a.
- One (1) 4-ton condenser, model PUMY-P48NKMU2
- Two (2) 2-ton high static ceiling concealed units, with model# PEFY-P24NMHU-E, each providing 24,000 BTU of cooling.

2. Misc: Individual Mitsubishi heat pump systems are also provided for each of the elevator machine rooms. Each elevator machine room is provided with the following system:

b.
- One (1) 2-ton condenser, model PUZ-A24NHA7
- One (1) 2-ton wall mounted unit, with model# PKA-A24KA7, providing 24,000 BTU of cooling.

3. Condenser efficiencies: The cooling efficiencies of each condenser model provided for the building is listed below:

| Model Number | SEER |
|---|---|
| PURY-P72TNU-A | 13.1 EER |
| PUMY-P60NKMU2 | 17.8 |
| PUMY-P48NKMU2 | 16.5 |
| PUMY-P36NKMU2 | 18.3 |
| PUMY-HP48NKMU2 | 16.5 |
| PUMY-HP36NKMU2 | 18.3 |
| PUZ-A24NHA7 | 21.4 |

4. Rooftop piping insulation:

| Fluid Operating Temperature (°F) | Conductivity (btu-in.) | Mean rating temperature (°F) | Nominal Pipe or Tube Size (in) | | | | |
|---|---|---|---|---|---|---|---|
| | | | <1 | 1 – 1.5 | 1.5 – 4 | 4 – 8 | >8 |
| | | | Insulation Thickness (in) | | | | |
| 141-200 | 0.25-0.29 | 125 | 1.5 | 1.5 | 2.0 | 2.0 | 2.0 |
| 105-140 | 0.22-0.28 | 100 | 1.0 | 1.0 | 1.5 | 1.5 | 1.5 |
| 40-105 | 0.21-0.27 | 75 | 0.5 | 0.5 | 1.0 | 1.0 | 1.0 |

5. Ductwork insulation: All supply and return ducts used for heating are insulated using fiberglass board with a vapor seal finish. The thickness and density of the

insulation varies depending on the duct location. All insulation provided will meet or exceed the R-values shown below

| Climate Zone | Duct Location | | |
|---|---|---|---|
| | Exterior | Unconditioned space and buried ducts | Indirectly Conditioned Space |
| 4 | R-8 | R-6 | R-1.9 |

6. Equipment Support: Condensers are held in place by a rigid support that is secured onto the roof slab. All metal used is corrosion resistant (stainless steel or similar). Additionally, condensers are provided with 1" vibration isolators to prevent excessive vibration or noise.

7. Warranty: Mitsubishi provides limited parts warranty for all units installed in accordance with applicable building codes and permits, METUS installation and operation instructions, and with good practice. Up to 10 years of warranty will be provided to the original owner for all units.

8. Note: The ERV, VRF heat pumps with heat recovery, and multi-split systems are capable of both heating and cooling. Only one system is provided for the purpose of both heating and cooling. Refer to section K for additional information regarding heating and thermostatic controls.

(3) Cooling towers, condensers: N/A
(4) Individual units covered by the offer: N/A

## N) Ventilation

The building is provided with various ventilation devices that allow for the exhaust of air out of the building, the intake of air into the building, and both the intake and exhaust of air.

a. Residential Air Intake and Residential Bathroom Exhaust: The Greenheck branded ERV, with model# RVE-40-41D-15I-J-D1, serves as an exhaust for residential bathrooms and an air intake supply for residential units.

| Quantity | Location | Manufacturer | Model | Supply CFM | Exhaust CFM |
|---|---|---|---|---|---|
| 1 | Roof | Greenheck | RVE-40-41D-15I-J-D1 | 4,400 | 4,400 |

b. Residential Kitchen Exhaust: The exhaust for residential units is provided for by four (4) utility fans.

| Quantity | Location | Manufacturer | Model | Exhaust CFM |
|---|---|---|---|---|
| 1 | Roof | Greenheck | USF-13 | 2,000 |
| 3 | Bulkhead | Greenheck | USF-13 | 2,000 |

c. Garage Exhaust: The exhaust for residential garage is provided for by one (1) fan.

| Quantity | Location | Manufacturer | Model | Exhaust CFM | Required CFM |
|---|---|---|---|---|---|
| 1 | 1st floor | Greenheck | G-240-B-VG | 6,000 | 4,750 |

d. Dryer Exhaust and Laundry Room Air intake: The exhaust is provided for by one (1) fan and the air intake is provided for by one (1) fan.

| Quantity | Location | Manufacturer | Model | Exhaust CFM | Supply CFM |
|---|---|---|---|---|---|
| 1 | 1st floor | Greenheck | G-103HP-VG | 300 | - |
| 1 | 1st floor | Greenheck | USF-04 | - | 300 |

e. Toilet Exhaust: There is one (1) toilet exhaust fan provided for the parking attendant bathroom and a total of six (6) toilet exhaust fans provided for the community facility bathrooms.

| Quantity | Location | Manufacturer | Model | Exhaust CFM | Required CFM |
|---|---|---|---|---|---|
| 1 | 1st floor | Greenheck | G-097-VG | 100 | 70 |
| 2 | 1st floor | Greenheck | SP-B150 | 100 | 70 |
| 4 | 2nd floor | Greenheck | SP-B150 | 100 | 70 |

f. General Exhaust and Air intake: There is one (1) exhaust fan and one (1) air intake fan provided for the utility space

| Quantity | Location | Manufacturer | Model | Exhaust CFM | Supply CFM |
|---|---|---|---|---|---|
| 1 | 1st floor | Greenheck | G-098-VG | 300 | - |
| 1 | 1st floor | Greenheck | USF-04 | - | 300 |

g. Refuse Room Exhaust: There is one (1) exhaust fan provided for the garbage disposal rooms.

| Quantity | Location | Manufacturer | Model | Exhaust CFM |
|---|---|---|---|---|
| 1 | Roof | Greenheck | USF-06 | 450 |

h. Community Facility Outside Air Intake: There are a total of seven (7) outside air intake fans provided for the community facility spaces.

| Quantity | Location | Manufacturer | Model | Exhaust CFM |
|---|---|---|---|---|
| 1 | 1st floor | Greenheck | SQ-97-VG | 200 |
| 1 | 1st floor | Greenheck | SQ-97-VG | 150 |
| 3 | 2nd floor | Greenheck | SQ-97-VG | 150 |
| 2 | 2nd floor | Greenheck | SQ-97-VG | 100 |

i. Residential Lobby Air Intake: There is one (1) outside air intake fans provided for the residential lobby.

| Quantity | Location | Manufacturer | Model | Exhaust CFM |
|---|---|---|---|---|
| 1 | 1st floor | Greenheck | SQ-97-VG | 100 |

The ventilation provided meets the minimum required under the NYC mechanical code. Fans to be running continuously will be relatively quiet and placed within ceilings and on rooftops to further limit their noise output. Larger fans used for the purpose of garage exhaust, outside air intake and smoke purge will only run as needed and are placed away from residential units to limit their louder noise output.

**O) Electrical System**

All electrical wiring to be installed is in accordance with the 2011 NEC, along with the New York City Amendments, Electrical Control Bureau and the New York Board of Underwriters. All wire type is to be Copper; the wire size would be listed down below along with each section as stated.

1) Main service switchgear: The main electric service is fed underground from a Con Edison transformer vault located in the street with a 120/208 Volts(V), 3-phase, 4 wire service.
2) Service to individual units: There are a total of (44) residential meters, (31) apartment contains 100 Amperes(A), 120/208 Volts(V), 1-phase, 3 wire service with the wire size 3#2, 1#6G in 1-1/4"C, and (13) apartment contains 125 Amperes(A), 120/208 Volts(V), 1-phase, 3 wire service with the wire size 3#1, 1#6G in 1-1/4"C. All residential meters are fitted into two (2) sets of meter bank. First set of meter bank holds (7) 100 Amperes(A) & (13) 125 Amperes(A) with a total of (20) apartments.

Second set of meter bank holds a total of (24) 100 Amperes(A) meters with a total of (24) apartments. In each apartment's panel, there are an average of at least 24 circuit connections in total.

3) Disconnection switches: In the cellar's electrical room there are (1) 800 Amperes(A) main disconnection switches for commercial area use with the wire size of 2-4#600MCM, 1#1/0G in 2-4"C, (2) 600 Amperes(A) main disconnection switches for building common area and for the fire pump/ fire alarm system with the wire size of each disconnect to be 2-4#350MCM, 1#1G in 2-3"C, and (2) 600 Amperes(A) disconnection switch for residential use each disconnect to be 2-4#350MCM, 1#1G in 2-3"C.
4) Meters: There is a total of (53) Meters: (44) residential, (1) building main common, (1) fire pump/ fire alarm, and (7) individual commercial meters.
5) Service to community facility: There a total of (7) community facility service, (4) community facilities contain 200 Amperes(A), 120/208 Volt(V), 3-phase, 4 wire with the wire size of 4#3/0, 1#6G in 2"C, and (2) community facilities contain 100 Amperes(A), 120/208 Volt(V), 3-phase, 4 wire service with the wire size of 4#3, 1#8G in 1-1/4"C. One (1) of the seven (7) service will be used as a common commercial space containing 200 Amperes(A), 120/208 Volts(V), 3-phase, 4 wire with the wire size of 4#3/0, 1#6G in 2"C. All community facility meters of (5) 200 Amperes(A) and (2) 100 Amperes(A) will fit into one (1) meter bank. Meter bank will then be led into the main disconnection switch of 800 Amperes(A).
6) Emergency Power: There are no emergency equipment/devices present for this building.
7) Adequacy:

(i) The electrical contractor states the electrical system is adequate for modern usage. The electrical service provided shall be adequate for a full complement of modern appliances and complies with all applicable codes.

(ii) The building has been designed for the use of telephone systems, and MATV mechanical systems (such as elevators, HVAC systems, etc.) Lighting fixtures will be provided in all condominium unit, public halls, stairways, vestibules and utility rooms.

(iii) Each circuit breaker panel will have separate fixtures and convenience outlets installed, in accordance with the NYC Electrical Codes, including separate outlets for air conditioning equipment, dishwashers, dryers and etc. There are Ground Fault Circuit Interrupters (GFCI's) for receptacles located in bathrooms, kitchen and other outdoor location as required by The National Electrical Code and the National Fire Protection Association.

(iv) For lighting and fixture (See below for lighting schedule)

**P)Intercommunication and Door Signal System**

Comelit master intercom system with cameras are provided. Each residential apartment and Ambulatory Diagnostic offices at 2nd floor will have (1) Comelit intercom monitor with 4.3 inch touchscreen. Intercom system is manufactured by Comelit and has a 1 year warranty

CCTV security system is manufactured by Uniview model NVR304-32E and has a one year warranty

**Q)Public Area Lighting**

All public areas have energy efficient fluorescent and LED lighting with illumination levels conforming comply with all applicable codes. Comelit master intercom system with cameras are provided. Each residential apartment and Ambulatory Diagnostic offices at 2nd floor will have (1) Comelit intercom monitor with 4.3 inch touchscreen. Intercom system is manufactured by Comelit and has a one year warranty.CCTV security system is manufactured by Uniview model NVR304-32E and has a one-year warranty

**R)Garage and Parking Area**

As per ZR25-23 50% of total residential units must be provided. It is 22 accessory, attended parking spaces at the cellar, including (12) valet double level parking (2 levels lift system) ,1 ADA required parking, and 2 reservoir parking spots for maneuvering. All parking accessible only for residential use and can be useful for any type of cars. As per zoning resolution no parking required for community facility use.

Typical dimensions for regular parking is 8 feet wide and 18 feet long, and ADA parking is 11 feet wide and 18 feet long with 5 feet wide aisle on the side.

The surface will be sealed concrete finished with Industrial Malignance/ anti-slip coating, Benjamin Moore M55 or architect approved equivalent.

Garage door is automatic, wireless controlled, springless 2" insulated aluminum automatic door by Cornell or approved equal with baked-on enamel aluminum grille by Cornell with baked-on enamel aluminum cover.

There are 8 floor drains in the cellar floor for adequate drainage
3 drains in parking area, 2 drains in water service room, 1 drain in compactor room, 1 drain in small laundry room and 1 linear drain adjacent to parking ramp

Special Risk: The sponsor may rent any off-street parking spaces to non-residents of the building, for periods of not less than one week and not more than one month. All off –street parking spaces shall be made available to residents within 30 days after written request made to the sponsor, by such residents.

Garage ventilation is provided by one (1) down blast fan and one (1) 24 $ft^2$ louver with 50% opening. The down blast fan serves as an exhaust while the louver provides adequate space for air make up. The down blast fan is also ducted, providing multiple points of exhaust for the space. In total, air is exhausted at a rate of 6000 CFM.

The garage is protected by a 4" dry pipe system and designed using normal hazard design constraints. Sprinkler head types used include upright and side wall.

As per NYC Building Code 2014, section 406.2.11 the parking garage in the cellar level is capable to support electrical vehicle charging stations with minimum of 3.1 kW of electrical capacity to 20% of the total number of parking spaces (20% of 22 parking spaces = 4.4 = 5 electrical stations). All electric vehicle charging stations will comply with Local Law 130 of 2013 and section 406.7.11 NYC Building Code.

Specification for electrical charging stations:
-manufacture: JuiceBar
-model number: JB 3.0-322
-warranty: 1 year for installation and for parts from manufacturer

**S) Swimming pool:** N/A

**T)Tennis courts, Playgrounds and Recreation facilities**

(1) Tennis court: N/A
(2) Playground: N/A
(3) Two indoor recreation areas are provided. As per ZR28-21 3.3% of total zoning residential area must be provided as recreation area (0.33 x 30,270.50 =998.93 sq. minimum required). There are 2 indoor residential tenant recreation spaces located at the 8th floor with total square footage of 1,078.00. Maximum number of people in recreation area 1 (fitness room, facing 41st avenue) is 6 people, and maximum number of people in recreation area 2 (party room, facing rear yard) is 10 people. Both areas have 2- hour fare rated enclosure and equipped with sprinkler heads.

The fitness room will be equipped with:

| Brand | Equipment/Model |
|---|---|
| Sunny Health & Fitness | Interactive Slim Treadmill SF-722021 |
| Sunny Health & Fitness | Elliptical Trainers SF-E3890 |
| Sunny Health & Fitness | Upright Exercise Bike SF-B2952 |
| Sunny Health & Fitness | Incline/Decline Weight Bench SF-BHh20038 |

The party room will be equipped: Party room will be equipped with a table and 10 foldable chairs,

a refrigerator (model # GDE21EYEKFS) reserved for residential use only.

Both recreation spaces are provided each with 100 CFM of untampered outside air through a 0.5 $ft^2$ louver. The outside air directly supplies to the concealed air handling units, where the air is tempered before entering the space.

**U)Permits, Inspections, Violations**

Department of Buildings:
- Foundation Permit 06/14/21
- New Building Construction Permit first issued on 06/14/21
- Plumbing Permit first issued on 08/03/21
- Sprinkler Permit first issued on 12/31/21
- Standpipe Permit first issued on 12/31/21

Department of Highways:
- Crosswalk Use Permit first issued on 06/10/20
- Sidewalk Paving Permit not yet obtained.

Department of Environmental Protection
- Sewer Connection Permit first issued on 02/03/22

The architect's plans have been filed with job number 421580890. Approval by the New York City Building Department was granted on 12/26/2019

It is owner responsibility to apply for all inspections after the building is in operation. All inspections have to be done by a certified technician
The following required inspections to be done after the building is in operation:

- Elevator Safety: must be inspected and tested twice annually
- Façade: the building over 6 stories must have the exterior walls inspected every 5 years.
- Gas Piping Inspection: the gas piping system must be inspected once every 4 years.
- Parking Structures: parking garages with more than 3 cars must be inspected once every 6 years.
- Sprinkler mechanical devices have to be inspected quarterly
- Fire Sprinkler System has to be inspected annually:
  -flow test -alarm test -trip test -deluge -preaction valves – antifreeze concentration test -fire alarm test
- Fire doors have to me inspected twice a year
- Back flow preventor has to be inspected annually
- Plumbing system has to be inspected once in two years:
  -pipes – valves – water heaters - drains
- Electrical system has to be inspected once in ten years:
  -GFCI outlets- main electrical panel- wires

**V) Violations.**

The sponsor will take care of all outstanding violations prior to the closing.

**W) Unit information.**

The total number of condominium units is fifty-one (51), consisting of:
a) Twenty-two (22) valet parking units including one (1) handicap van parking unit located at cellar.

b) Forty-four (44) Residential dwelling units includes kitchens with granite counter top and wood cabinet, living/dining rooms, bedrooms, bathrooms, and laundry equipment are located on 3rd to 8th floors
c) Two (2) Ambulatory health care facilities located on 1st floor with 1 toilet for each space
d) Four (4) Ambulatory health care facilities located on 2nd floor with 1 toilet for each space.
e) Hardwood flooring will be 1/2" thick White Oak engineered hard wood flooring and is installed without underlayment provided by HF Design LLC and carries a 10 Year Finish Warranty or approved equal
f) Wall and Ceiling will have 1 coat of primer from Sherwin William and 2 coat of finished paint from Sherwin William.
g) Kitchen cabinets is provided by Sunrise Model number LM37 or equivalent model. The counter tops are solid surfacing by City Quartz style 0001 with undermount stainless steel sink or equivalent model.

**Material, finishes, appliances and fixtures**

| ***UNIT*** | |
|---|---|
| | ***On 1st floor*** |
| Ambulatory diagnostic center (1,610 sq.f) | Flooring: Concrete<br>Walls: Gypsum Wall Board Painted<br>Ceiling: Gypsum Wall Board Painted<br>Toilet fixtures: Toilet by TOTO, Sink by Kohler<br><br>Equipment: one(1) 6-ton VRF heat pump with heat recovery, two (2) 3-ton ceiling concealed units, one (1) 200 CFM air intake fan, and one (1) 100 CFM toilet exhaust |
| Ambulatory diagnostic center (1,330 sq.f) | Flooring: Concrete<br>Walls: Gypsum Wall Board Painted<br>Ceiling: Gypsum Wall Board Painted<br>Toilet fixtures: Toilet by TOTO, Sink by Kohler<br>Equipment: one(1) 6-ton VRF heat pump with heat recovery, two (2) 3-ton ceiling concealed units, one (1) 200 CFM air intake fan, and one (1) 100 CFM toilet exhaust |
| | ***On 2nd floor*** |
| Ambulatory diagnostic center (1,183 sq.f) | Flooring: Concrete<br>Walls: Gypsum Wall Board Painted<br>Ceiling: Gypsum Wall Board Painted<br>Toilet fixtures: Toilet by TOTO, Sink by Kohler<br>Equipment: Equipment: one (1) 5-ton multi-split heat pump, two (2) 2.5-ton ceiling concealed units, one (1) 150 CFM air intake fan, and one (1) 100 CFM toilet exhaust |
| Ambulatory diagnostic center (690 sq.f) | Flooring: Concrete<br>Walls: Gypsum Wall Board Painted<br>Ceiling: Gypsum Wall Board Painted<br>Toilet fixtures: Toilet by TOTO, Sink by Kohler<br>Equipment: one (1) 4-ton multi-split heat pump, one (1) 4-ton ceiling concealed units, one (1) 100 CFM air intake fan, and one (1) 100 CFM toilet exhaust |

| | |
|---|---|
| | |
| Ambulatory diagnostic center (976 sq.f) | Flooring: Concrete<br>Walls: Gypsum Wall Board Painted<br>Ceiling: Gypsum Wall Board Painted<br>Toilet fixtures: Toilet by TOTO, Sink by Kohler<br>Equipment: one (1) 5-ton multi-split heat pump, two (2) 2.5-ton ceiling concealed units, one (1) 150 CFM air intake fan, and one (1) 100 CFM toilet exhaust |
| Ambulatory diagnostic center (1,095 sq.f) | Flooring: Concrete<br>Walls: Gypsum Wall Board Painted<br>Ceiling: Gypsum Wall Board Painted<br>Toilet fixtures: Toilet by TOTO, Sink by Kohler<br>Equipment: one (1) 5-ton multi-split heat pump, two (2) 2.5-ton ceiling concealed units, one (1) 150 CFM air intake fan, and one (1) 100 CFM toilet exhaust |

**Material, finishes, appliances and fixtures**

| *On 3rd to 8th floors* | |
|---|---|
| **Residential units** | |
| Studio apartments (for all) | ***Flooring:*** |
| | *-Living and sleeping area:* Engineered Wood Floor |
| | *-Kitchen area:* Engineered Wood Floor |
| | -Bathroom area: Porcelain Tile |
| | ***Walls:*** |
| | *-All areas except bathrooms:* Gypsum Wall Board / Painted |
| | *-Bathroom:* Porcelain Tile and Waterproof cement board |
| | ***Ceiling:*** Painted |
| | ***Bathroom fixtures:*** |
| | *-Toilet:* Make: TOTO Model: Ultramax II' |
| | *-Bathtub:* Make: Kohler Model: Villager K-715 |
| | *-Exhaust Fan:* Make: Greenheck Model: SP-L80 |
| | *-Shower Faucet:* Make: Kohler |
| | *-Faucet:* Make: Kohler Model: K-99760-4-CP |
| | *-Sink:* Make: Make: Kohler Model: K-2210-0 |
| | ***Kitchen fixtures:*** |
| | *-Kitchen Faucet:* Make: Delta Model: 99130DST |
| | *-Sink* : Make: DBA Triangle Model: 301 |
| | ***Kitchen appliances:*** |
| | *-Gas Range:* Make: GE Model: JGSS66SELSS |
| | *-Dishwasher*: Make: GE Model: PDT145SSLSS |
| | *-Refrigerator :* Make: GE Model: GDE21EYEKFS |
| | *-Range Hood* Make: Cypress Model: SR-600 |
| | ***Laundry equipment:*** |
| | *-Washer:* Make: GE Model: GFQ14ESSNWW |
| | *-Dryer:* Make: GE Model: GFQ14ESSNWW |
| | ***Intercom system:*** Make: Comelit |
| | ***Equipment:*** one (1) 3-ton multi-split heat pump, one (1) 1.5-ton ceiling concealed unit, one (1) 0.66-ton ceiling concealed unit, and one (1) 200CFM kitchen hood. |

| | *On 3rd to 8th floors* |
|---|---|
| One-bedroom apartments (for all) | ***Flooring:*** |
| | *-Living and sleeping area:* Engineered Wood Floor |
| | *-Kitchen area:* Engineered Wood Floor |
| | -Bathroom area: Porcelain Tile |
| | ***Walls:*** |
| | *-All areas except bathrooms:* Gypsum Wall Board / Painted |
| | *-Bathroom:* Porcelain Tile and Waterproof cement board |
| | ***Ceiling:*** Painted |
| | ***Bathroom fixtures:*** |
| | *-Toilet:* Make: TOTO Model: Ultramax II' |
| | *-Bathtub:* Make: Kohler Model: Villager K-715 |
| | *-Exhaust Fan:* Make: Greenheck Model: SP-L80 |
| | *-Shower Faucet:* Make: Kohler |
| | *-Faucet:* Make: Kohler Model: K-99760-4-CP |
| | *-Sink:* Make: Make: Kohler Model: K-2210-0 |
| | ***Kitchen fixtures:*** |
| | *-Kitchen Faucet:* Make: Delta Model: 99130DST |
| | *-Sink* : Make: DBA Triangle Model: 301 |
| | ***Kitchen appliances:*** |
| | *-Gas Range:* Make: GE Model: JGSS66SELSS |
| | *-Dishwasher*: Make: GE Model: PDT145SSLSS |
| | *-Refrigerator :* Make: GE Model: GDE21EYEKFS |
| | *-Range Hood* Make: Cypress Model: SR-600 |
| | ***Laundry equipment:*** |
| | *-Washer:* Make: GE Model: GFQ14ESSNWW |
| | *-Dryer:* Make: GE Model: GFQ14ESSNWW |
| | ***Intercom system:*** Make: Comelit |
| | ***Equipment:*** one (1) 3-ton multi-split heat pump, one (1) 1.5-ton ceiling concealed unit, two (2) 0.66-ton ceiling concealed unit, and one (1) 200CFM kitchen hood *or* one (1) 3-ton multi-split heat pump, one (1) 2-ton ceiling concealed unit, one (1) 0.66-ton ceiling concealed unit, and one (1) 200CFM kitchen hood *or* one (1) 3-ton multi-split heat pump, one (1) 2-ton ceiling concealed unit, one (1) 1-ton ceiling concealed unit, and one (1) 200CFM kitchen hood |

Material, finishes, appliances and fixtures

| *On 3rd to 8th floors* | |
|---|---|
| **Residential units** | |
| Two-bedroom apartments (for all) | ***Flooring:***<br>*-Living and sleeping area:* Engineered Wood Floor<br>*-Kitchen area:* Engineered Wood Floor<br>-Bathroom area: Porcelain Tile<br>***Walls:***<br>*-All areas except bathrooms:* Gypsum Wall Board / Painted<br>*-Bathroom:* Porcelain Tile and Waterproof cement board<br>***Ceiling:*** Painted<br>***Bathroom fixtures:***<br>*-Toilet:* Make: TOTO Model: Ultramax II'<br>*-Bathtub:* Make: Kohler Model: Villager K-715<br>*-Exhaust Fan:* Make: Greenheck Model: SP-L80<br>*-Shower Faucet:* Make: Kohler<br>*-Faucet:* Make: Kohler Model: K-99760-4-CP<br>*-Sink:* Make: Make: Kohler Model: K-2210-0<br>***Kitchen fixtures:***<br>*-Kitchen Faucet:* Make: Delta Model: 99130DST<br>*-Sink* : Make: DBA Triangle Model: 301<br>***Kitchen appliances:***<br>*-Gas Range:* Make: GE Model: JGSS66SELSS<br>*-Dishwasher*: Make: GE Model: PDT145SSLSS<br>*-Refrigerator :* Make: GE Model: GDE21EYEKFS<br>*-Range Hood* Make: Cypress Model: SR-600<br>***Laundry equipment:***<br>*-Washer:* Make: GE Model: GFQ14ESSNWW<br>*-Dryer:* Make: GE Model: GFQ14ESSNWW<br>***Intercom system:*** Make: Comelit<br>***Equipment:*** one (1) 4-ton multi-split heat pump, one (1) 2-ton ceiling concealed unit, one (1) 1-ton ceiling concealed unit, one (1) 0.66-ton ceiling concealed unit, and one (1) 200CFM kitchen hood |

**X)Finish schedule of spaces other than units.**

Finish schedule of spaces other than units

| ROOM | FLOOR | WALLS | CEILING | REMARKS |
|---|---|---|---|---|
| *On cellar:* | | | | |
| Parking | Concrete | Concrete | Concrete | |
| Bicycle storage | Concrete | Concrete masonry units | Concrete | |
| Detention Tank | Concrete | Concrete | Concrete | |
| Water/Sprinkler service room | Concrete | Concrete and concrete masonry units | Concrete | |
| Electrical meter room | Concrete | Concrete | Concrete | |
| *On 1st floor* | | | | |
| Residential Lobby | Porcelain tiles | Gypsum Board, Painted | Gypsum Board, Painted | |
| Community facility Lobby | Porcelain tiles | Gypsum Board, Painted | Gypsum Board, Painted | |
| Stairs (typical for all) | Concrete | Concrete masonry units, Painting | Painting | |
| *On 2nd floor* | | | | |
| Elevator Lobby/ Corridor | Porcelain tiles | Gypsum Board, Painted | Painting | |
| *On 3rd to 8th floors* | | | | |
| Elevator Lobby/ Corridor | Porcelain tiles | Gypsum Board, Painted | Painting | |
| *On 8th floor* | | | | |
| Recreation area 1 | Porcelain tiles | Gypsum Board, Painted | Painting | |
| Recreation area 2 | Porcelain tiles | Gypsum Board, Painted | Painting | |

**Y)Safety and warning devices**

All residential units are equipped with one hard wired with battery back-up operated smoke detector as required by code. Combination smoke/carbon monoxide detectors are manufactured by Kiddie.

a) All apartments are required to be battery-powered smoke detectors. Each smoke detectors are about 15 feet apart from each other, located in each bedroom and egress to the exit.
b) All common space and elevator entrance are required to be a hardwired smoke detector, which are tied into the main fire alarm control panel.
c) Any locations with gas producing equipment are required to be a hardwired heat detector and carbon monoxide detector, which are tied into the main fire alarm control panel.
d) The commercial space fire alarm system will be utilizing the same fire alarm control panel as the residential fire alarm system.
e) The fire alarm control panel are installed and located on the shared lobby floor for the residential and commercial space.
f) Fire alarm central station is model IPA4000 manufactured by Potter with one year manufacturer warranty.

**(ab)Further development**

No additional units to the building in any locations. If the sponsor intend to alterate space within the building it must make disclosure about the new units to conform to 13 NYCRR Section 20.7

No tenant in dwelling units during construction.

**(ac)Asbestos:** N/A. No materials containing asbestos.

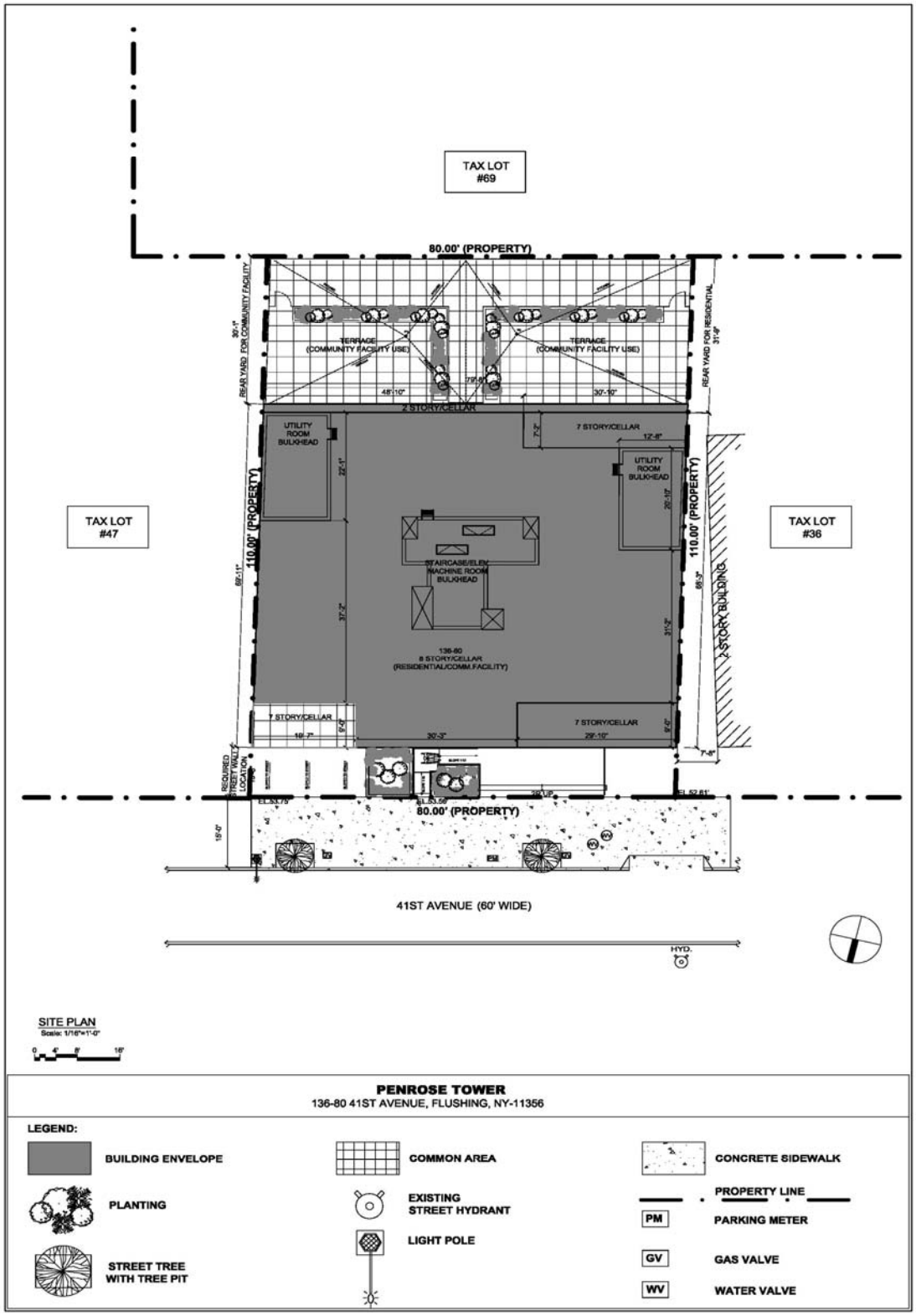
**(ad)Lead-based paint:** N/A.

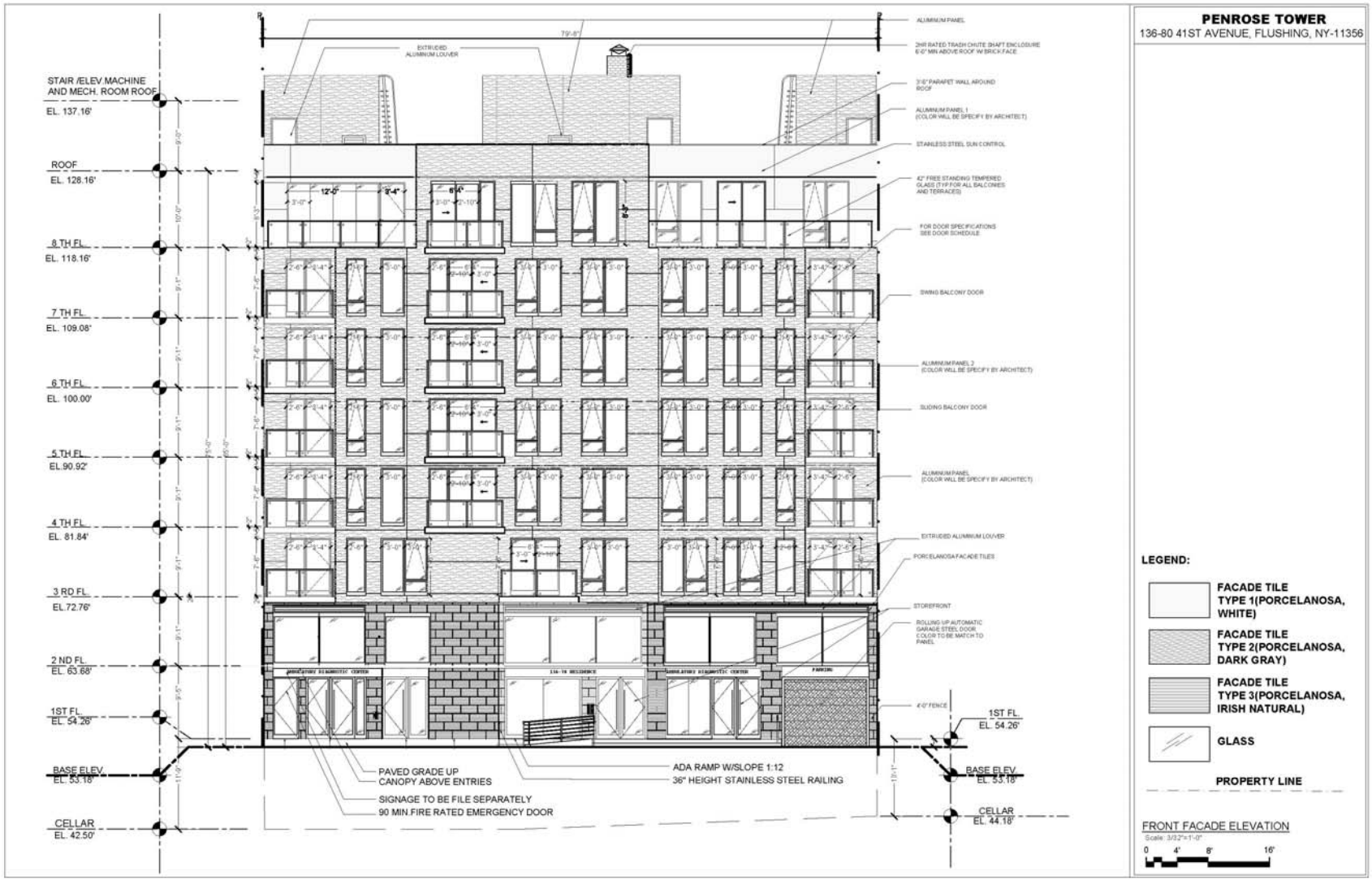



Prepared by,

Raymond Chan R.A.

# FLOOR PLANS


TAX LOT #69
80.00' (PROPERTY)
TERRACE (COMMUNITY FACILITY USE)
TERRACE (COMMUNITY FACILITY USE)
REAR YARD FOR COMMUNITY FACILITY
REAR YARD FOR RESIDENTIAL
2 STORY/CELLAR
UTILITY ROOM BULKHEAD
7 STORY/CELLAR
UTILITY ROOM BULKHEAD
TAX LOT #47
110.00' (PROPERTY)
STAIRCASE/ELEV. MACHINE ROOM BULKHEAD
136-80
8 STORY/CELLAR
(RESIDENTIAL/COMM.FACILITY)
TAX LOT #36
110.00' (PROPERTY)
2 STORY BUILDING
7 STORY/CELLAR
7 STORY/CELLAR
REQUIRED STREET WALL LOCATION
80.00' (PROPERTY)
41ST AVENUE (60' WIDE)
HYD.
SITE PLAN
Scale: 1/16"=1'-0"
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
BUILDING ENVELOPE
PLANTING
STREET TREE WITH TREE PIT
COMMON AREA
EXISTING STREET HYDRANT
LIGHT POLE
CONCRETE SIDEWALK
PROPERTY LINE
PM
PARKING METER
GV
GAS VALVE
WV
WATER VALVE



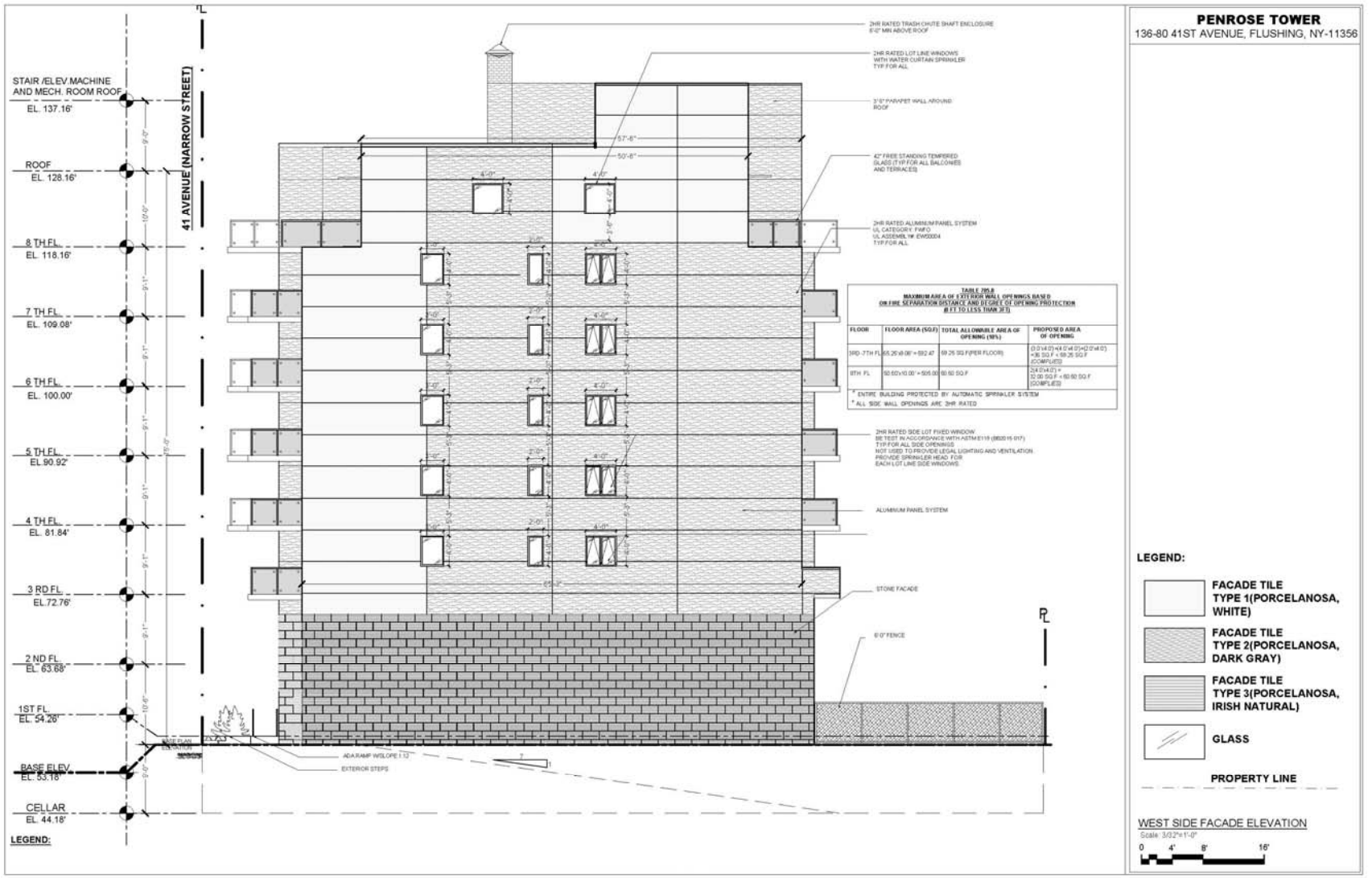

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

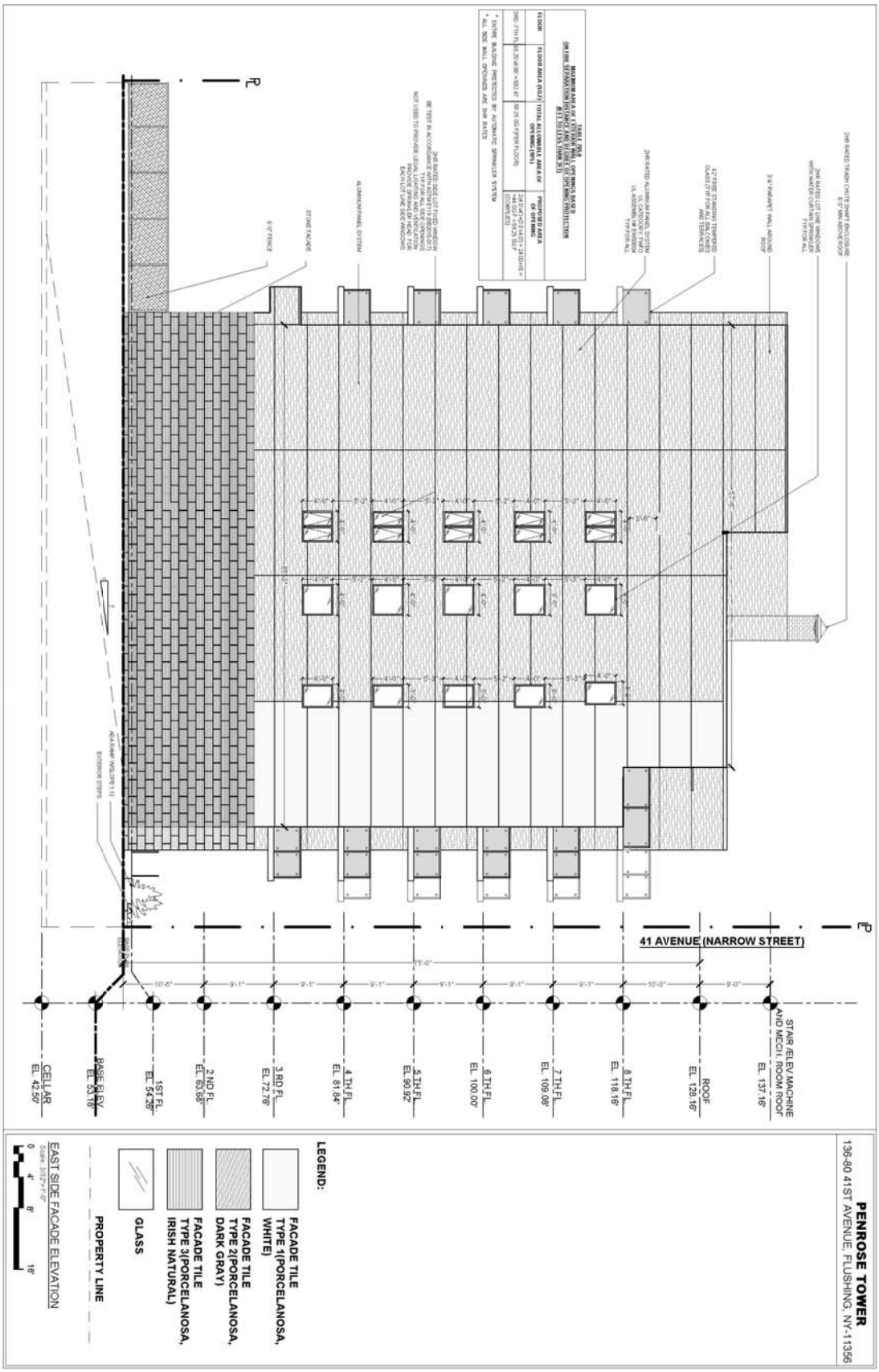
**LEGEND:**

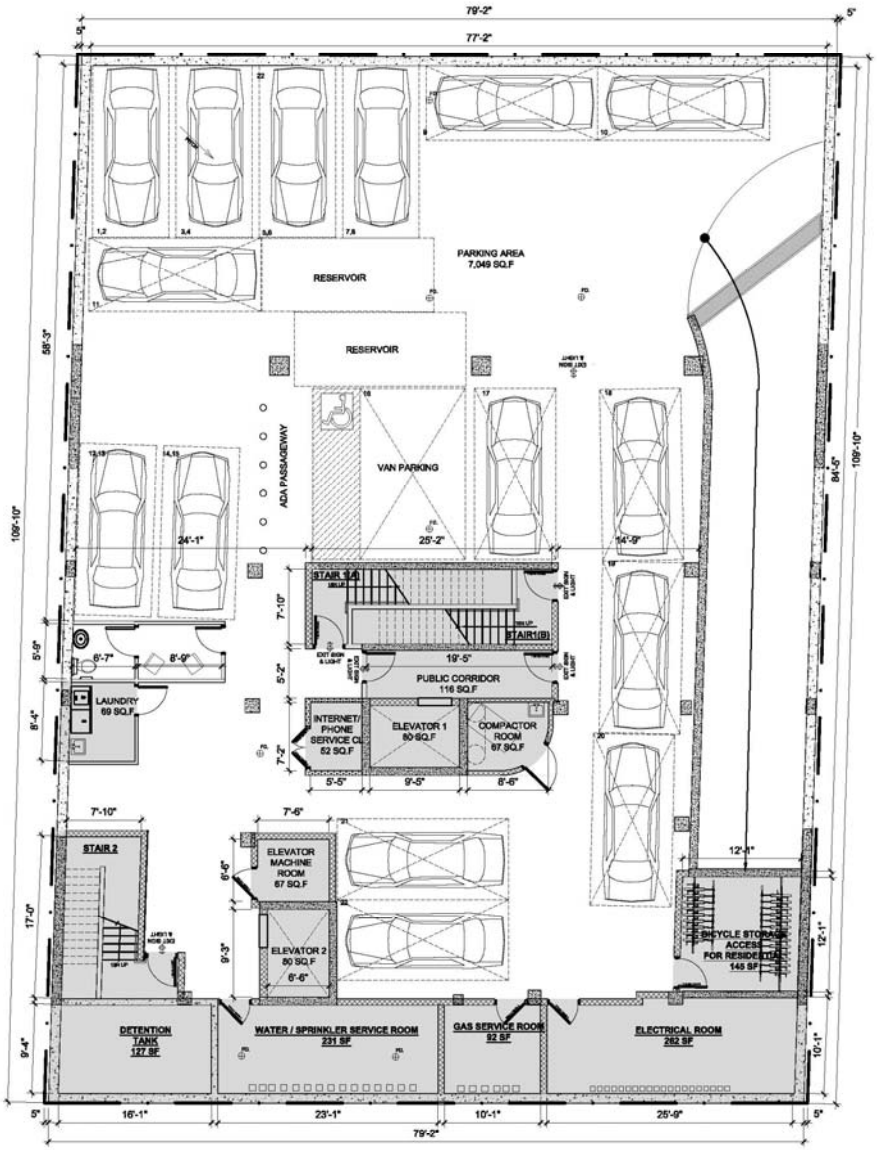
- **FACADE TILE TYPE 1(PORCELANOSA, WHITE)**
- **FACADE TILE TYPE 2(PORCELANOSA, DARK GRAY)**
- **FACADE TILE TYPE 3(PORCELANOSA, IRISH NATURAL)**
- **GLASS**
- **PROPERTY LINE**

FRONT FACADE ELEVATION
Scale: 3/32"=1'-0"
0 4' 8' 16'


PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
STAIR /ELEV.MACHINE AND MECH. ROOM ROOF
EL. 137.16'
ROOF
EL. 128.16'
8 TH FL.
EL. 118.16'
7 TH FL.
EL. 109.08'
6 TH FL.
EL. 100.00'
5 TH FL.
EL. 90.92'
4 TH FL.
EL. 81.84'
3 RD FL.
EL. 72.76'
2 ND FL.
EL. 63.68'
1ST FL.
EL. 54.26'
BASE ELEV.
EL. 53.18'
CELLAR
EL. 44.18'
MECH.EQUIPMENT ROOM
ELEV.MACHINE ROOM
MECH.EQUIPMENT ROOM
STAINLESS STEEL SUN CONTROL
SLIDING BALCONY DOOR
SWING BALCONY DOOR
FOR DOOR SPECIFICATIONS SEE DOOR SCHEDULE
ALUMINUM PANEL
FOR WINDOWS SPECIFICATIONS SEE WINDOW SCHEDULE
ALUMINUM PANEL
1ST FL.
EL. 54.26'
BASE ELEV.
EL. 53.18'
CELLAR
EL. 42.50'
LEGEND:
FACADE TILE TYPE 1(PORCELANOSA, WHITE)
FACADE TILE TYPE 2(PORCELANOSA, DARK GRAY)
FACADE TILE TYPE 3(PORCELANOSA, IRISH NATURAL)
GLASS
PROPERTY LINE
REAR FACADE ELEVATION
Scale: 3/32"=1'-0"
0
4'
8'
16'


PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
STAIR /ELEV.MACHINE AND MECH. ROOM ROOF EL. 137.16'
ROOF EL. 128.16'
8 TH FL EL. 118.16'
7 TH FL EL. 109.08'
6 TH FL EL. 100.00'
5 TH FL EL 90.92'
4 TH FL EL. 81.84'
3 RD FL EL.72.76'
2 ND FL EL. 63.68'
1ST FL EL. 54.26'
BASE ELEV. EL. 53.18'
CELLAR EL. 44.18'
41 AVENUE (NARROW STREET)
2HR RATED TRASH CHUTE SHAFT ENCLOSURE 6'-0" MIN ABOVE ROOF
2HR RATED LOT LINE WINDOWS WITH WATER CURTAIN SPRINKLER TYP FOR ALL
3'-0" PARAPET WALL AROUND ROOF
42" FREE STANDING TEMPERED GLASS (TYP FOR ALL BALCONIES AND TERRACES)
2HR RATED ALUMINUM PANEL SYSTEM UL CATEGORY: FHFO UL ASSEMBLY#: EW50004 TYP FOR ALL
TABLE 705.8
MAXIMUM AREA OF EXTERIOR WALL OPENINGS BASED ON FIRE SEPARATION DISTANCE AND DEGREE OF OPENING PROTECTION (0 FT TO LESS THAN 3FT)
FLOOR
FLOOR AREA (SQ.F)
TOTAL ALLOWABLE AREA OF OPENING (10%)
PROPOSED AREA OF OPENING
3RD -7TH FL
65.25'x9.08' = 592.47
59.25 SQ.F(PER FLOOR)
(3.0'x4.0')+(4.0'x4.0')+(2.0'x4.0') =36 SQ.F + 69.25 SQ.F (COMPLIED)
8TH FL
50.50'x10.00' = 505.00
50.50 SQ.F
2)4.0'x4.0') = 32.00 SQ.F < 50.50 SQ.F (COMPLIED)
* ENTIRE BUILDING PROTECTED BY AUTOMATIC SPRINKLER SYSTEM
* ALL SIDE WALL OPENINGS ARE 2HR RATED
2HR RATED SIDE LOT FIXED WINDOW BE TEST IN ACCORDANCE WITH ASTM E119 (08)(0115-017) TYP FOR ALL SIDE OPENINGS NOT USED TO PROVIDE LEGAL LIGHTING AND VENTILATION PROVIDE SPRINKLER HEAD FOR EACH LOT LINE SIDE WINDOWS
ALUMINUM PANEL SYSTEM
STONE FACADE
6'-0" FENCE
ADA RAMP W/SLOPE 1:12
EXTERIOR STEPS
LEGEND:
FACADE TILE TYPE 1(PORCELANOSA, WHITE)
FACADE TILE TYPE 2(PORCELANOSA, DARK GRAY)
FACADE TILE TYPE 3(PORCELANOSA, IRISH NATURAL)
GLASS
PROPERTY LINE
WEST SIDE FACADE ELEVATION
Scale: 3/32"=1'-0"
0 4' 8' 16'


PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
41 AVENUE (NARROW STREET)
STAIR /ELEV MACHINE AND MECH. ROOM ROOF EL. 137.16'
ROOF EL. 128.16'
8 TH FL EL. 118.16'
7 TH FL EL. 109.08'
6 TH FL EL. 100.00'
5 TH FL EL. 90.92'
4 TH FL EL. 81.84'
3 RD FL EL. 72.76'
2 ND FL EL. 63.68'
1ST FL EL. 54.26'
BASE ELEV. EL. 53.76'
CELLAR EL. 42.50'
LEGEND:
FACADE TILE TYPE 1(PORCELANOSA, WHITE)
FACADE TILE TYPE 2(PORCELANOSA, DARK GRAY)
FACADE TILE TYPE 3(PORCELANOSA, IRISH NATURAL)
GLASS
PROPERTY LINE
EAST SIDE FACADE ELEVATION




CELLAR FLOOR PLAN

Scale: 3/32"=1'-0"

0 4' 8' 16'

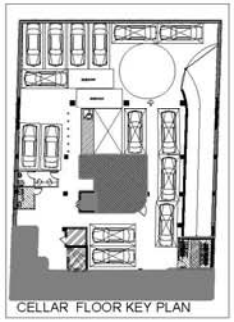
**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

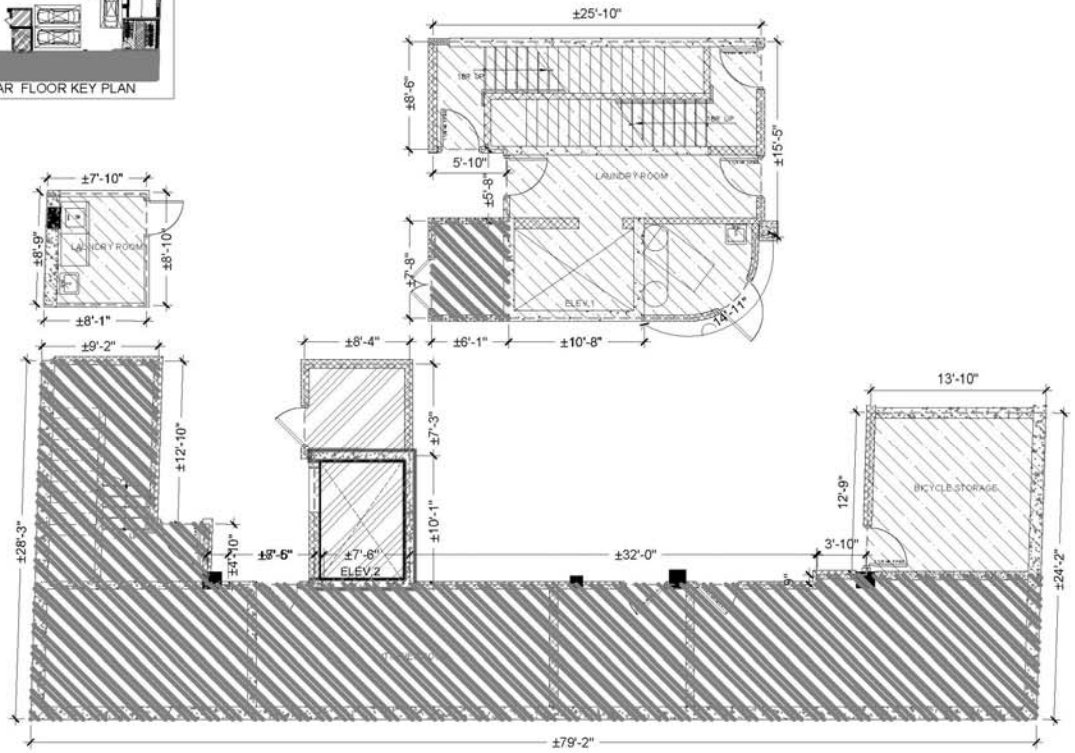
**LEGEND:**

COMMON AREA

PROPERTY LINE




| | | |
|---|---|---|
| GENERAL COMMON ELEMENT | UTILITY ROOMS, INTERNET CLOSET DETENTION TANK, STAIR TO 1ST FLOOR | 1,085± |
| RESIDENTIAL COMMON ELEMENT | STAIRS, ELEVATOR PUBLIC CORRIDOR BICYCLE STORAGE, LAUNDRY ROOM | 721 ± |
| COMMUNITY FACILITY COMMON ELEMENT | ELEVATOR, ELEVATOR MACHINE ROOM | 134 ± |




CELLAR COMMON AREA FLOOR PLAN

Scale: 1/8"= 1'-0"

0 4' 8' 16'

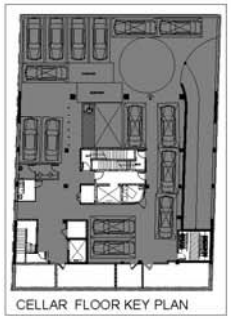
**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

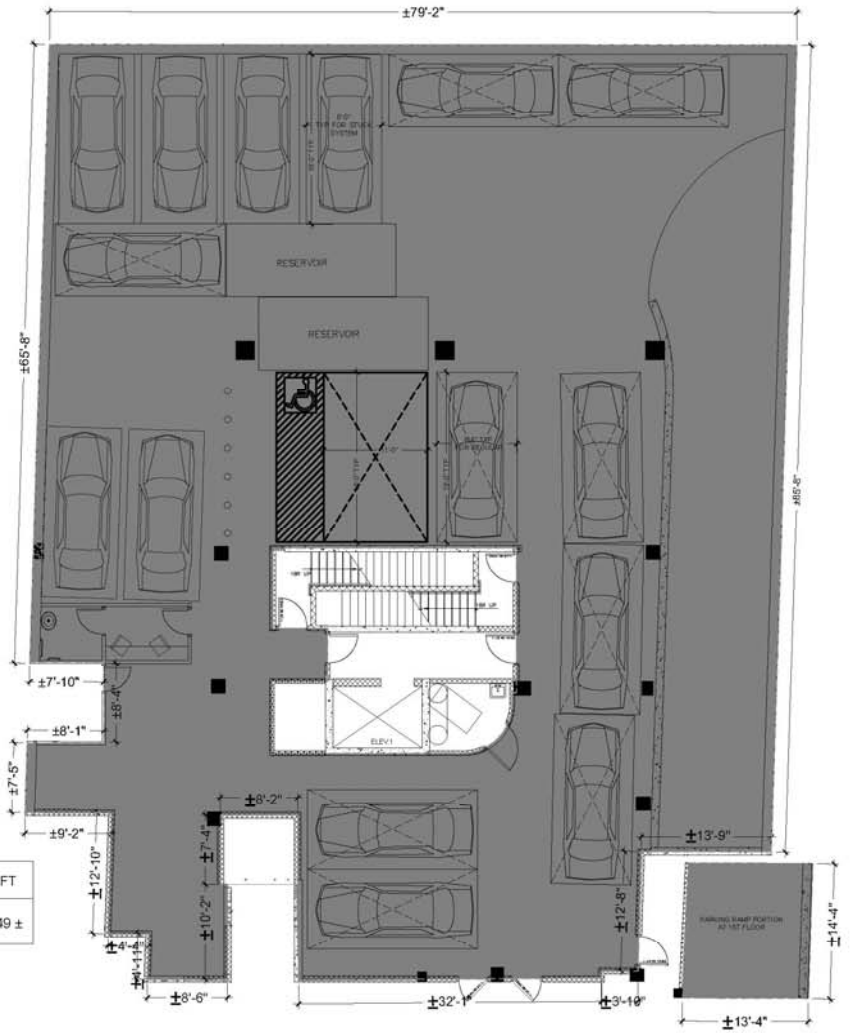
**LEGEND:**

- GENERAL COMMON AREA AT CELLAR
- RESIDENTIAL COMMON AREA AT CELLAR
- COMMUNITY FACILITY COMMON AREA AT CELLAR

UNIT BOUNDARY



CELLAR FLOOR KEY PLAN




| TAX LOT# | | | SQ.FT |
|---|---|---|---|
| 1101 | PARKING UNIT | PARKING, SERVICE ROOM, TOTAL PARKING RAMP | 7,049 ± |

PARKING UNIT FLOOR PLAN

Scale: 3/32"=1'-0"

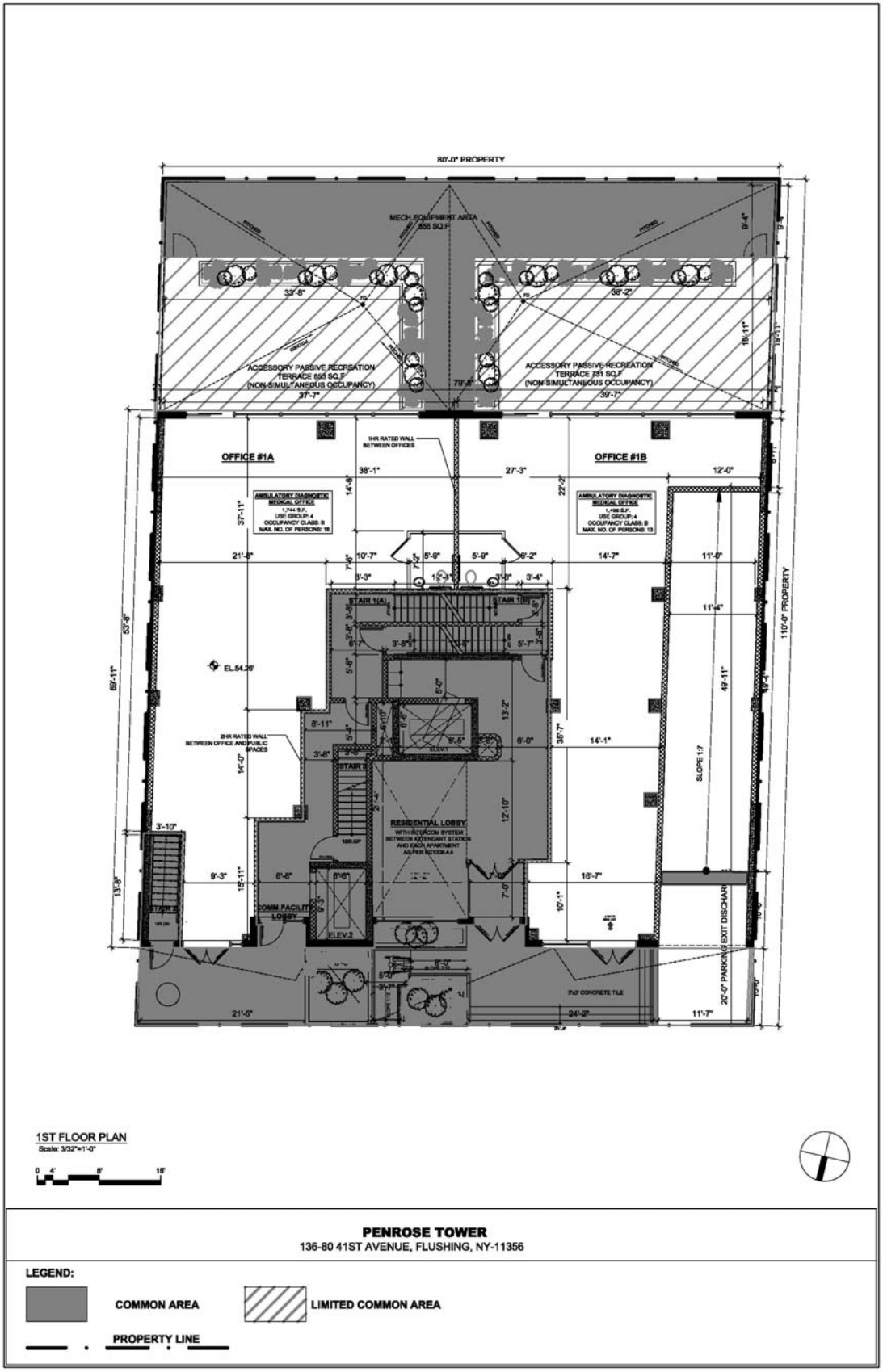
0' 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

- PARKING UNIT
- UNIT BOUNDARY
- ADA PARKING (VAN)
- REGULAR PARKING
- 2 LEVEL STUCK PARKING




1ST FLOOR PLAN
Scale: 3/32"=1'-0"

0 4' 8' 16'

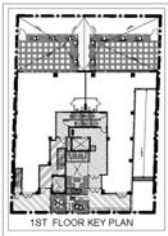
**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

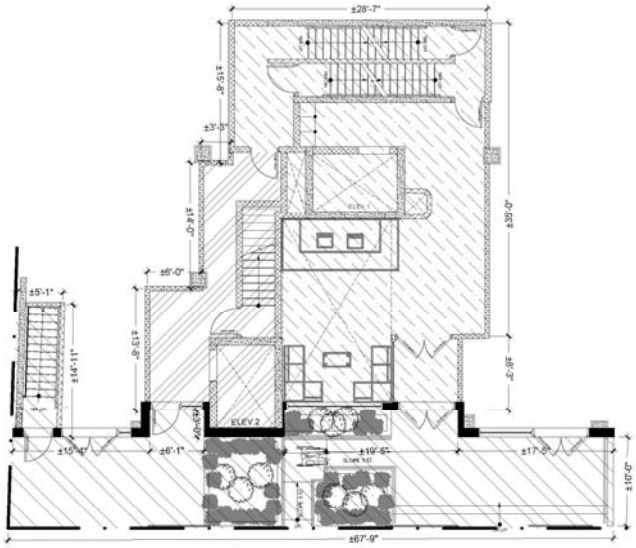
**COMMON AREA**

**LIMITED COMMON AREA**

**PROPERTY LINE**




| | | |
|---|---|---|
| GENERAL COMMON ELEMENT | STAIR FROM CELLAR FL, AREA IN FRONT OF BUILDING | 865 ± |
| COMMUNITY FACILITY COMMON ELEMENT | PORTION OF BACK YARD MECHANICAL EQUIPMENT AREA | 360 ± |
| RESIDENTIAL COMMON ELEMENT | STAIRS, RESIDENTIAL LOBBY, ELEVATOR, PORTION OF BACK YARD | 1,059 ± |



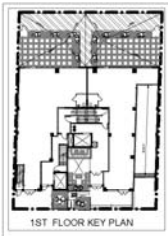

1 ST FLOOR COMMON AREA PLAN
0' 4' 8' 16'

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

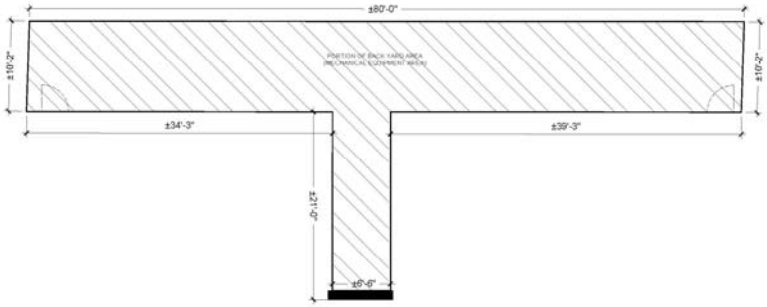
LEGEND:

- GENERAL COMMON AREA AT 1ST FL
- RESIDENTIAL COMMON AREA AT 1ST FL
- COMMUNITY FACILITY COMMON AREA AT 1ST FL

UNIT BOUNDARY




| | | |
|---|---|---|
| GENERAL COMMON ELEMENT | MECHANICAL EQUIPMENT AREA AT BACK YARD PORTION | 938 ± |



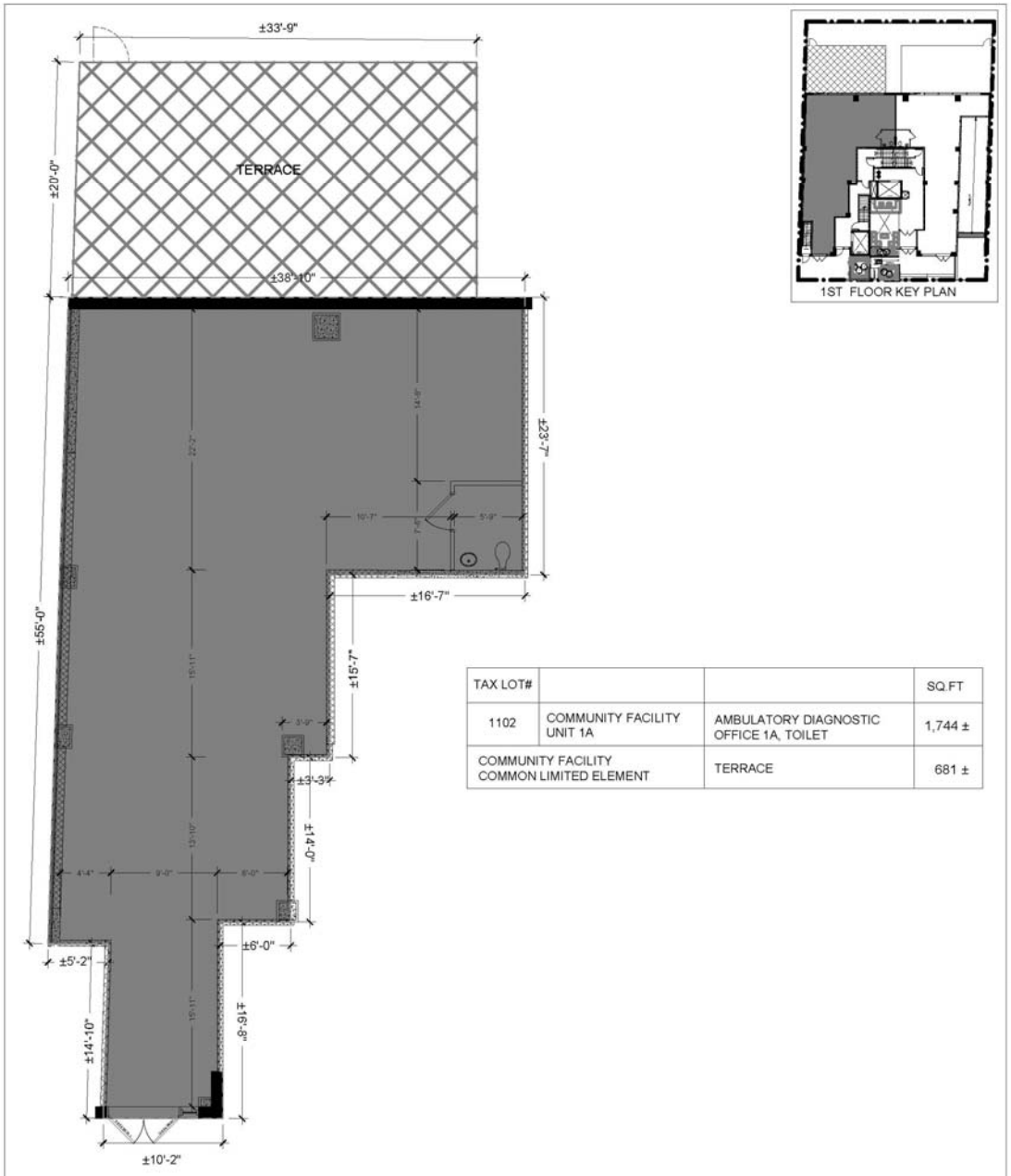

1 ST FLOOR COMMON AREA PLAN
0' 4' 8' 16'

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

LEGEND:

- GENERAL COMMON AREA AT 1ST FL

UNIT BOUNDARY




| TAX LOT# | | | SQ.FT |
|---|---|---|---|
| 1102 | COMMUNITY FACILITY UNIT 1A | AMBULATORY DIAGNOSTIC OFFICE 1A, TOILET | 1,744 ± |
| COMMUNITY FACILITY COMMON LIMITED ELEMENT | | TERRACE | 681 ± |

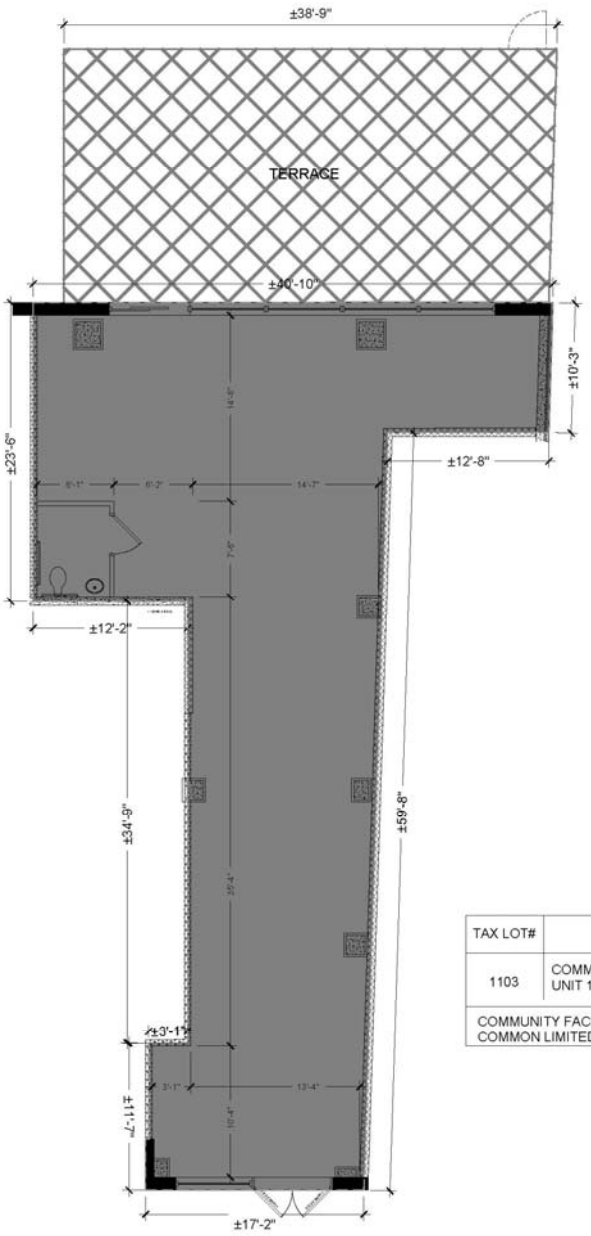
**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

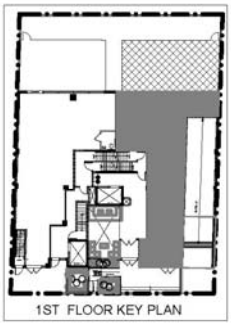
**LEGEND:**

**COMMUNITY FACILITY UNIT**

**COMMUNITY FACILITY UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**




| TAX LOT# | | | SQ.FT |
|---|---|---|---|
| 1103 | COMMUNITY FACILITY UNIT 1B | AMBULATORY DIAGNOSTIC OFFICE 1B, TOILET | 1,496 ± |
| COMMUNITY FACILITY COMMON LIMITED ELEMENT | | | 766 ± |

COMMUNITY FACILITY UNIT 1B FLOOR PLAN

Scale: 1/8"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

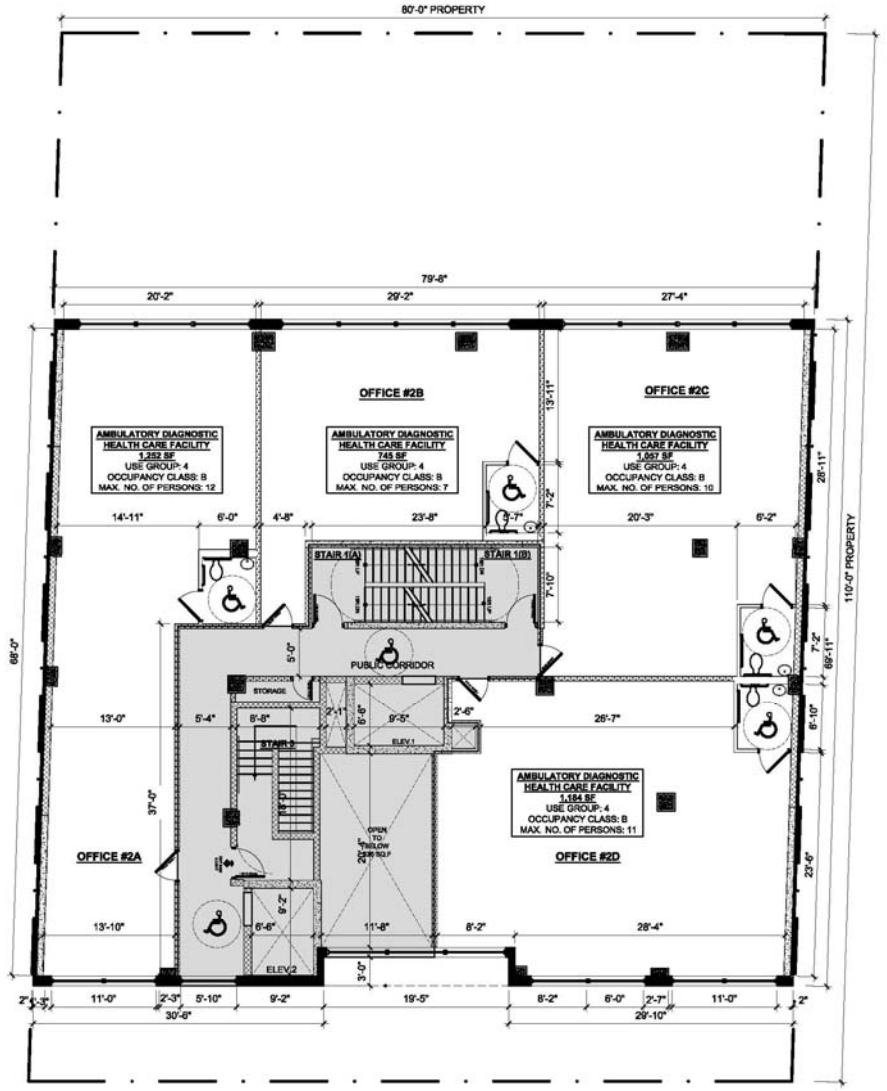
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**COMMUNITY FACILITY UNIT**

**COMMUNITY FACILITY UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**




2ND FLOOR PLAN
Scale: 3/32"=1'-0"

0 4' 8' 16'

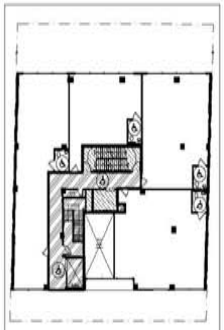
**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

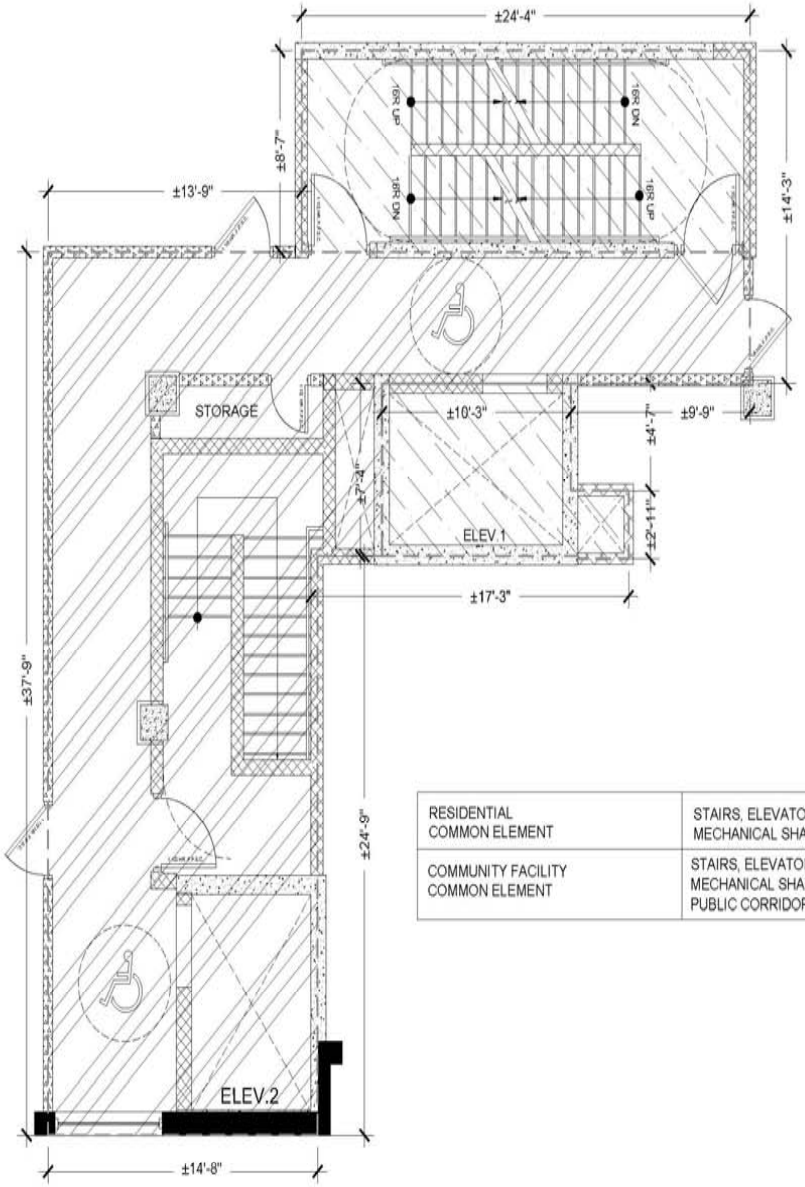
COMMON AREA

PROPERTY LINE

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356



2ND FLOOR KEY PLAN




| | | |
|---|---|---|
| RESIDENTIAL COMMON ELEMENT | STAIRS, ELEVATOR, MECHANICAL SHAFT | 294 ± |
| COMMUNITY FACILITY COMMON ELEMENT | STAIRS, ELEVATOR, MECHANICAL SHAFT,CLOSET PUBLIC CORRIDOR, | 712 ± |

2ND FLOOR COMMON AREA FLOOR PLAN
Scale: 3/16"=1'-0"

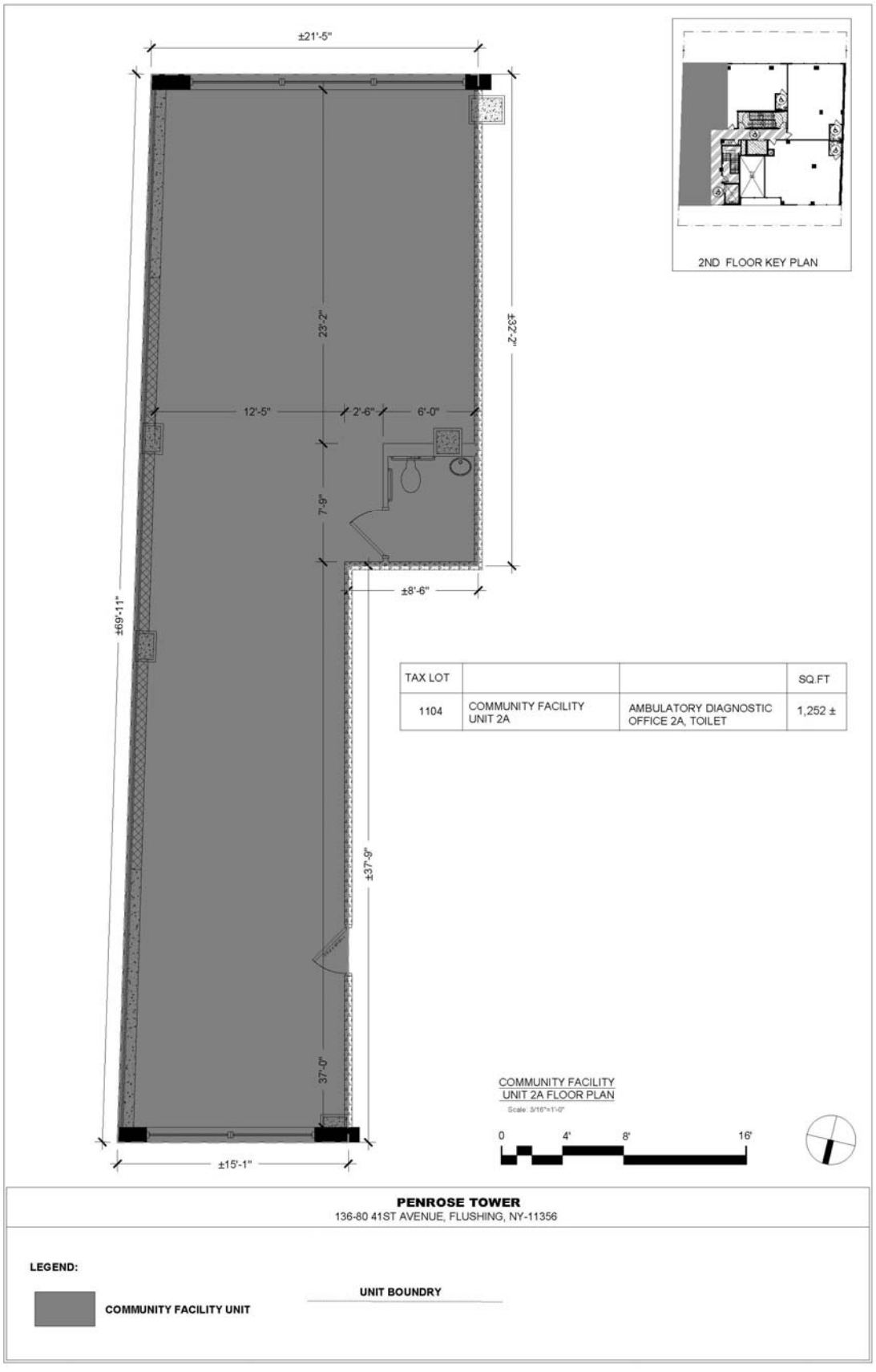
0 4' 8' 16'

**LEGEND:**

RESIDENTIAL COMMON AREA

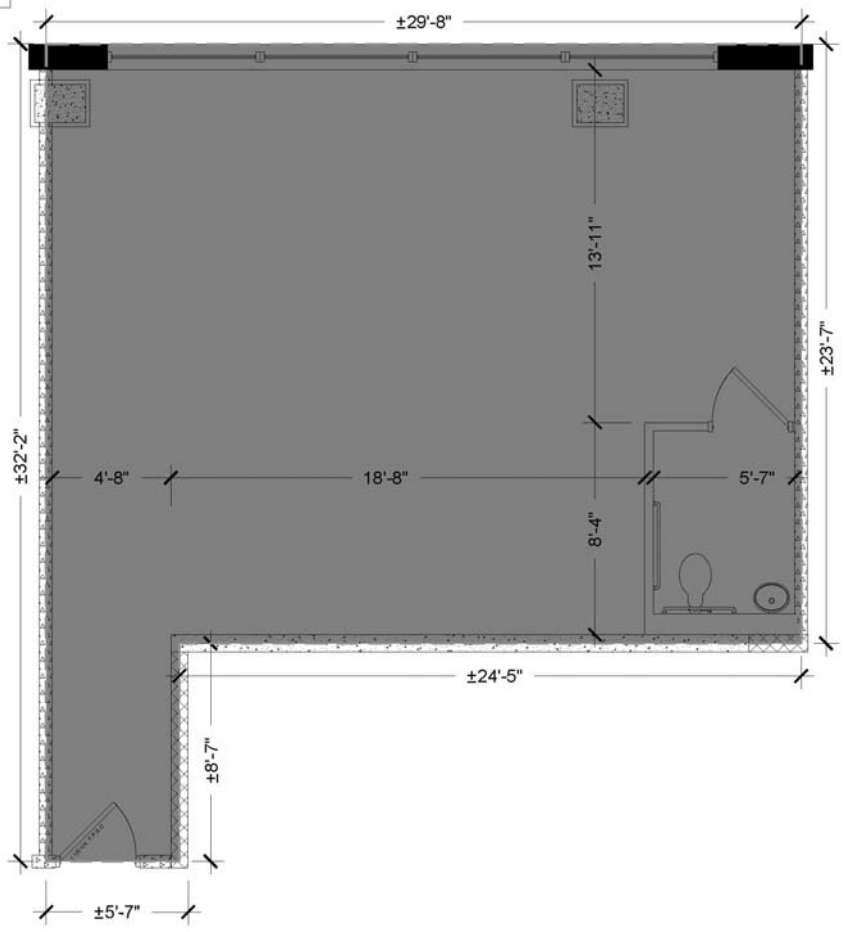
COMMUNITY FACILITY COMMON AREA

UNIT BOUNDARY


±21'-5"
23'-2"
±32'-2"
12'-5"
2'-6"
6'-0"
7'-9"
±8'-6"
±69'-11"
±37'-9"
37'-0"
±15'-1"
2ND FLOOR KEY PLAN
TAX LOT
SQ.FT
1104
COMMUNITY FACILITY UNIT 2A
AMBULATORY DIAGNOSTIC OFFICE 2A, TOILET
1,252 ±
COMMUNITY FACILITY UNIT 2A FLOOR PLAN
Scale: 3/16"=1'-0"
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
COMMUNITY FACILITY UNIT
UNIT BOUNDRY




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1105 | COMMUNITY FACILITY UNIT 2B | AMBULATORY DIAGNOSTIC OFFICE 2B, TOILET | 745 ± |




COMMUNITY FACILITY
UNIT 2B FLOOR PLAN

Scale: 1/4"=1'-0"



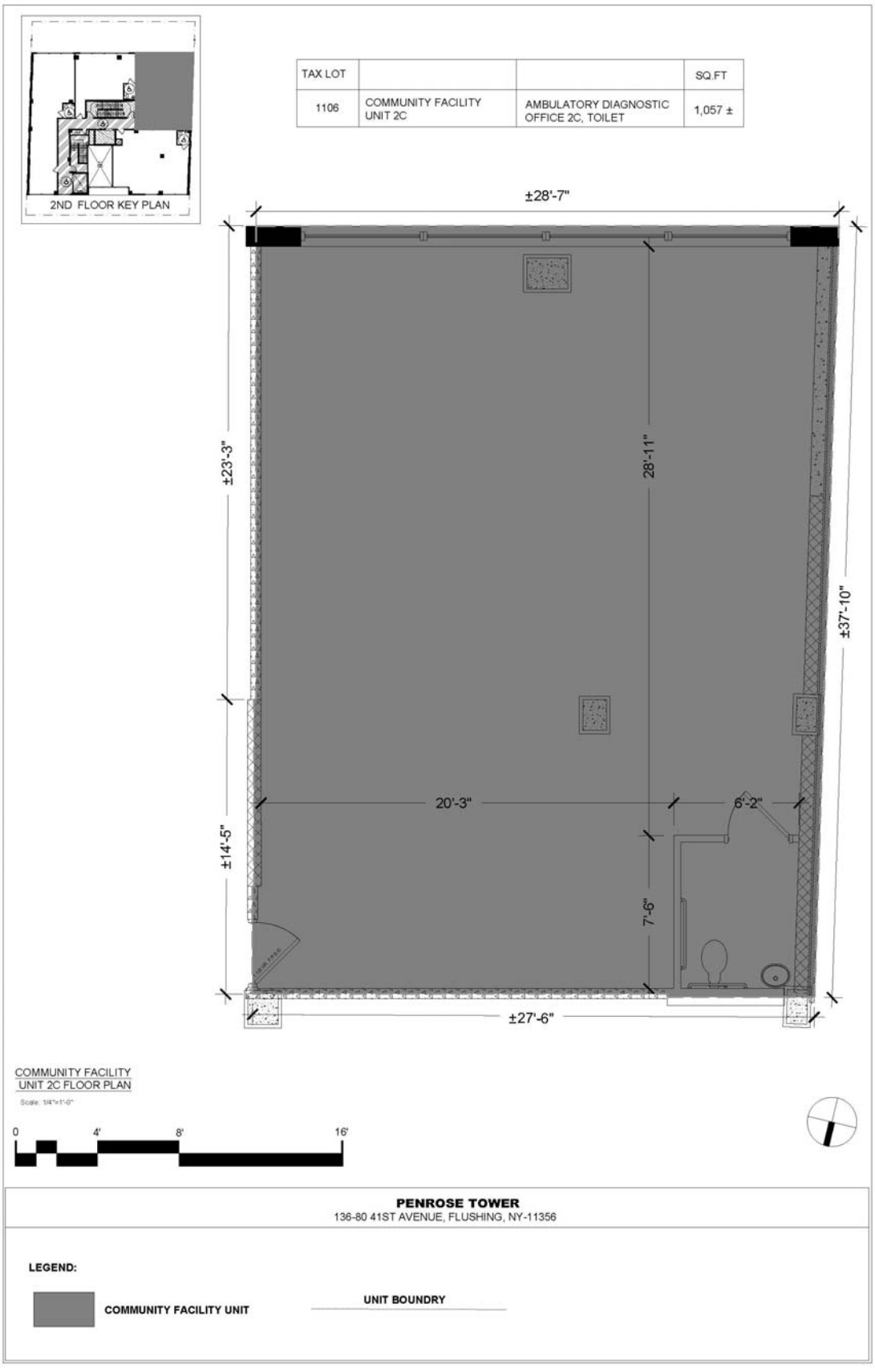



**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

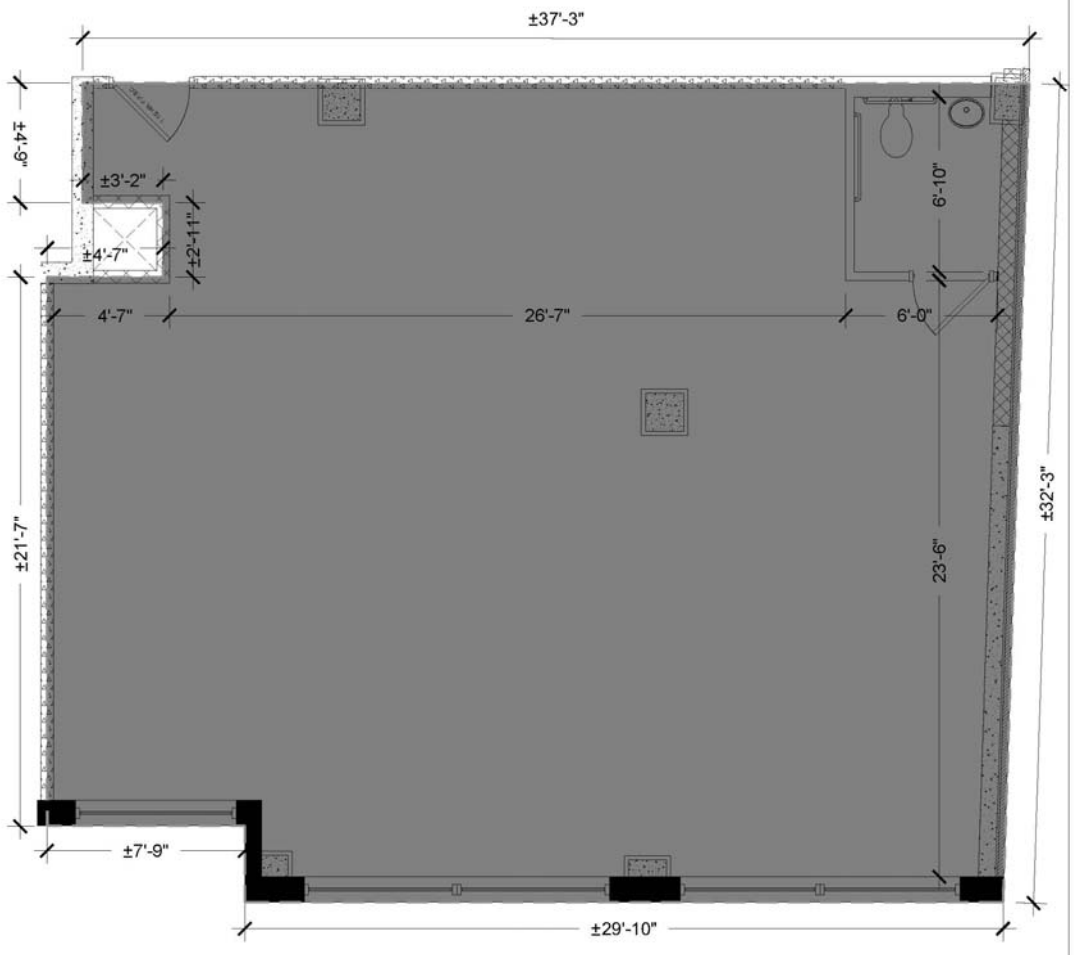
**COMMUNITY FACILITY UNIT**

**UNIT BOUNDRY**


2ND FLOOR KEY PLAN
TAX LOT
SQ.FT
1106
COMMUNITY FACILITY UNIT 2C
AMBULATORY DIAGNOSTIC OFFICE 2C, TOILET
1,057 ±
±28'-7"
±23'-3"
28'-11"
±37'-10"
20'-3"
6'-2"
±14'-5"
7'-6"
±27'-6"
COMMUNITY FACILITY UNIT 2C FLOOR PLAN
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
COMMUNITY FACILITY UNIT
UNIT BOUNDRY




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1107 | COMMUNITY FACILITY UNIT 2D | AMBULATORY DIAGNOSTIC OFFICE 2D, TOILET | 1,184 ± |




COMMUNITY FACILITY
UNIT 2D FLOOR PLAN

Scale: 1/4"=1'-0"

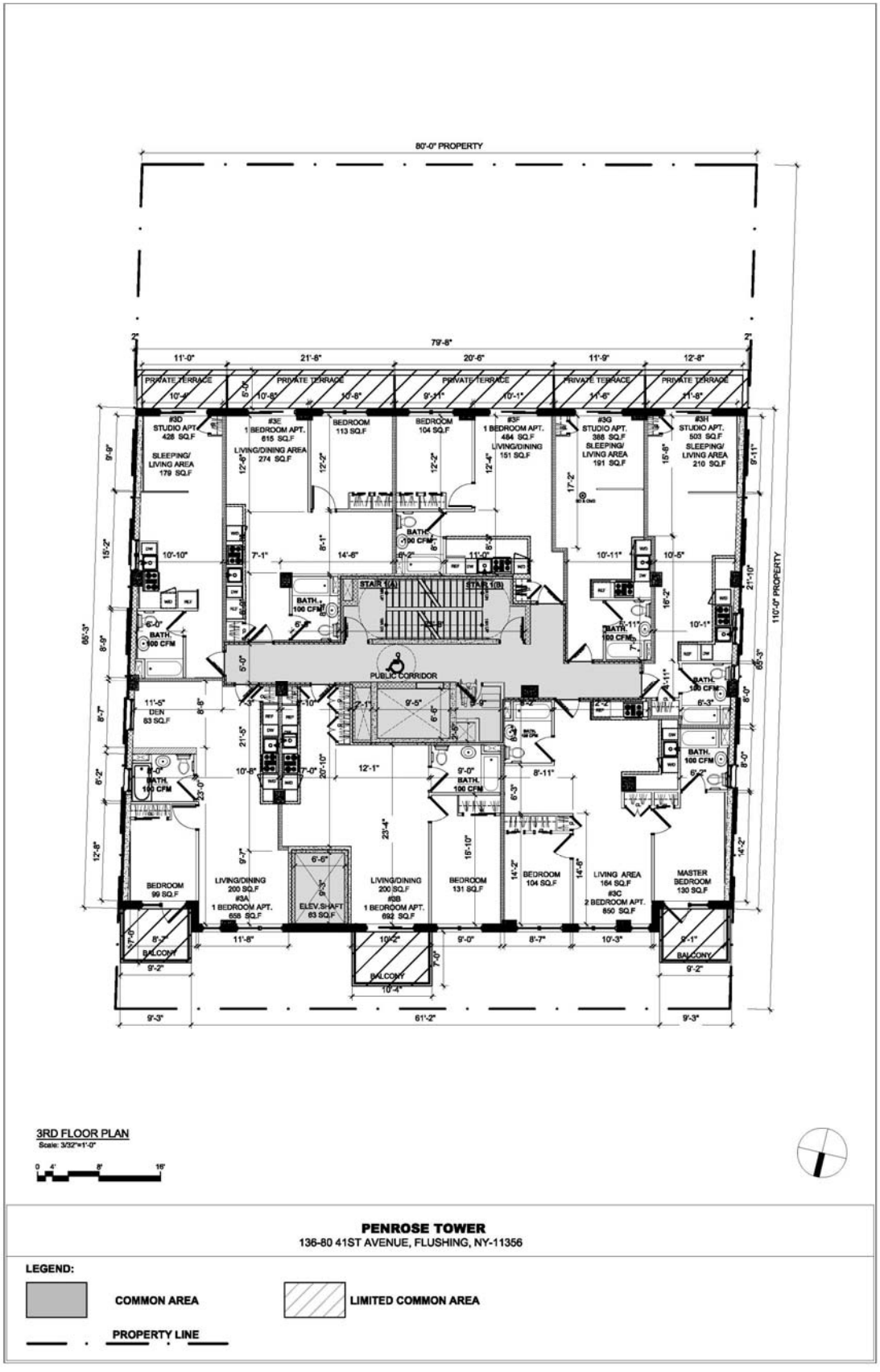
0 4' 8' 16'

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**COMMUNITY FACILITY UNIT**

**UNIT BOUNDRY**




3RD FLOOR PLAN
Scale: 3/32"=1'-0"

0 4' 8' 16'

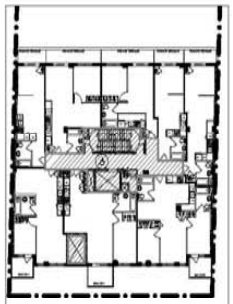
**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

COMMON AREA

LIMITED COMMON AREA

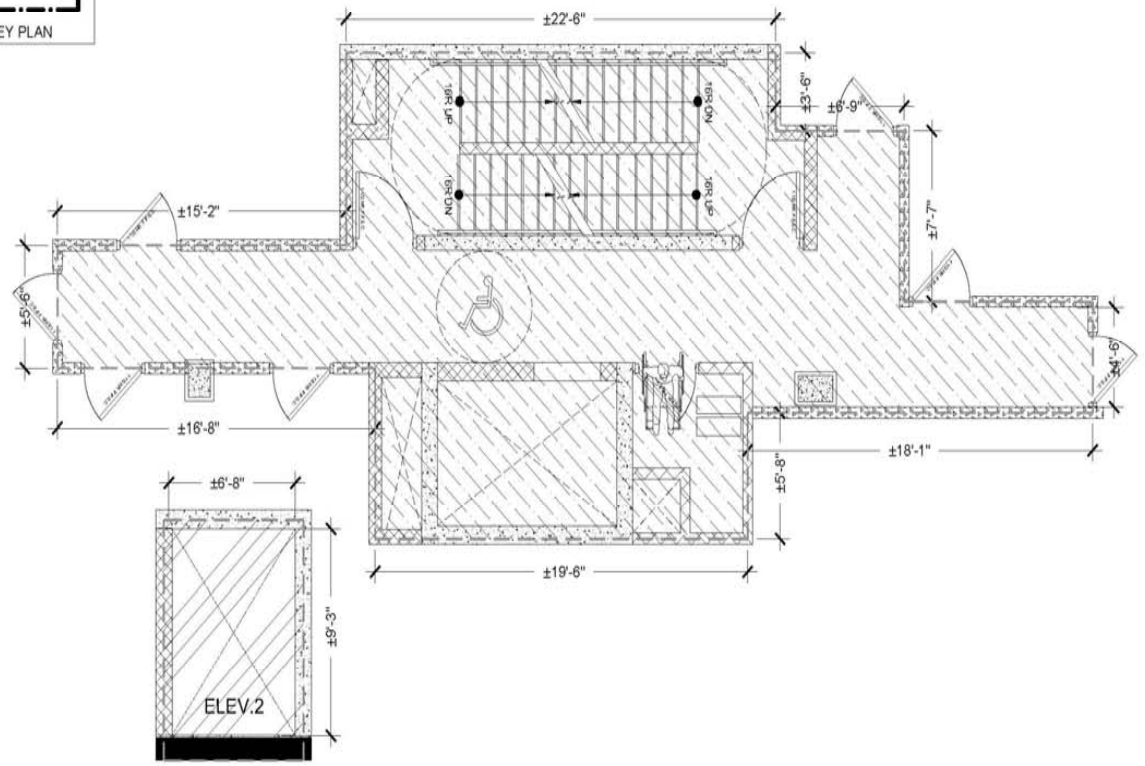
PROPERTY LINE



3RD FLOOR KEY PLAN

| RESIDENTIAL COMMON AREA | SQ.FT |
|---|---|
| CORRIDOR, ELEVATORS, STAIRS, REFUSE | 687 ± |

| COMMUNITY FACILITY COMMON AREA | SQ.FT |
|---|---|
| ELEVATOR SHAFT | 79 ± |




3RD FLOOR COMMON AREA

Scale: 3/16"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

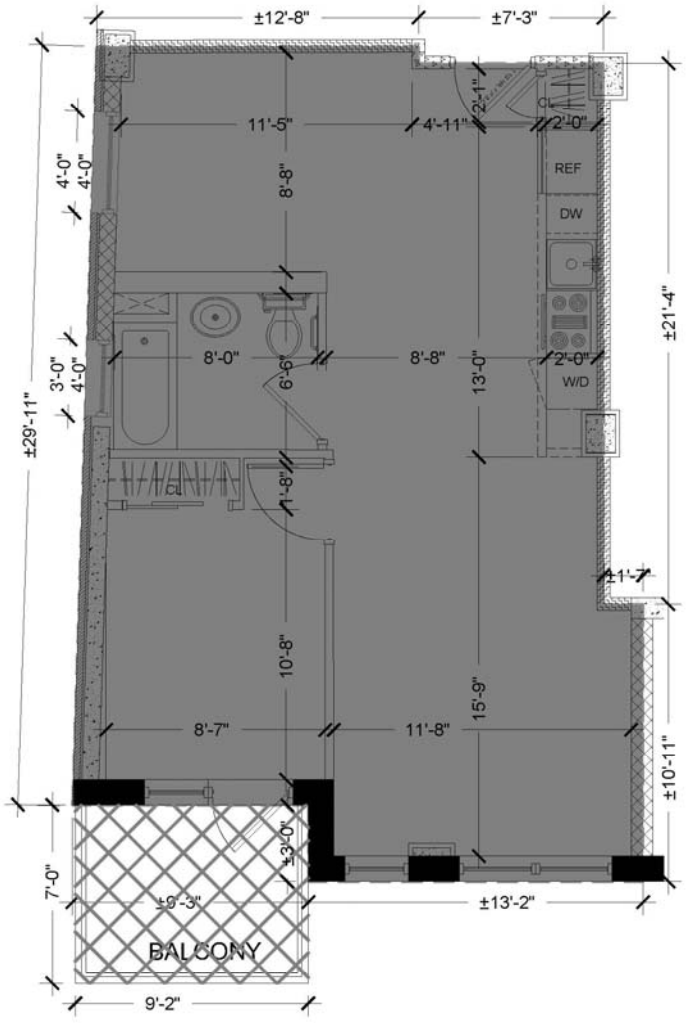
**COMMUNITY FACILITY COMMON AREA AT 3RD FLOOR**

**RESIDENTIAL COMMON AREA AT 3RD FLOOR**

**UNIT BOUNDARY**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1108 | RESIDENTIAL UNUT | APARTMENT 3A<br>LCE (BALCONY) | 658 ±<br>64 ± |




UNIT 3A FLOOR PLAN

Scale: 1/4"=1'-0"






**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

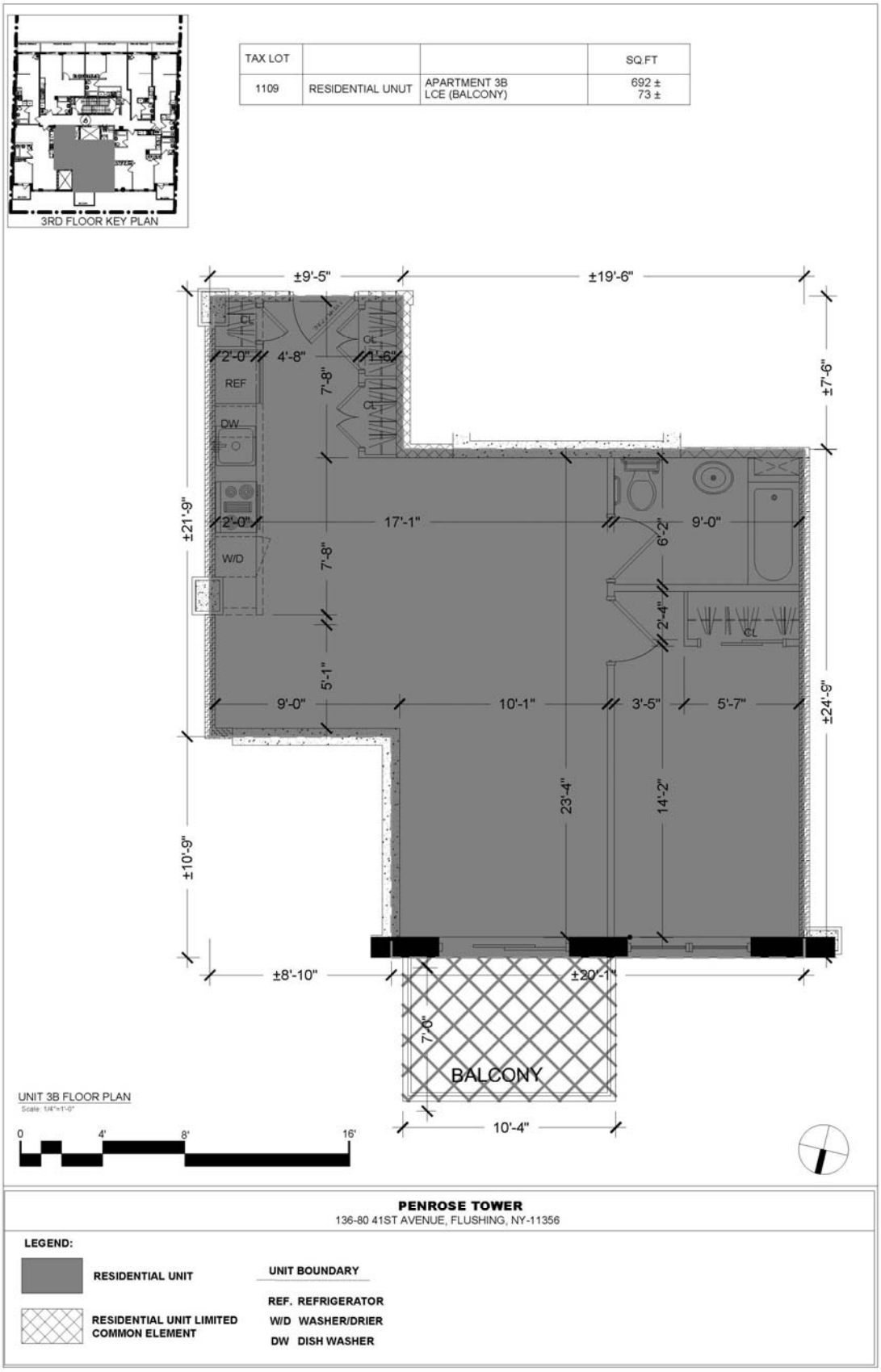
**RESIDENTIAL UNIT**

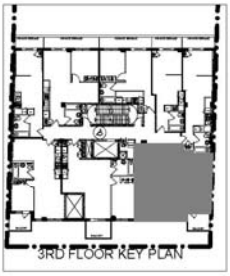
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

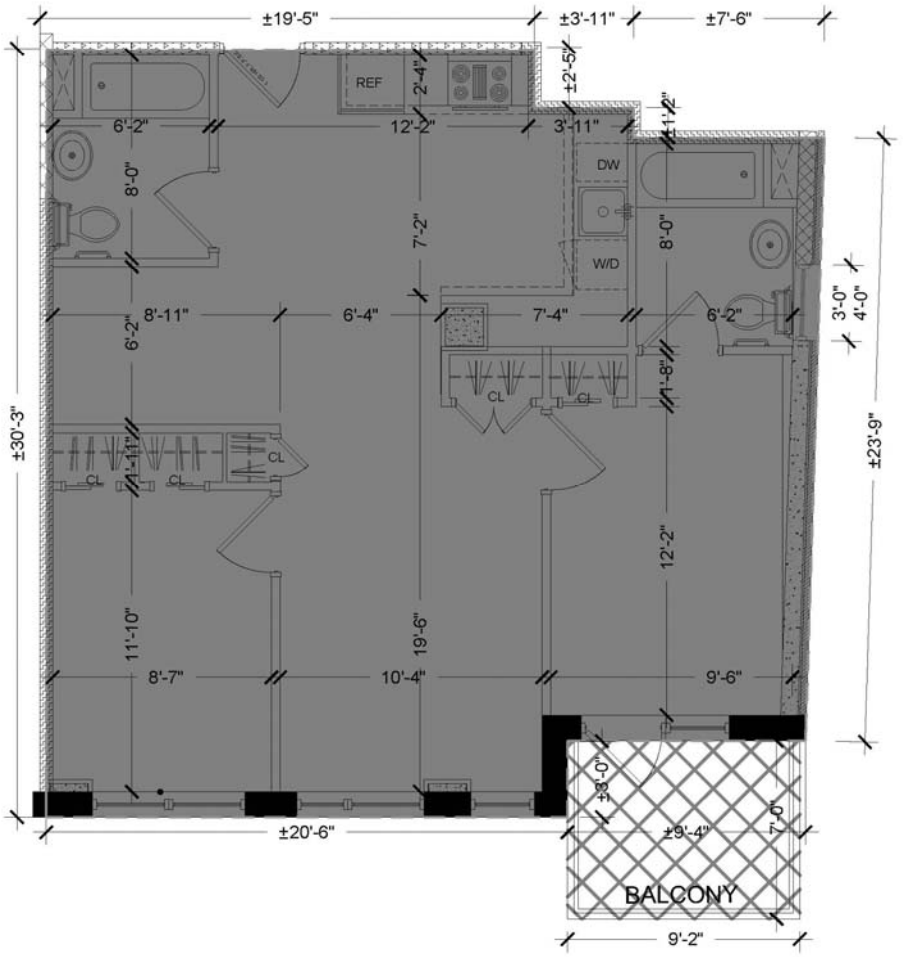
**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**

**LOT LINE WINDOW**


3RD FLOOR KEY PLAN
TAX LOT
SQ.FT
1109
RESIDENTIAL UNUT
APARTMENT 3B
LCE (BALCONY)
692 ±
73 ±
±9'-5"
±19'-6"
±7'-6"
±21'-9"
±24'-9"
±10'-9"
2'-0"
4'-8"
1'-6"
7'-8"
REF
DW
W/D
CL
17'-1"
9'-0"
6'-2"
2'-4"
5'-1"
9'-0"
10'-1"
3'-5"
5'-7"
23'-4"
14'-2"
±8'-10"
±20'-1"
7'-6"
BALCONY
10'-4"
UNIT 3B FLOOR PLAN
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1110 | RESIDENTIAL UNUT | APARTMENT 3C<br>LCE (BALCONY) | 850 ±<br>64 ± |




UNIT 3C FLOOR PLAN
Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

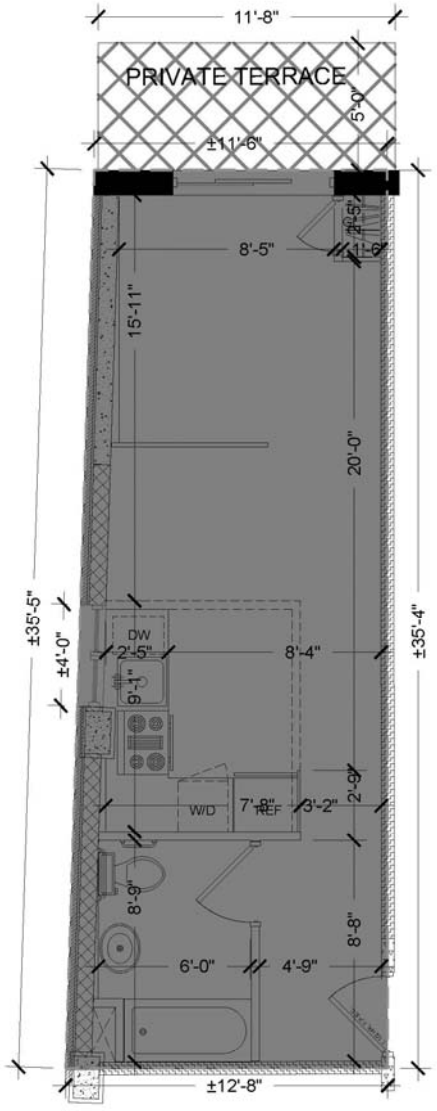
**UNIT BOUNDARY**

**LOT LINE WINDOW**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1111 | RESIDENTIAL UNUT | APARTMENT 3D<br>LCE (TERRACE) | 428 ±<br>58 ± |




UNIT 3D FLOOR PLAN
Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

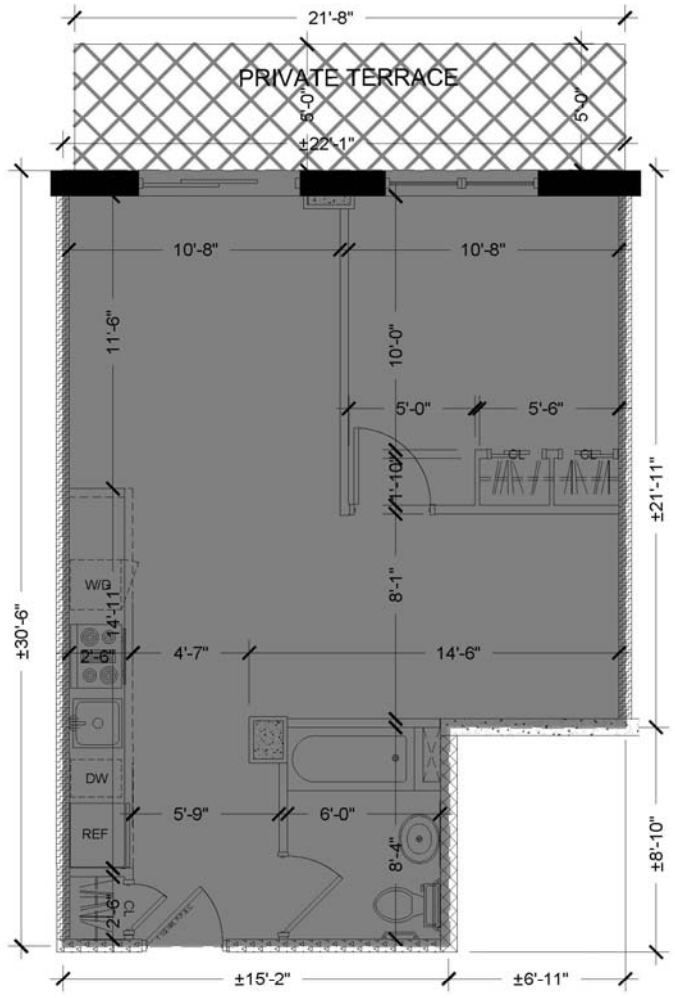
**LOT LINE WINDOW**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**



3RD FLOOR KEY PLAN

| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1112 | RESIDENTIAL UNUT | APARTMENT 3E<br>LCE (TERRACE) | 615 ±<br>108 ± |




UNIT 3E FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

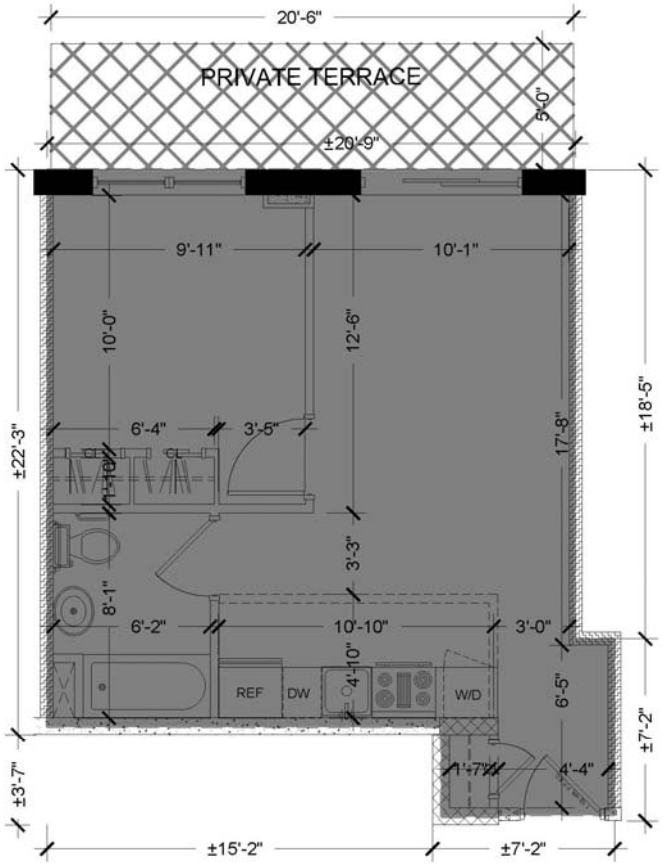
**REF. REFRIGERATOR**

**W/D WASHER/DRIER**

**DW DISH WASHER**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1113 | RESIDENTIAL UNUT | APARTMENT 3F<br>LCE (TERRACE) | 484 ±<br>102 ± |




UNIT 3F FLOOR PLAN






**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

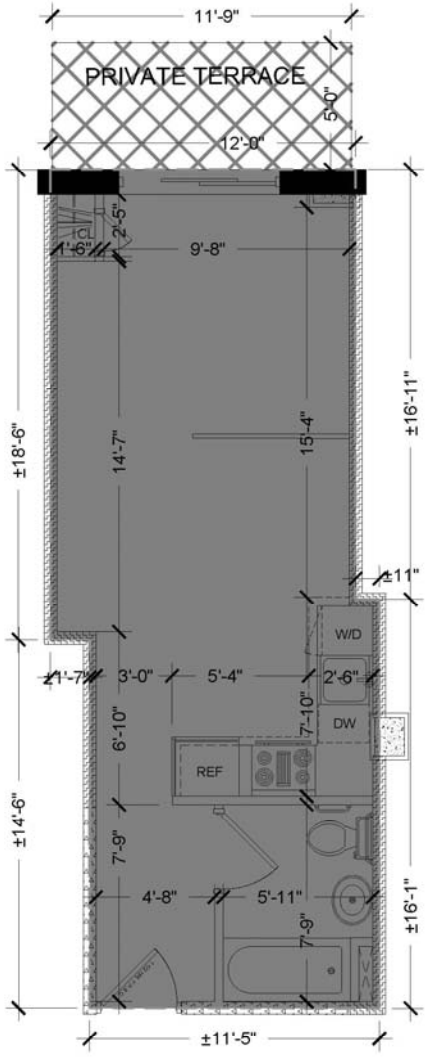
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1114 | RESIDENTIAL UNUT | APARTMENT 3G<br>LCE (TERRACE) | 388 ±<br>58 ± |




UNIT 3G FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

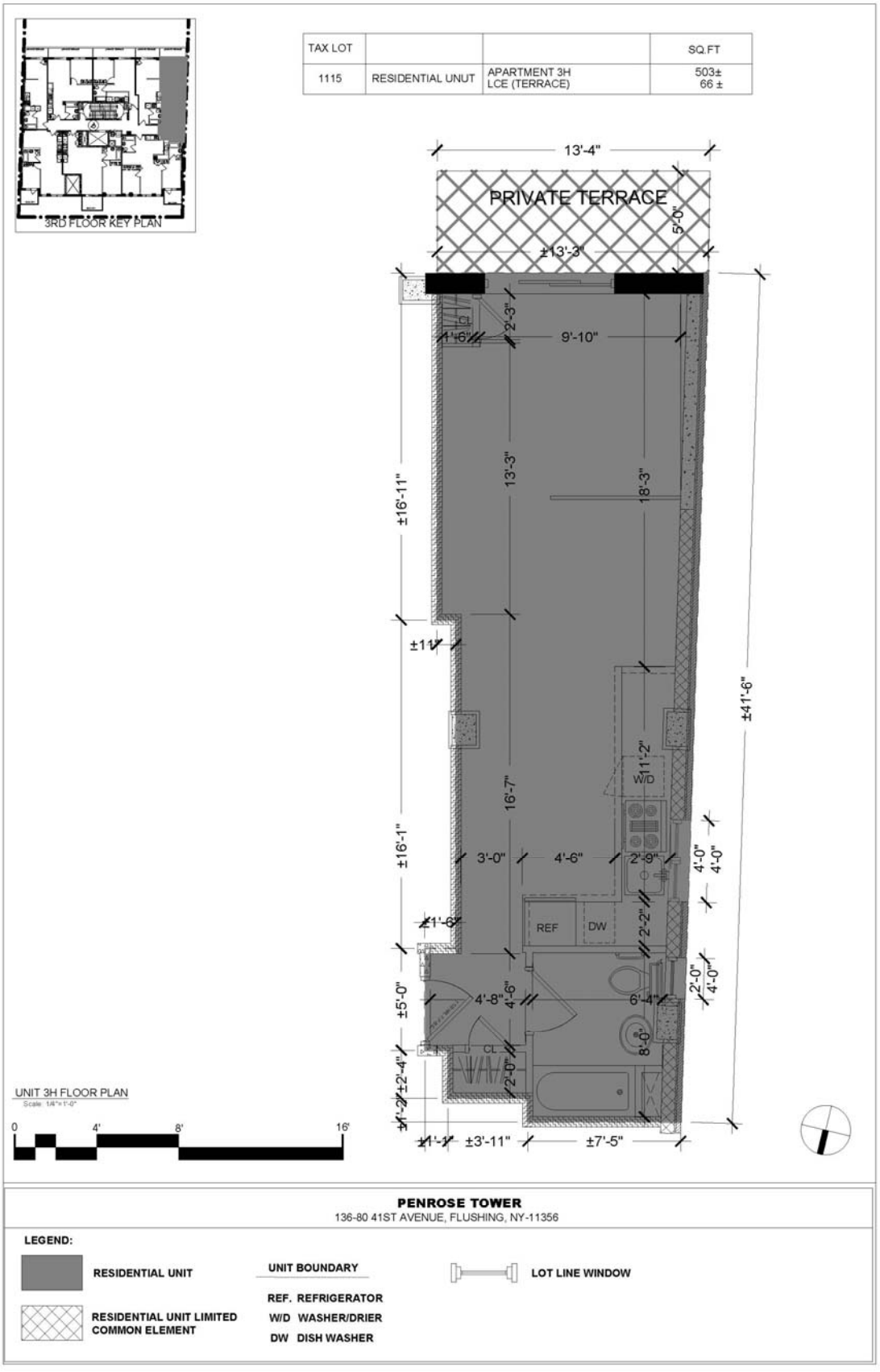
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

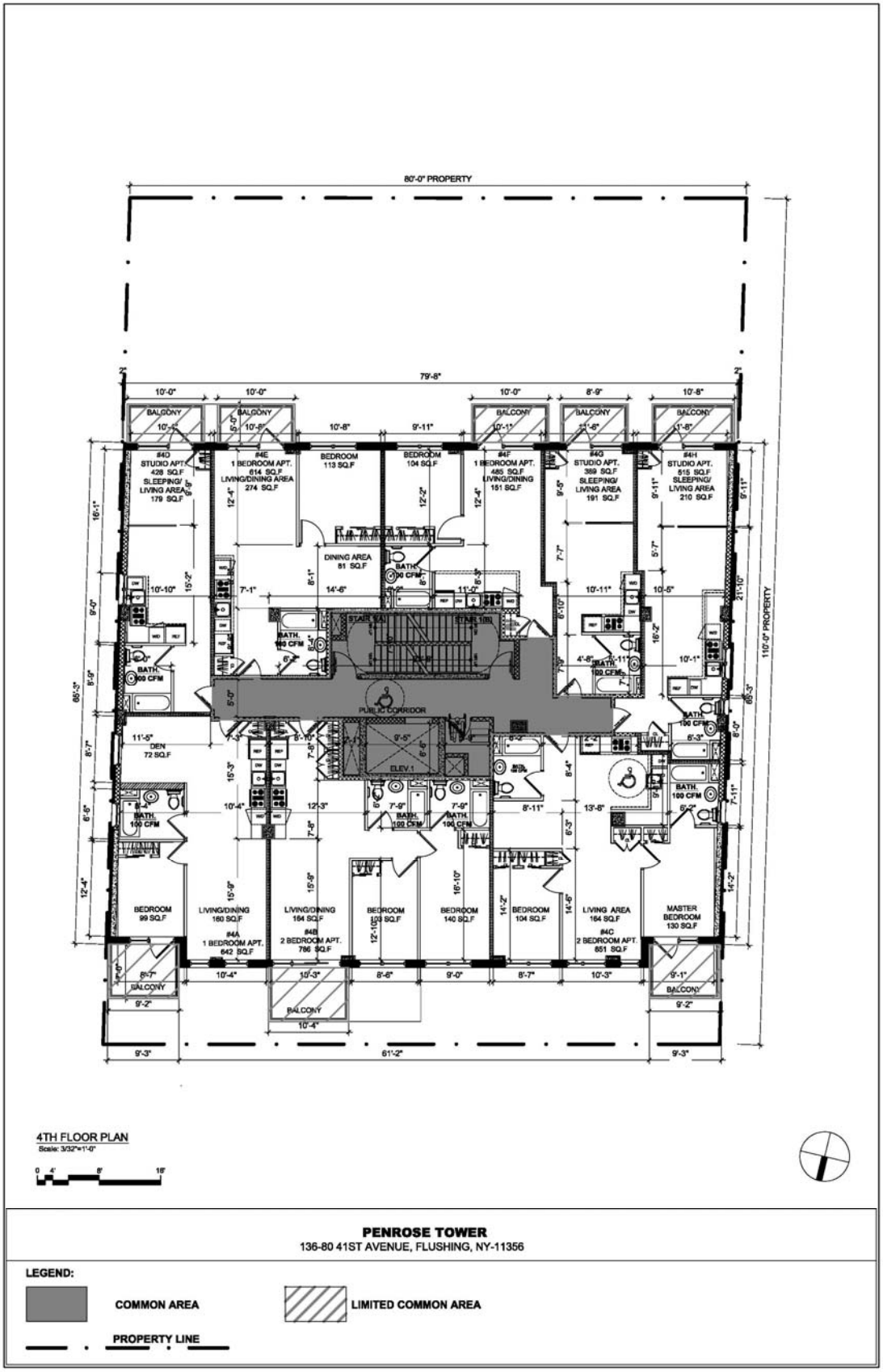
**UNIT BOUNDARY**

**REF. REFRIGERATOR**

**W/D WASHER/DRIER**

**DW DISH WASHER**


3RD FLOOR KEY PLAN
TAX LOT
SQ.FT
1115
RESIDENTIAL UNUT
APARTMENT 3H
LCE (TERRACE)
503±
66 ±
PRIVATE TERRACE
13'-4"
5'-0"
±13'-3"
CL
2'-3"
1'-6"
9'-10"
13'-3"
18'-3"
±16'-11"
±11'
±41'-6"
W/D
11'-2"
16'-7"
±16'-1"
3'-0"
4'-6"
2'-9"
4'-0"
4'-0"
±1'-6"
REF
DW
2'-2"
2'-0"
4'-0"
±5'-0"
4'-8"
4'-6"
6'-4"
8'-0"
CL
2'-0"
±1'-2"±2'-4"
±1'-1"
±3'-11"
±7'-5"
UNIT 3H FLOOR PLAN
Scale: 1/4"=1'-0"
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER
LOT LINE WINDOW




4TH FLOOR PLAN
Scale: 3/32"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

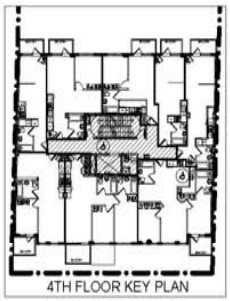
LEGEND:

COMMON AREA

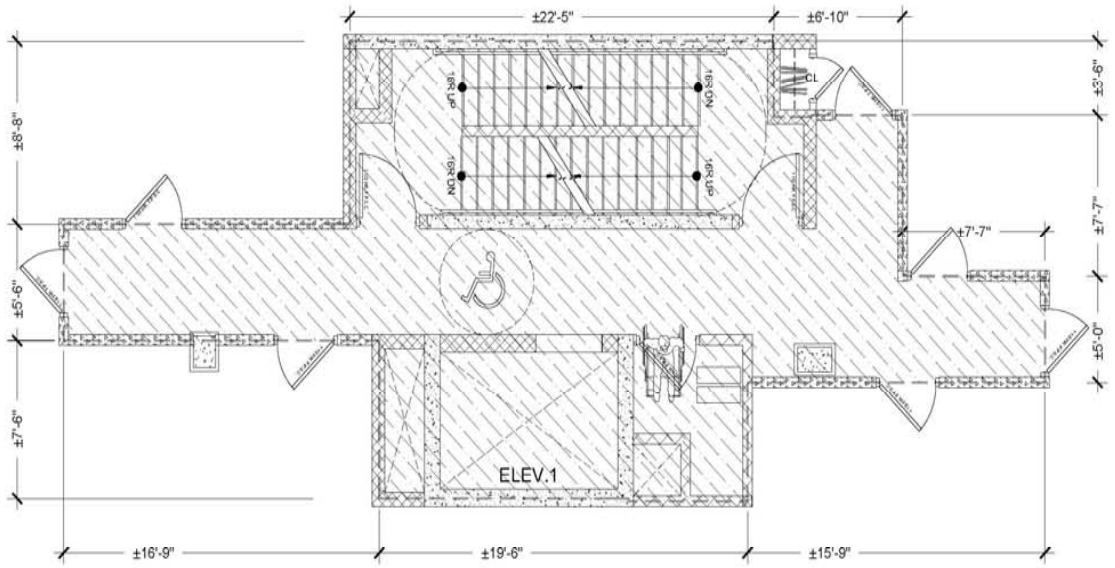
LIMITED COMMON AREA

PROPERTY LINE

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356




| RESIDENTIAL COMMON AREA | SQ.FT |
|---|---|
| PUBLIC CORRIDOR, ELEVATOR, STAIRS, REFUSE SHAFT | 675 ± |



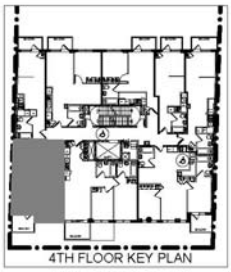

4TH FLOOR COMMON AREA
Scale: 3/16"=1'-0"

0 4' 8' 16'

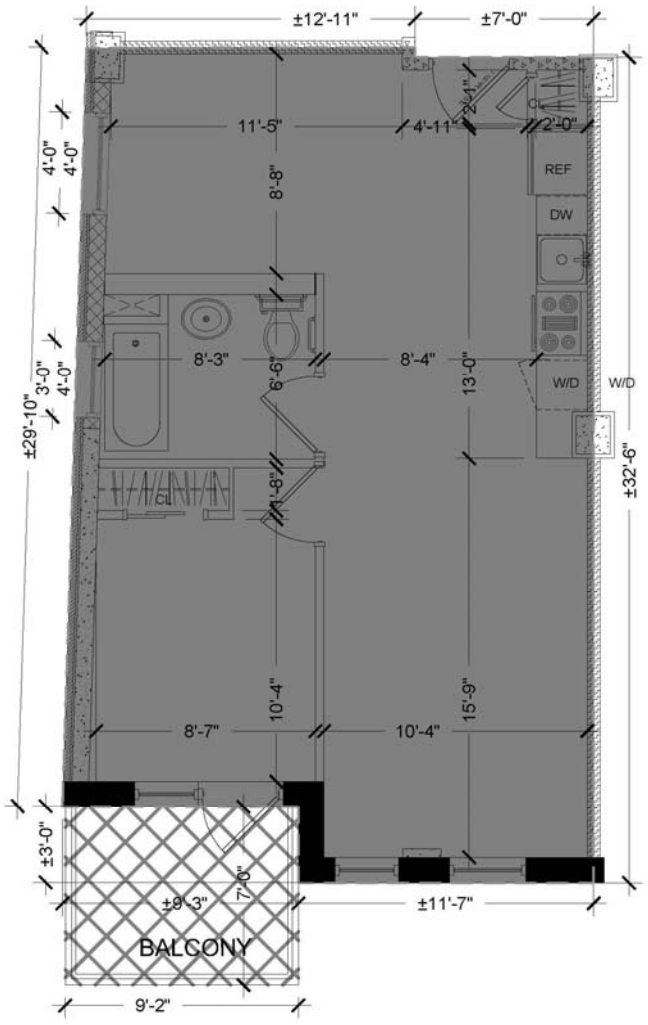
**LEGEND:**

**RESIDENTIAL COMMON AREA AT 4TH FLOOR**

**UNIT BOUNDARY**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1116 | RESIDENTIAL UNUT | APARTMENT 4A<br>LCE (BALCONY) | 642 ±<br>64 ± |




UNIT 4A FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

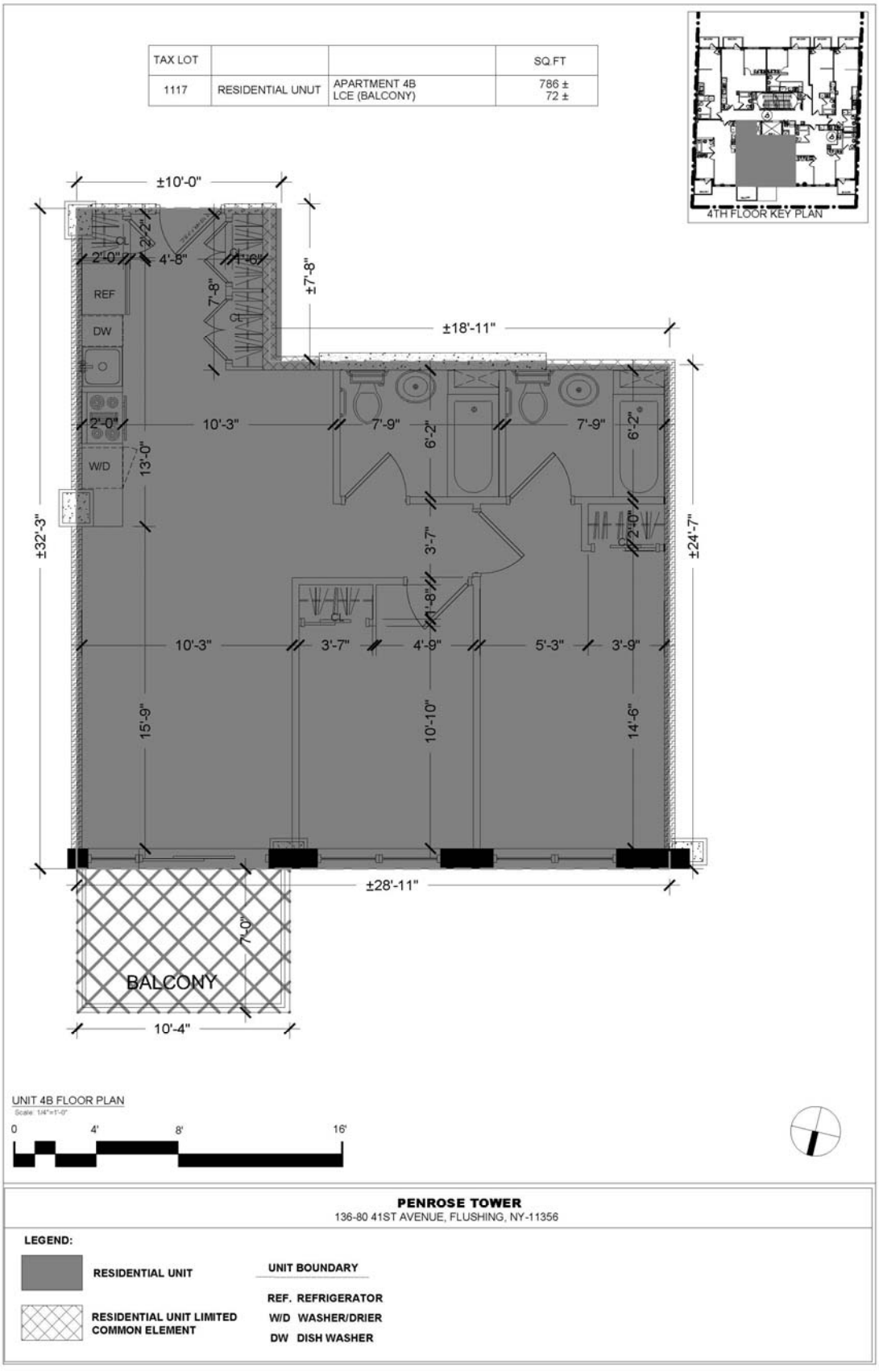
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

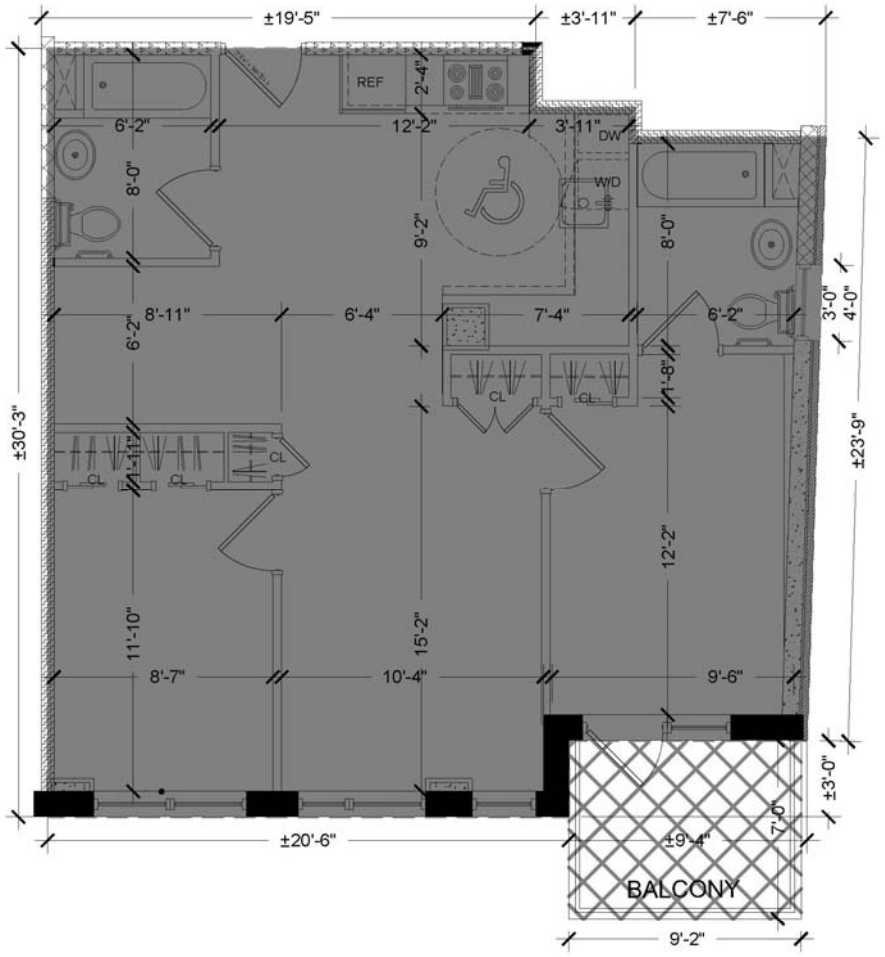
**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**

**LOT LINE WINDOW**


TAX LOT
SQ.FT
1117
RESIDENTIAL UNUT
APARTMENT 4B
LCE (BALCONY)
786 ±
72 ±
4TH FLOOR KEY PLAN
±10'-0"
2'-2"
2'-0"
4'-8"
1'-6"
7'-8"
±7'-8"
±18'-11"
REF
DW
2'-0"
10'-3"
7'-9"
6'-2"
7'-9"
6'-2"
W/D
13'-0"
±32'-3"
3'-7"
2'-0"
±24'-7"
1'-8"
10'-3"
3'-7"
4'-9"
5'-3"
3'-9"
15'-9"
10'-10"
14'-6"
±28'-11"
7'-0"
BALCONY
10'-4"
UNIT 4B FLOOR PLAN
Scale: 1/4"=1'-0"
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1118 | RESIDENTIAL UNUT | APARTMENT 4C<br>LCE (BALCONY) | 851 ±<br>64 ± |




UNIT 4C FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

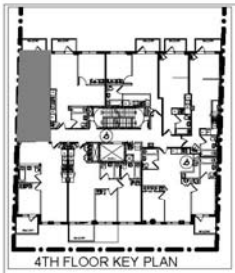
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

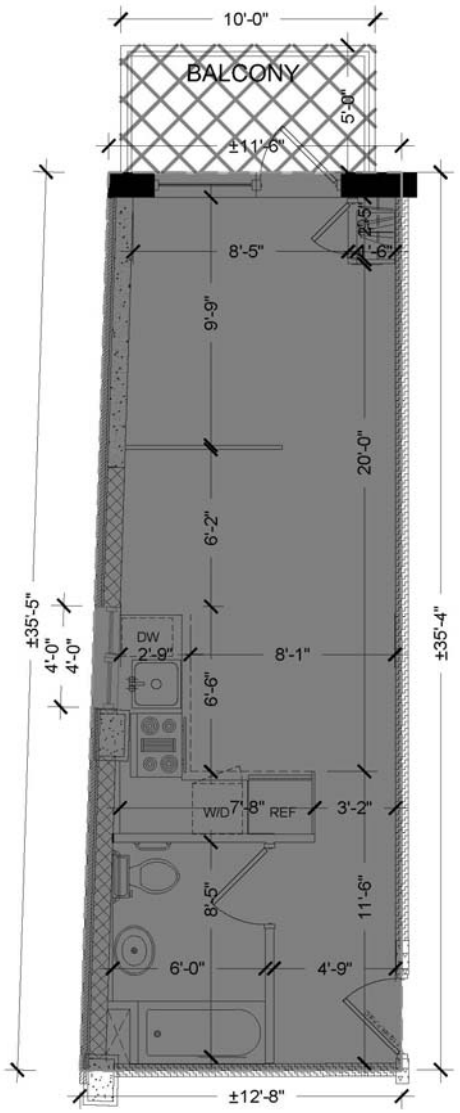
**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**

**LOT LINE WINDOW**



4TH FLOOR KEY PLAN

| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1119 | RESIDENTIAL UNUT | APARTMENT 4D<br>LCE (TERRACE) | 428 ±<br>58 ± |




UNIT 4D FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

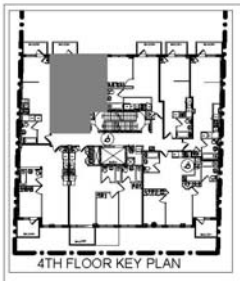
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

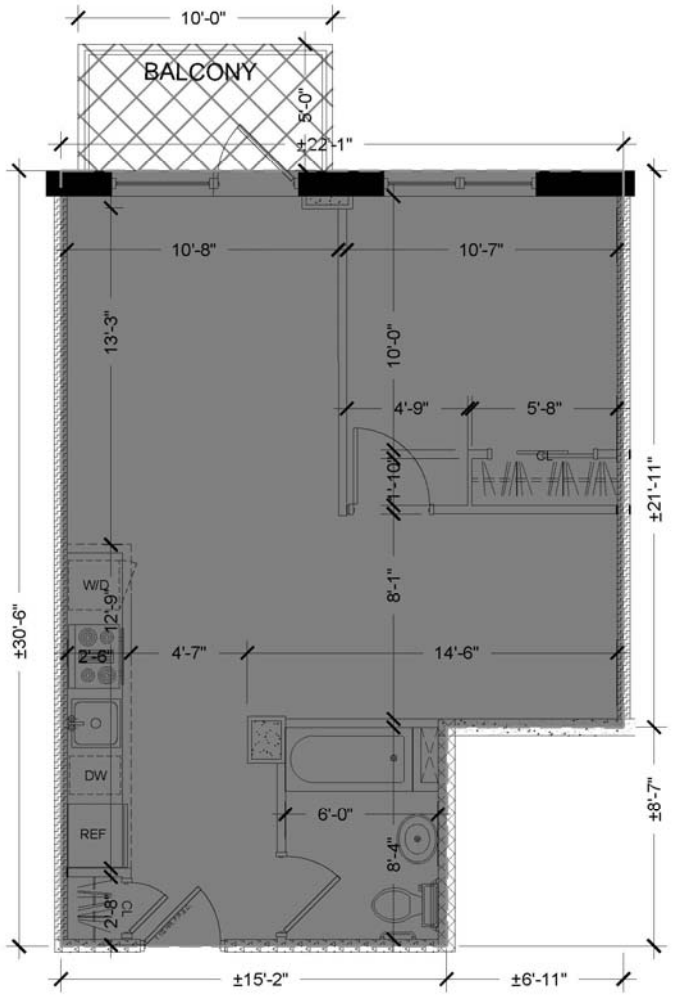
**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**

**LOT LINE WINDOW**



4TH FLOOR KEY PLAN

| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1120 | RESIDENTIAL UNUT | APARTMENT 4E<br>LCE (TERRACE) | 614 ±<br>50 ± |




UNIT 4E FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

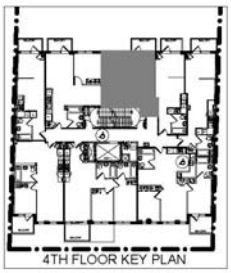
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

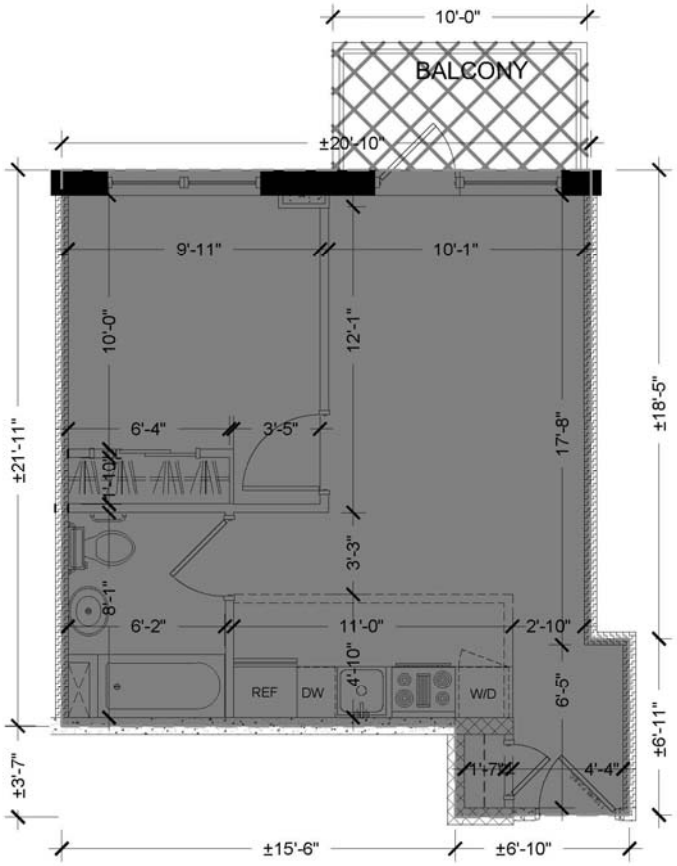
**REF. REFRIGERATOR**

**W/D WASHER/DRIER**

**DW DISH WASHER**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1121 | RESIDENTIAL UNUT | APARTMENT 4F<br>LCE (TERRACE) | 485 ±<br>50 ± |




UNIT 4F FLOOR PLAN
Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

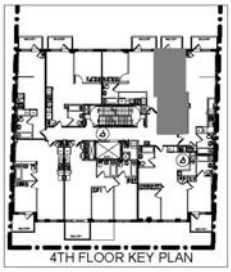
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**RESIDENTIAL UNIT**

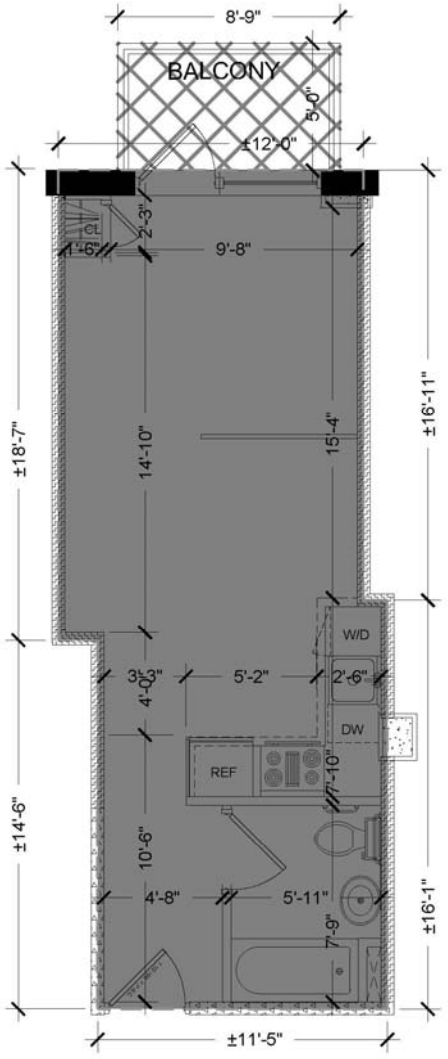
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1122 | RESIDENTIAL UNUT | APARTMENT 4G<br>LCE (TERRACE) | 389 ±<br>44 ± |




UNIT 4G FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

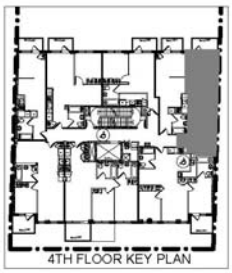
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

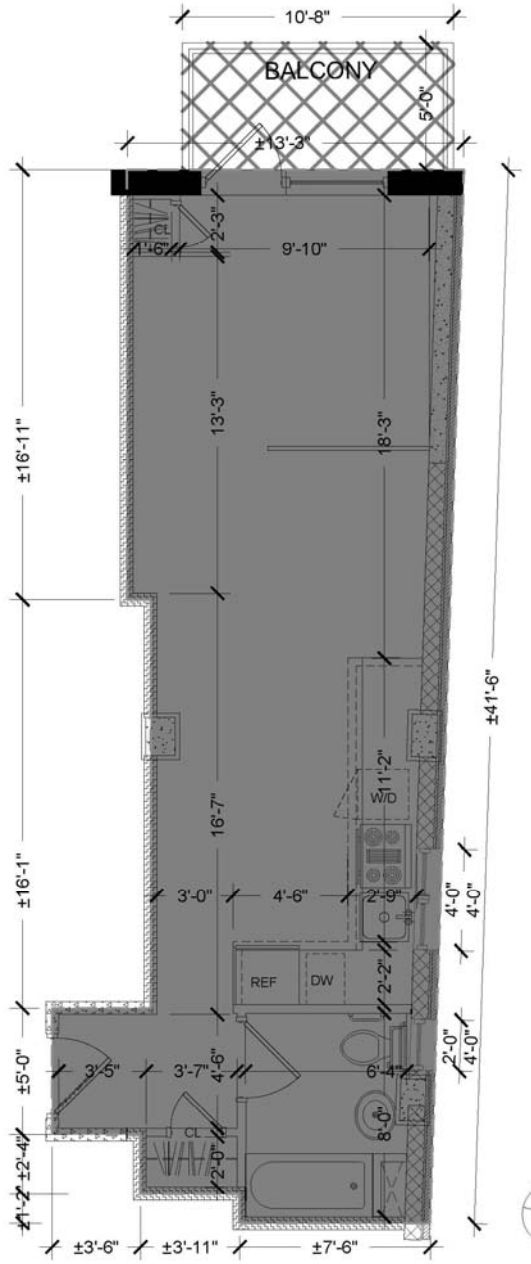
**REF. REFRIGERATOR**

**W/D WASHER/DRIER**

**DW DISH WASHER**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1123 | RESIDENTIAL UNUT | APARTMENT 4H<br>LCE (TERRACE) | 515±<br>53 ± |




UNIT 4H FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

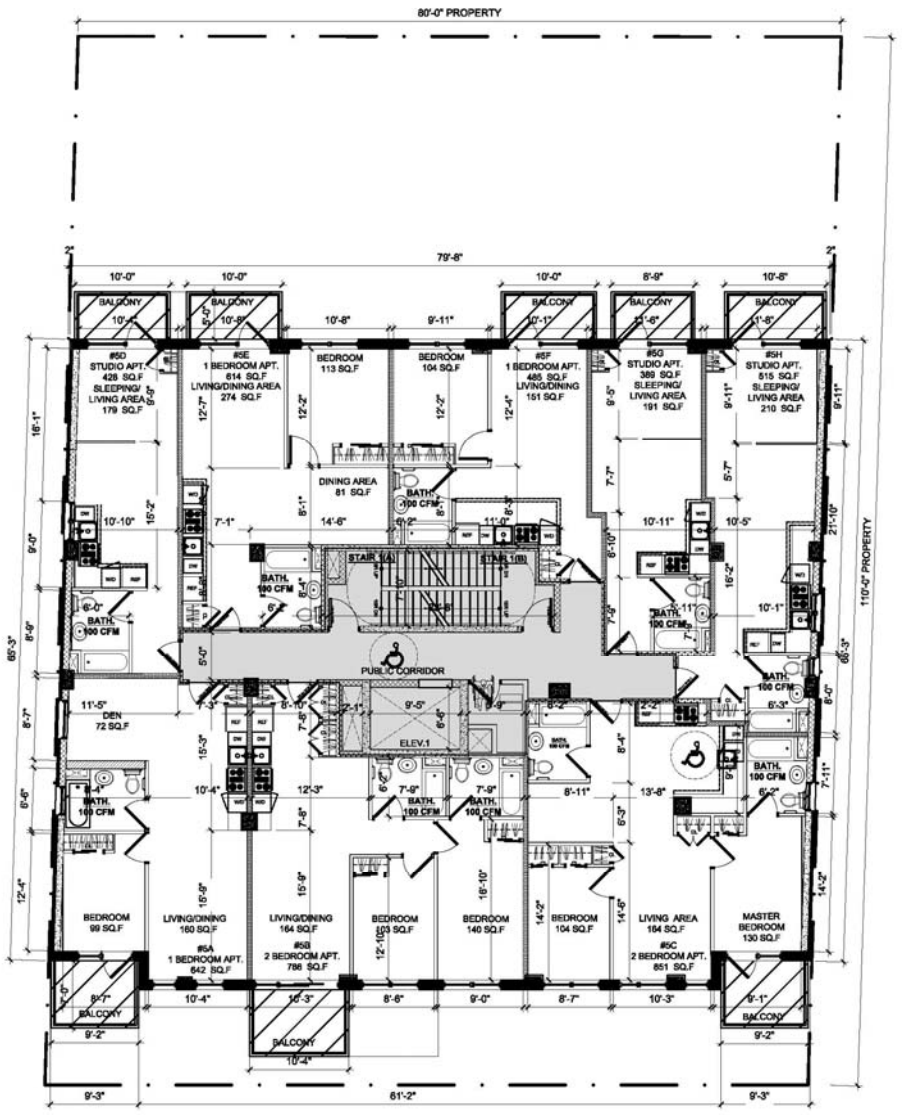
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

**LOT LINE WINDOW**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**




5TH FLOOR PLAN

Scale: 3/32"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

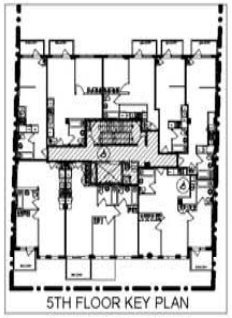
**LEGEND:**

COMMON AREA

LIMITED COMMON AREA

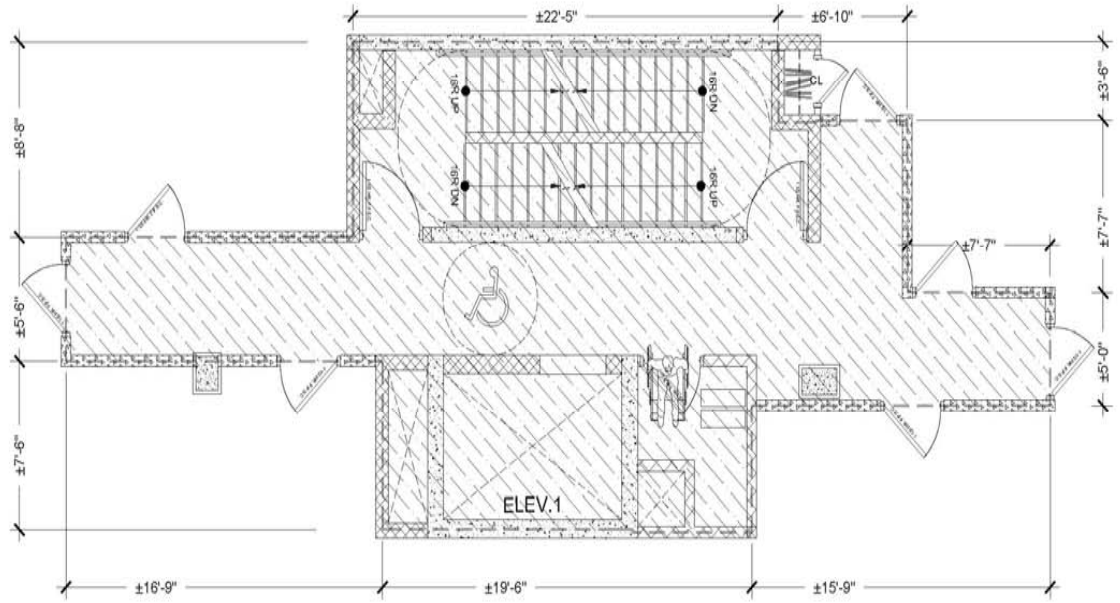
PROPERTY LINE

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356



5TH FLOOR KEY PLAN

| RESIDENTIAL COMMON AREA | SQ.FT |
|---|---|
| PUBLIC CORRIDOR, ELEVATOR, STAIRS, REFUSE, SHAFTS | 675 ± |



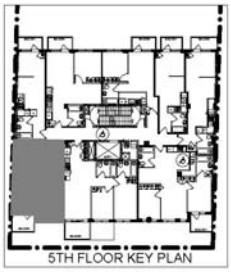

5TH FLOOR COMMON AREA
Scale: 3/16"=1'-0"

0 4' 8' 16'

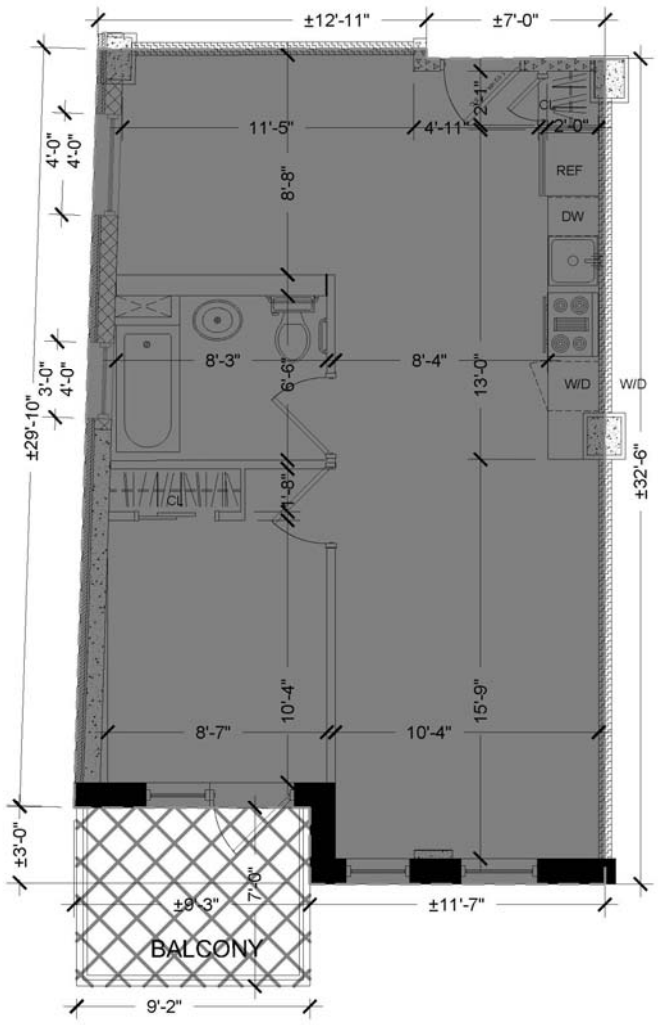
**LEGEND:**

RESIDENTIAL COMMON AREA AT 5TH FLOOR

UNIT BOUNDARY




| TAX LOT | | | SQ.F |
|---|---|---|---|
| 1124 | RESIDENTIAL UNUT | APARTMENT 5A<br>LCE (BALCONY) | 642 ±<br>64 ± |




UNIT 5A FLOOR PLAN

Scale: 1/4"=1'-0"






**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

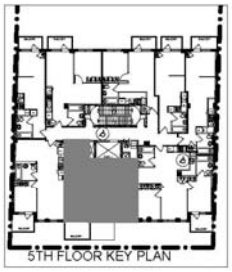
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

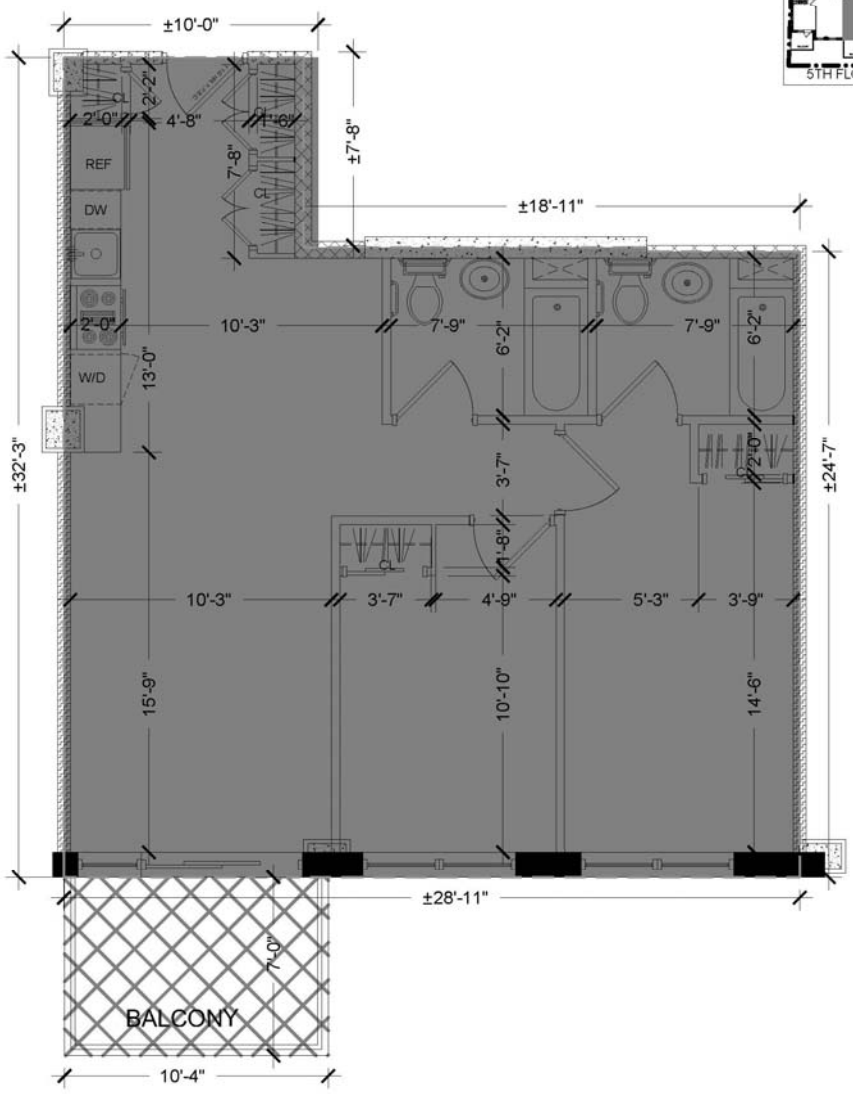
**UNIT BOUNDARY**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**

**LOT LINE WINDOW**

| TAX LOT | | | SQ.F |
|---|---|---|---|
| 1125 | RESIDENTIAL UNUT | APARTMENT 5B<br>LCE (BALCONY) | 786 ±<br>72 ± |




UNIT 5B FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

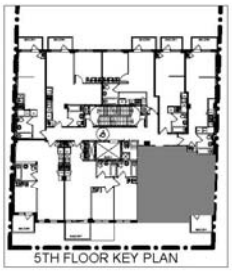
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

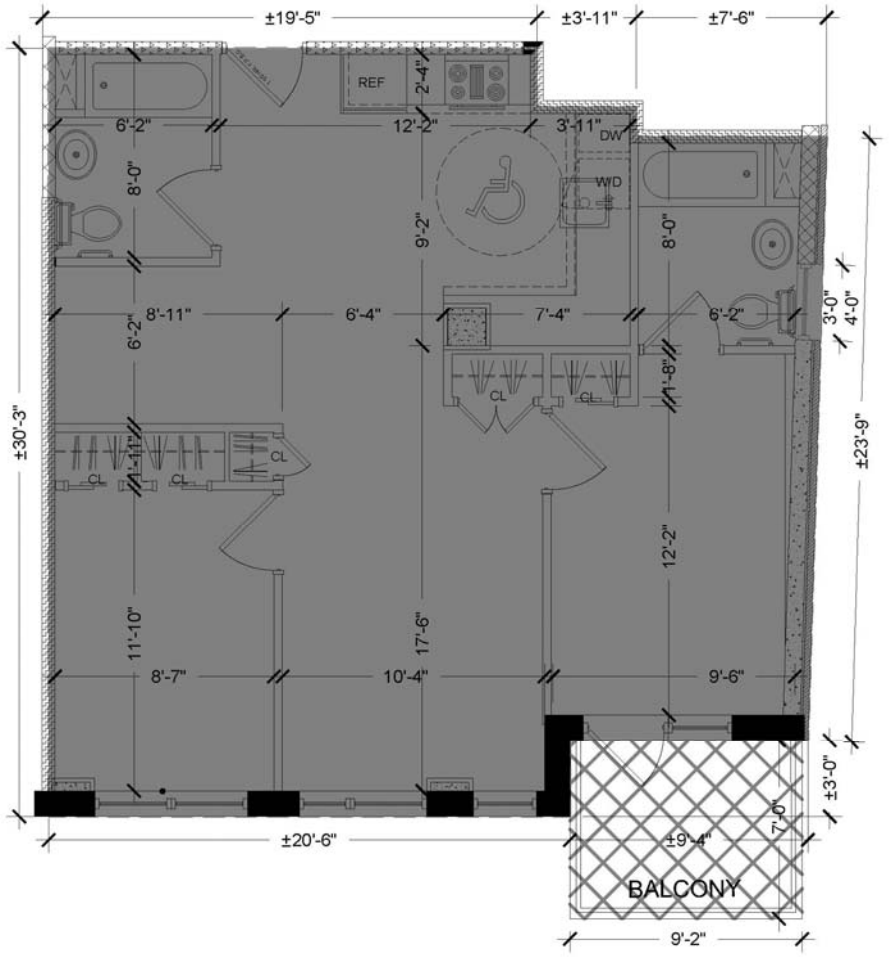
**REF. REFRIGERATOR**

**W/D WASHER/DRIER**

**DW DISH WASHER**




| TAX LOT | | | SQ.F |
|---|---|---|---|
| 1126 | RESIDENTIAL UNUT | APARTMENT 5C<br>LCE (BALCONY) | 851 ±<br>64 ± |




UNIT 5C FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

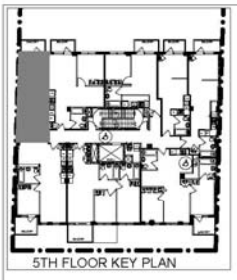
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

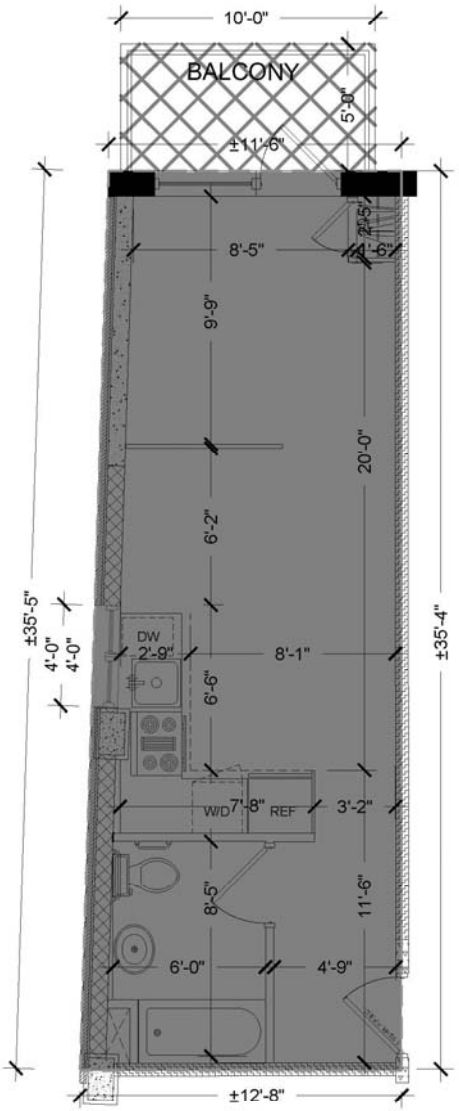
**LOT LINE WINDOW**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**



5TH FLOOR KEY PLAN

| TAX LOT | | | SQ.F |
|---|---|---|---|
| 1127 | RESIDENTIAL UNUT | APARTMENT 5D<br>LCE (TERRACE) | 428 ±<br>58 ± |




UNIT 5D FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

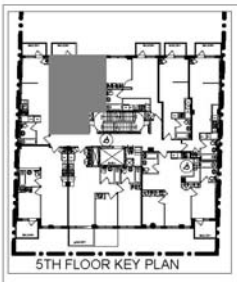
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

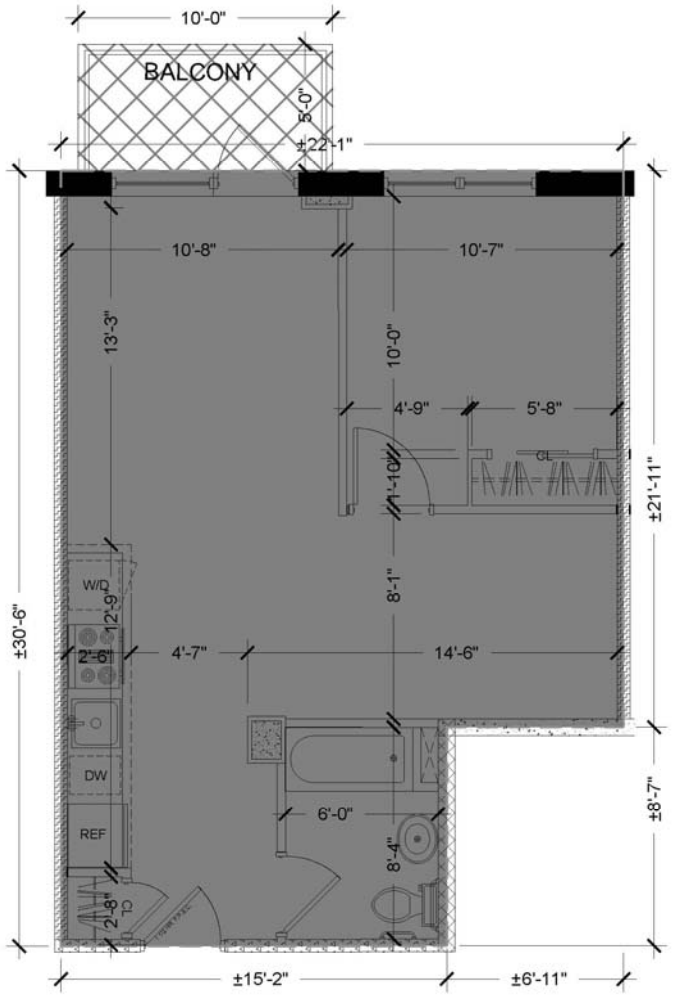
**LOT LINE WINDOW**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**



5TH FLOOR KEY PLAN

| TAX LOT | | | SQ.F |
|---|---|---|---|
| 1128 | RESIDENTIAL UNUT | APARTMENT 5E<br>LCE (TERRACE) | 614 ±<br>50 ± |




UNIT 5E FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

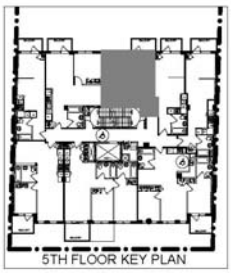
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

**REF. REFRIGERATOR**

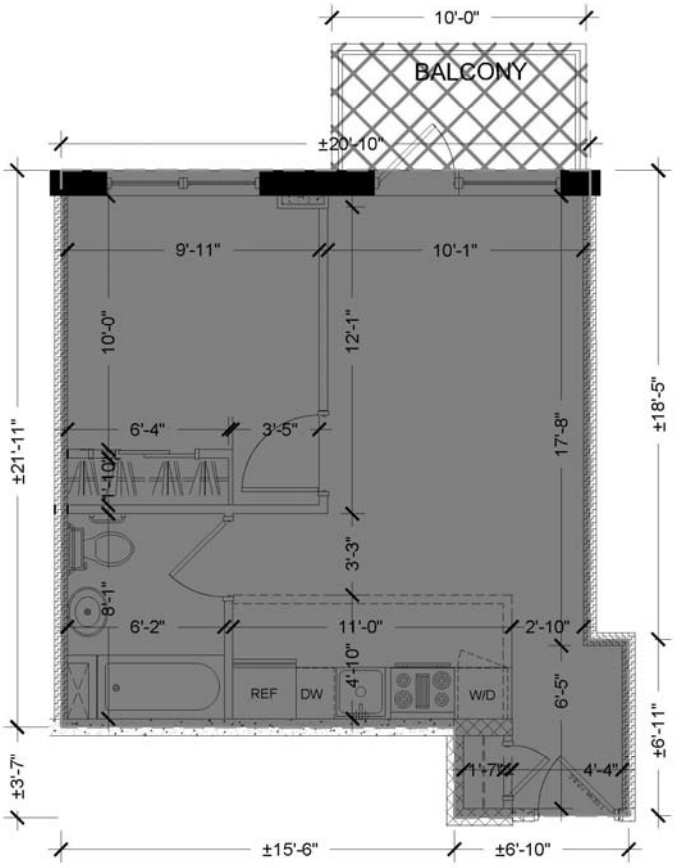
**W/D WASHER/DRIER**

**DW DISH WASHER**



5TH FLOOR KEY PLAN

| TAX LOT | | | SQ.F |
|---|---|---|---|
| 1129 | RESIDENTIAL UNUT | APARTMENT 5F<br>LCE (TERRACE) | 485 ±<br>50 ± |




UNIT 5F FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

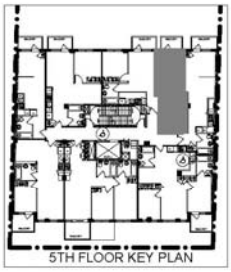
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

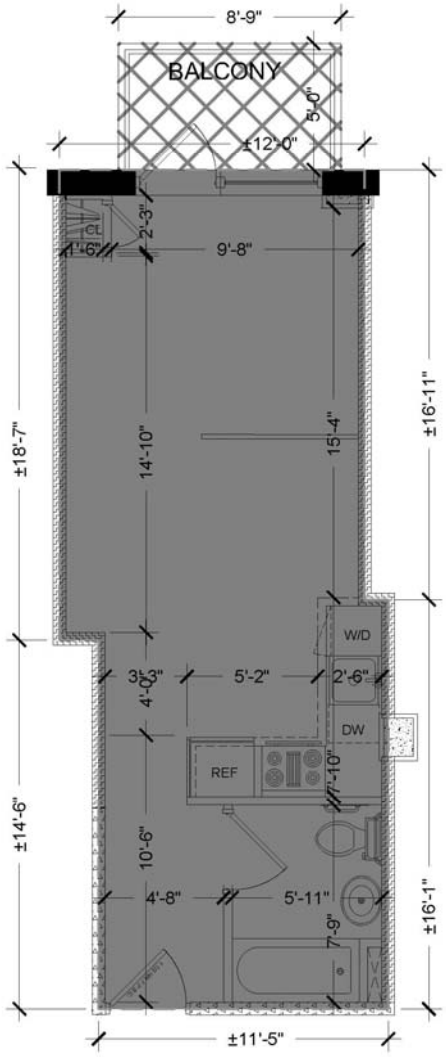
**REF. REFRIGERATOR**

**W/D WASHER/DRIER**

**DW DISH WASHER**




| TAX LOT | | | SQ.F |
|---|---|---|---|
| 1130 | RESIDENTIAL UNUT | APARTMENT 5G<br>LCE (TERRACE) | 389 ±<br>44 ± |




UNIT 5G FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

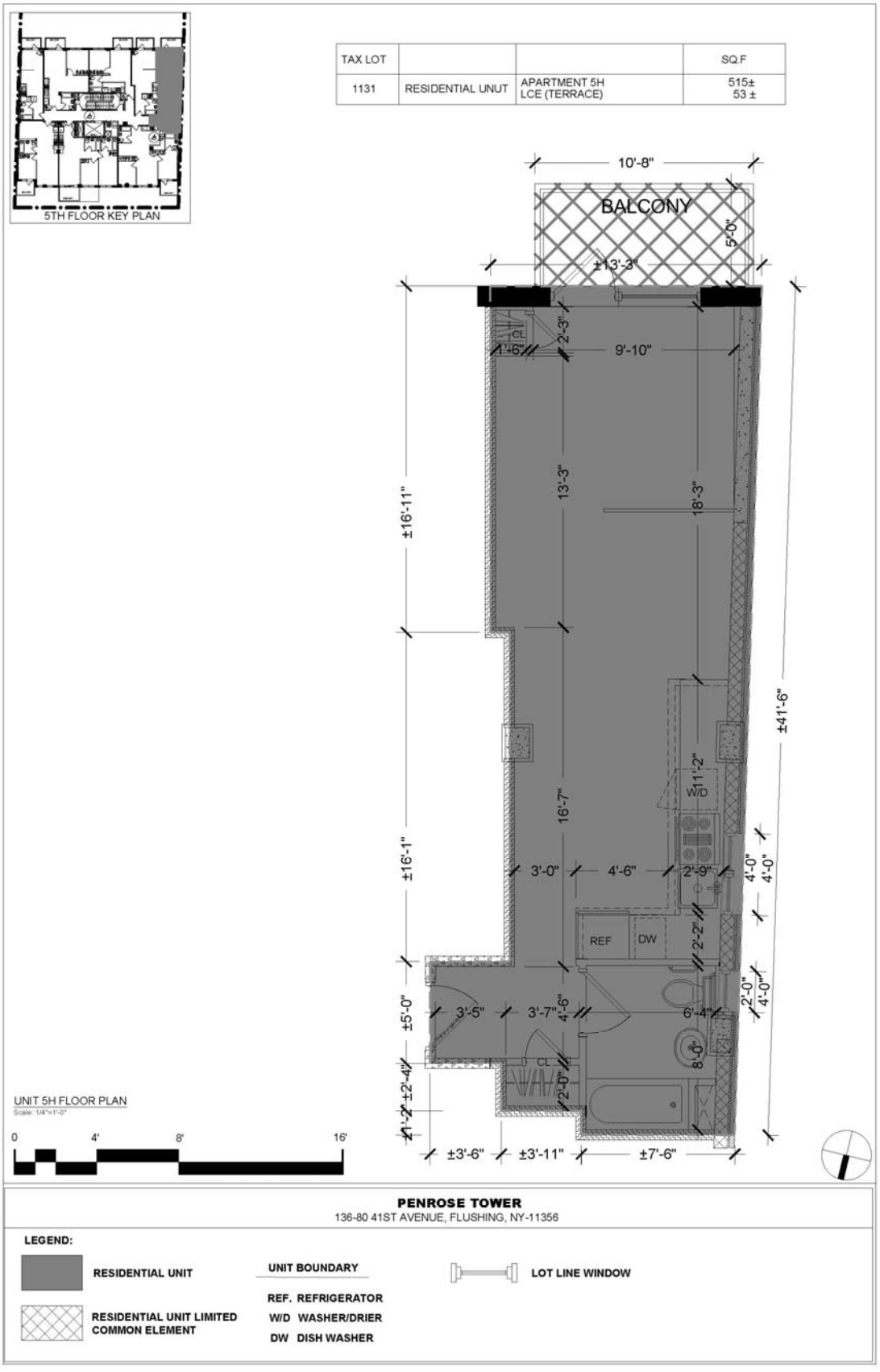
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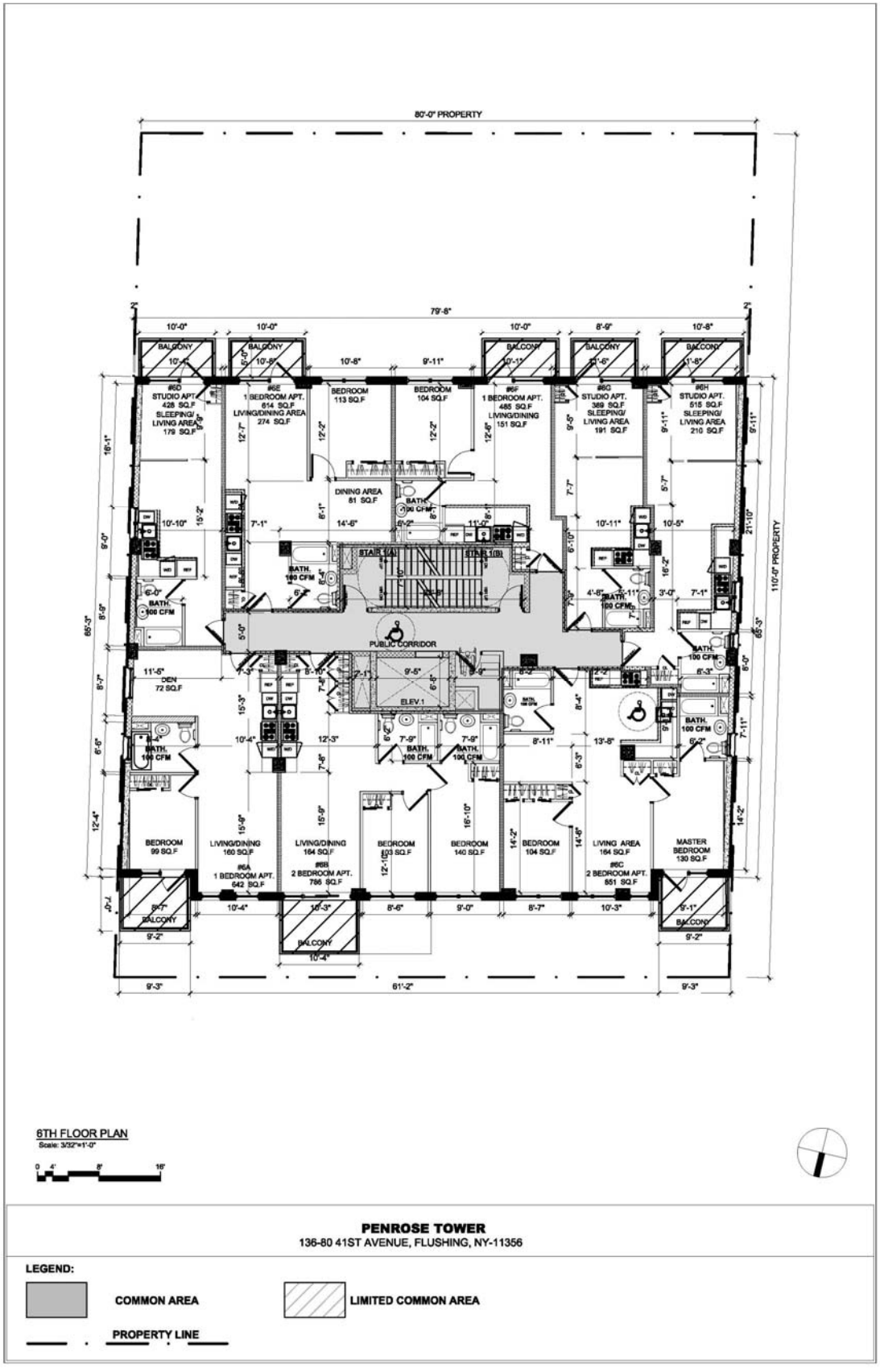
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**


5TH FLOOR KEY PLAN
TAX LOT
SQ.F
1131
RESIDENTIAL UNUT
APARTMENT 5H
LCE (TERRACE)
515±
53 ±
10'-8"
BALCONY
5'-0"
±13'-3"
CL
1'-6"
2'-3"
9'-10"
13'-3"
18'-3"
±16'-11"
±41'-6"
11'-2"
W/D
16'-7"
±16'-1"
3'-0"
4'-6"
2'-9"
4'-0"
4'-0"
REF
DW
2'-2"
2'-0"
4'-0"
±5'-0"
3'-5"
3'-7"
4'-6"
6'-4"
8'-0"
CL
2'-0"
±2'-4"
±3'-6"
±3'-11"
±7'-6"
UNIT 5H FLOOR PLAN
Scale: 1/4"=1'-0"
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER
LOT LINE WINDOW




6TH FLOOR PLAN
Scale: 3/32"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

COMMON AREA

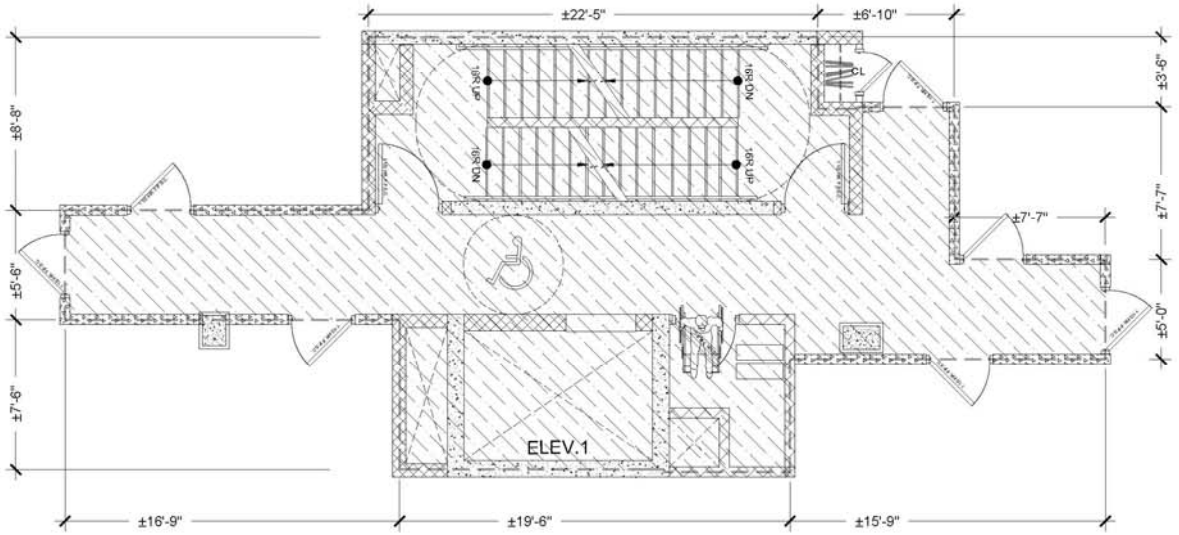
LIMITED COMMON AREA

PROPERTY LINE



6TH FLOOR KEY PLAN

| RESIDENTIAL COMMON AREA | SQ.FT |
|---|---|
| PUBLIC CORRIDOR, ELEVATOR, STAIRS, REFUSE, SHAFTS | 675 ± |




6TH FLOOR COMMON AREA

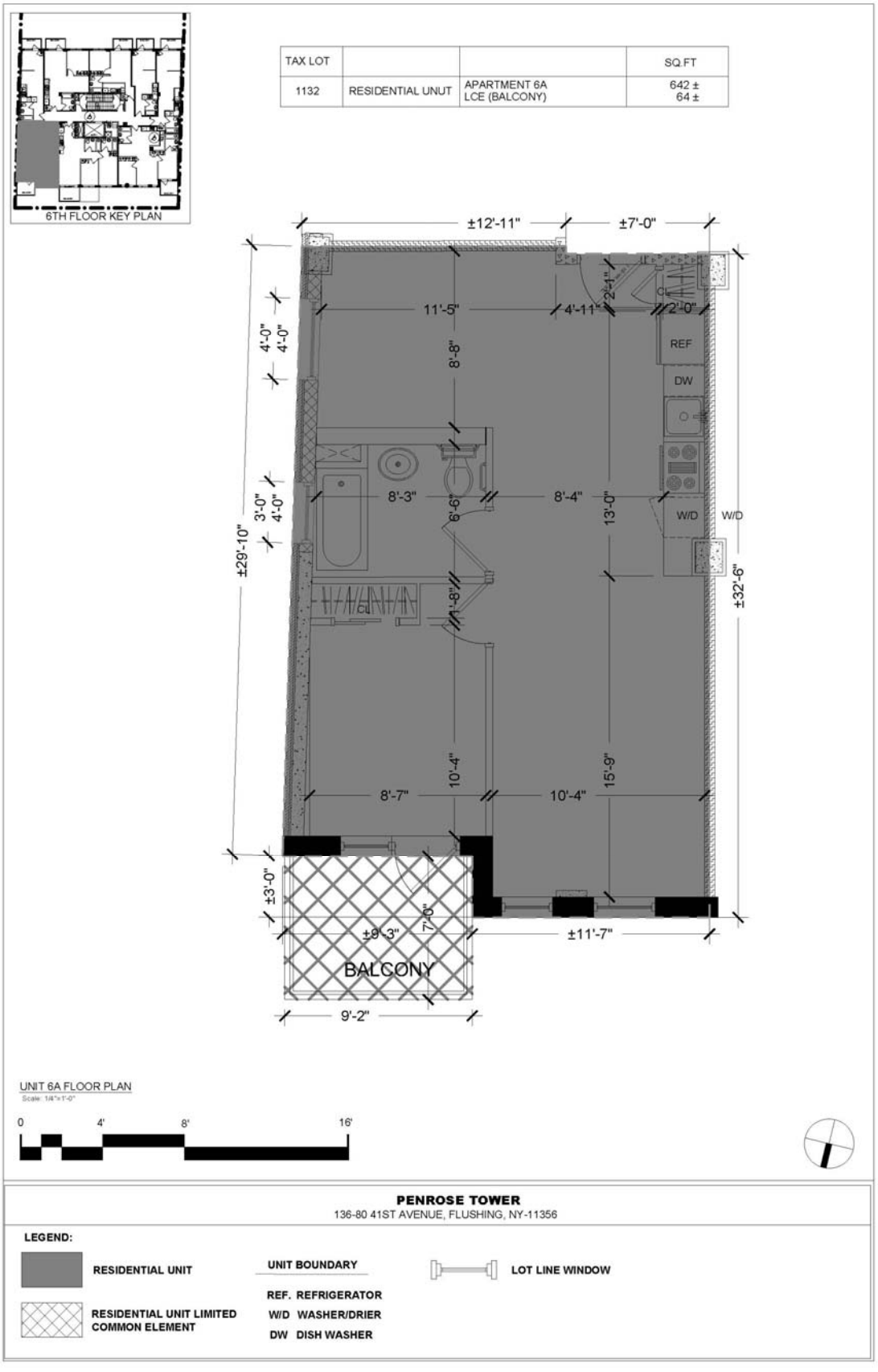
0 4' 8' 16'

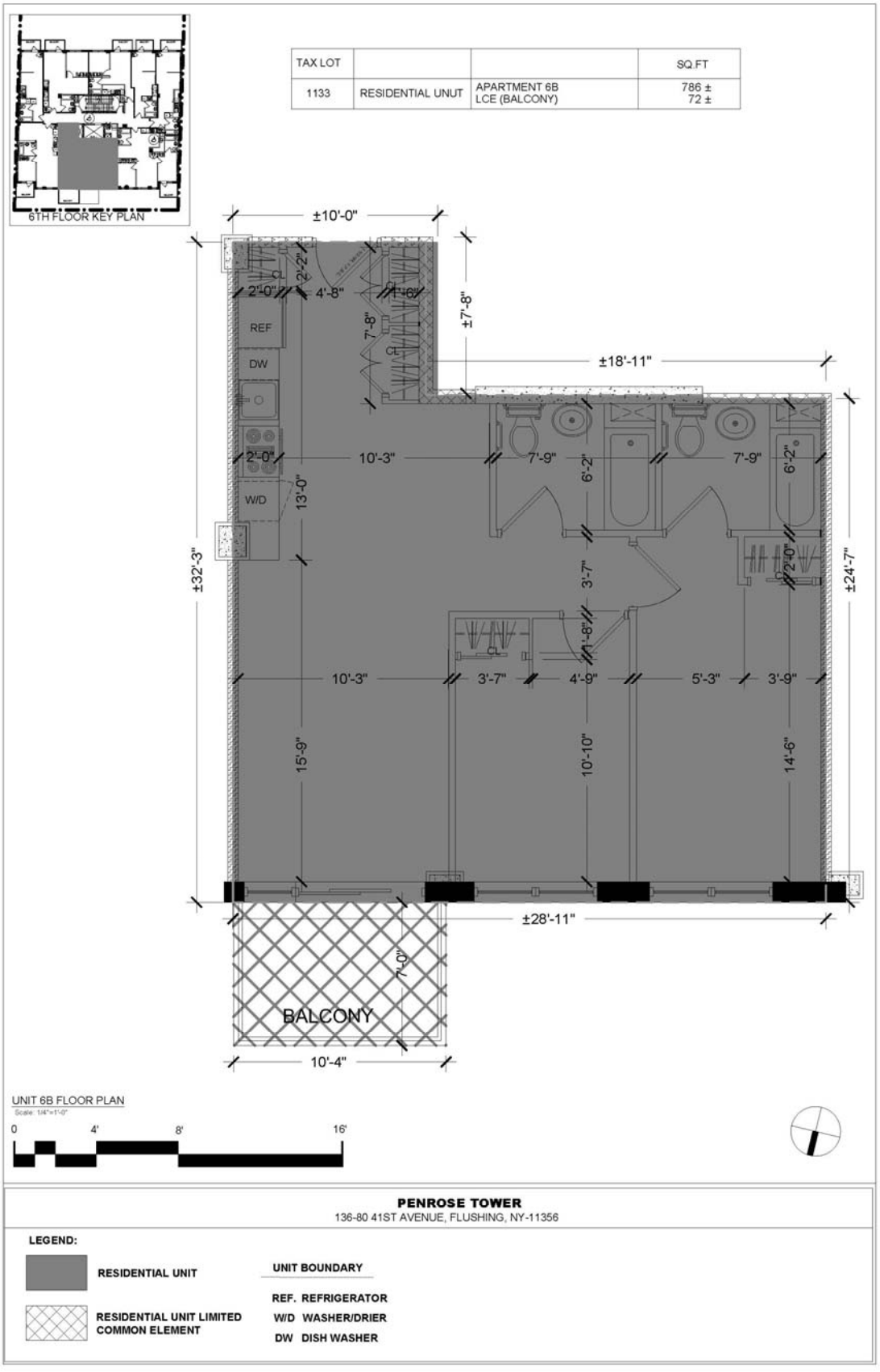
**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

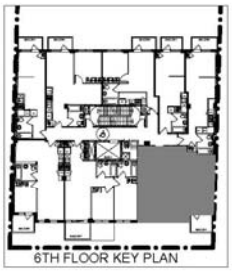
**LEGEND:**

**RESIDENTIAL COMMON AREA AT 6TH FLOOR**

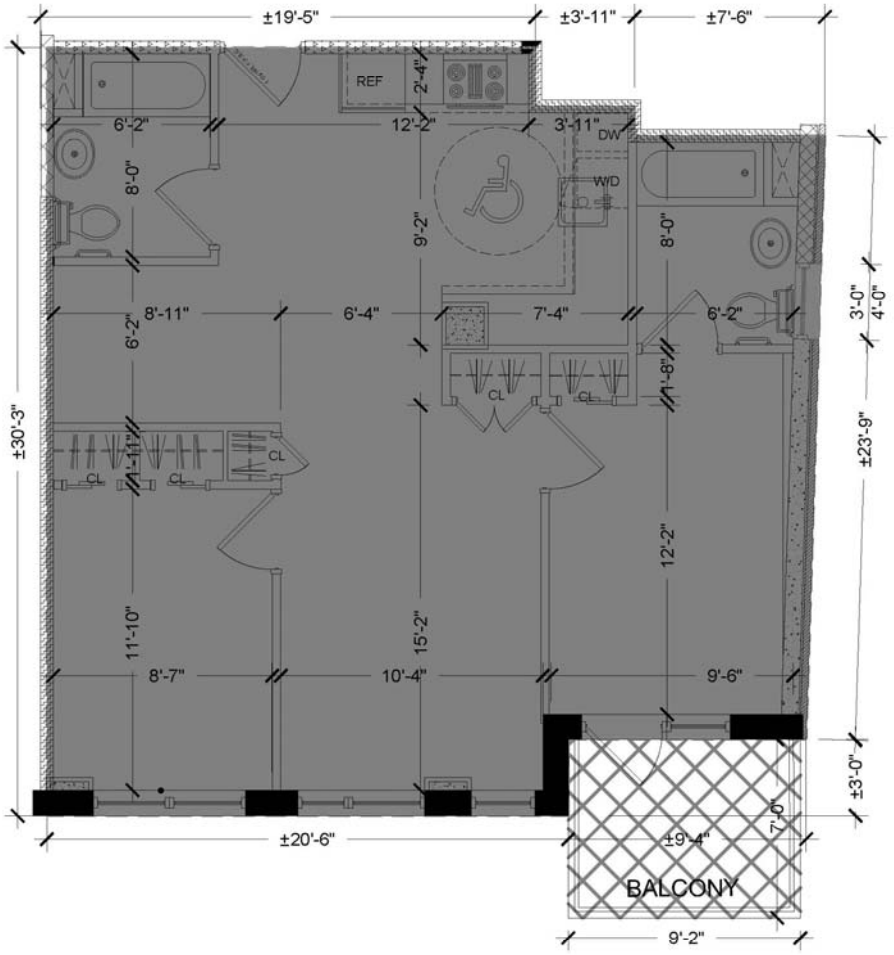
**UNIT BOUNDARY**


6TH FLOOR KEY PLAN
TAX LOT
SQ.FT
1132
RESIDENTIAL UNUT
APARTMENT 6A
LCE (BALCONY)
642 ±
64 ±
±12'-11"
±7'-0"
11'-5"
4'-11"
2'-4"
2'-0"
CL
REF
DW
W/D
W/D
4'-0"
4'-0"
8'-8"
3'-0"
4'-0"
8'-3"
6'-6"
8'-4"
13'-0"
±29'-10"
±32'-6"
1'-8"
10'-4"
15'-9"
8'-7"
10'-4"
±3'-0"
7'-0"
±9'-3"
±11'-7"
BALCONY
9'-2"
UNIT 6A FLOOR PLAN
Scale: 1/4"=1'-0"
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER
LOT LINE WINDOW


6TH FLOOR KEY PLAN
TAX LOT
SQ.FT
1133
RESIDENTIAL UNUT
APARTMENT 6B
LCE (BALCONY)
786 ±
72 ±
±10'-0"
2'-2"
2'-0"
4'-8"
1'-6"
7'-8"
±7'-8"
±18'-11"
REF
DW
CL
2'-0"
10'-3"
7'-9"
7'-9"
6'-2"
6'-2"
W/D
13'-0"
±32'-3"
3'-7"
2'-0"
±24'-7"
1'-8"
10'-3"
3'-7"
4'-9"
5'-3"
3'-9"
15'-9"
10'-10"
14'-6"
±28'-11"
7'-0"
BALCONY
10'-4"
UNIT 6B FLOOR PLAN
Scale: 1/4"=1'-0"
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1134 | RESIDENTIAL UNUT | APARTMENT 6C<br>LCE (BALCONY) | 851 ±<br>64 ± |




UNIT 6C FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

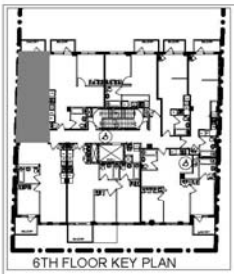
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

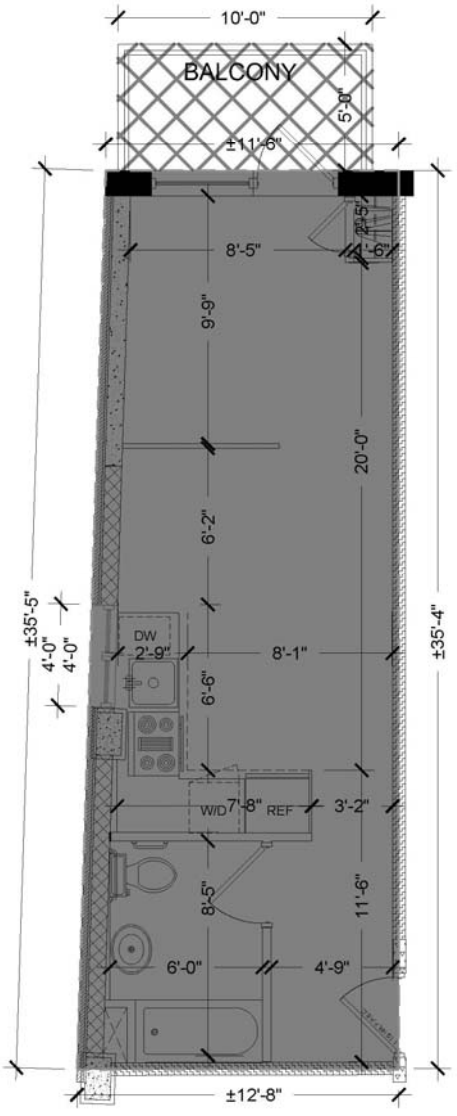
**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**

**LOT LINE WINDOW**



6TH FLOOR KEY PLAN

| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1135 | RESIDENTIAL UNUT | APARTMENT 6D<br>LCE (TERRACE) | 428 ±<br>58 ± |




UNIT 6D FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

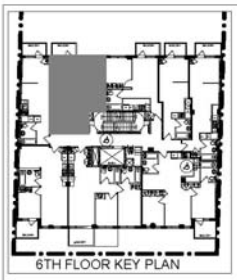
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

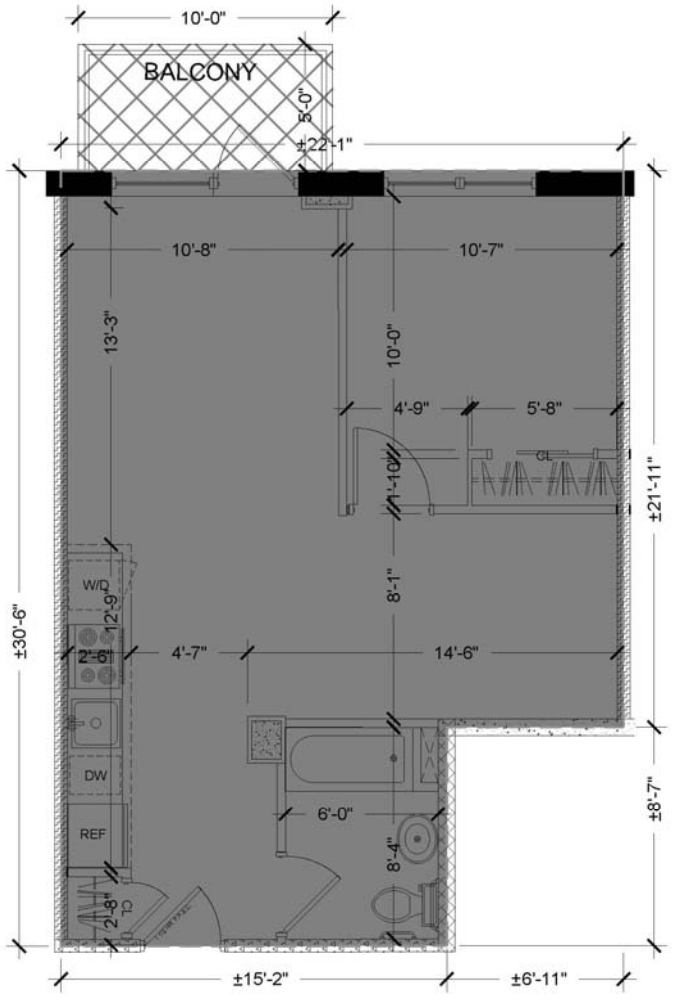
**LOT LINE WINDOW**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**



6TH FLOOR KEY PLAN

| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1136 | RESIDENTIAL UNUT | APARTMENT 6E<br>LCE (TERRACE) | 614 ±<br>50 ± |




UNIT 6E FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

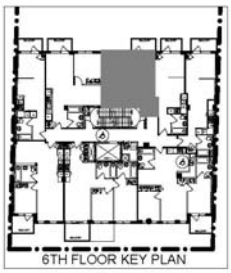
**LEGEND:**

**RESIDENTIAL UNIT**

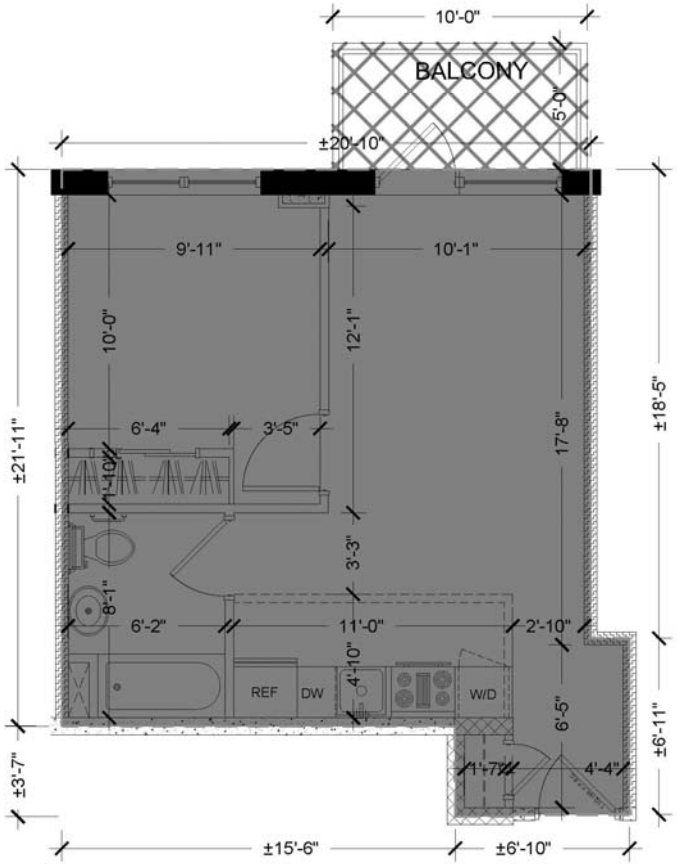
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1137 | RESIDENTIAL UNUT | APARTMENT 6F<br>LCE (TERRACE) | 485 ±<br>50 ± |




UNIT 6F FLOOR PLAN
Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

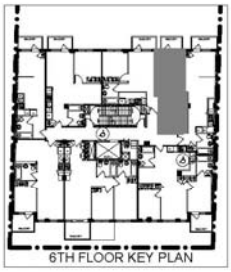
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**RESIDENTIAL UNIT**

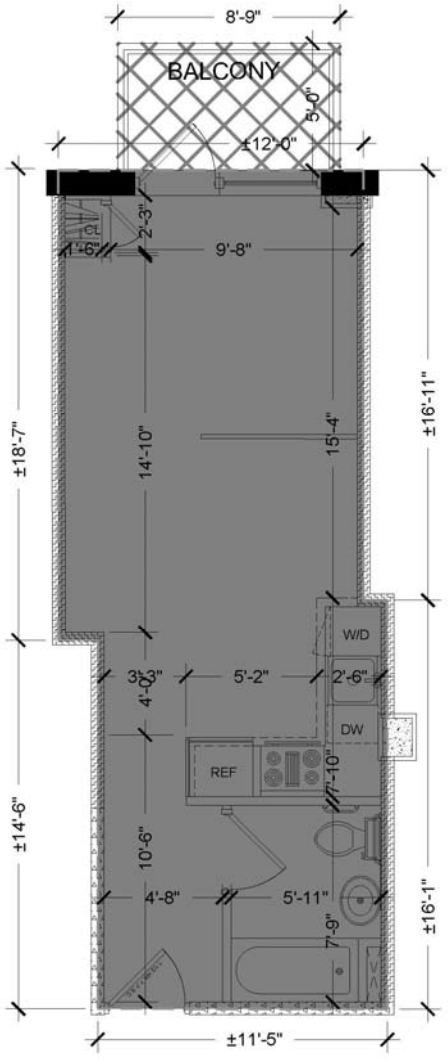
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1138 | RESIDENTIAL UNUT | APARTMENT 6G<br>LCE (TERRACE) | 389 ±<br>44 ± |




UNIT 6G FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

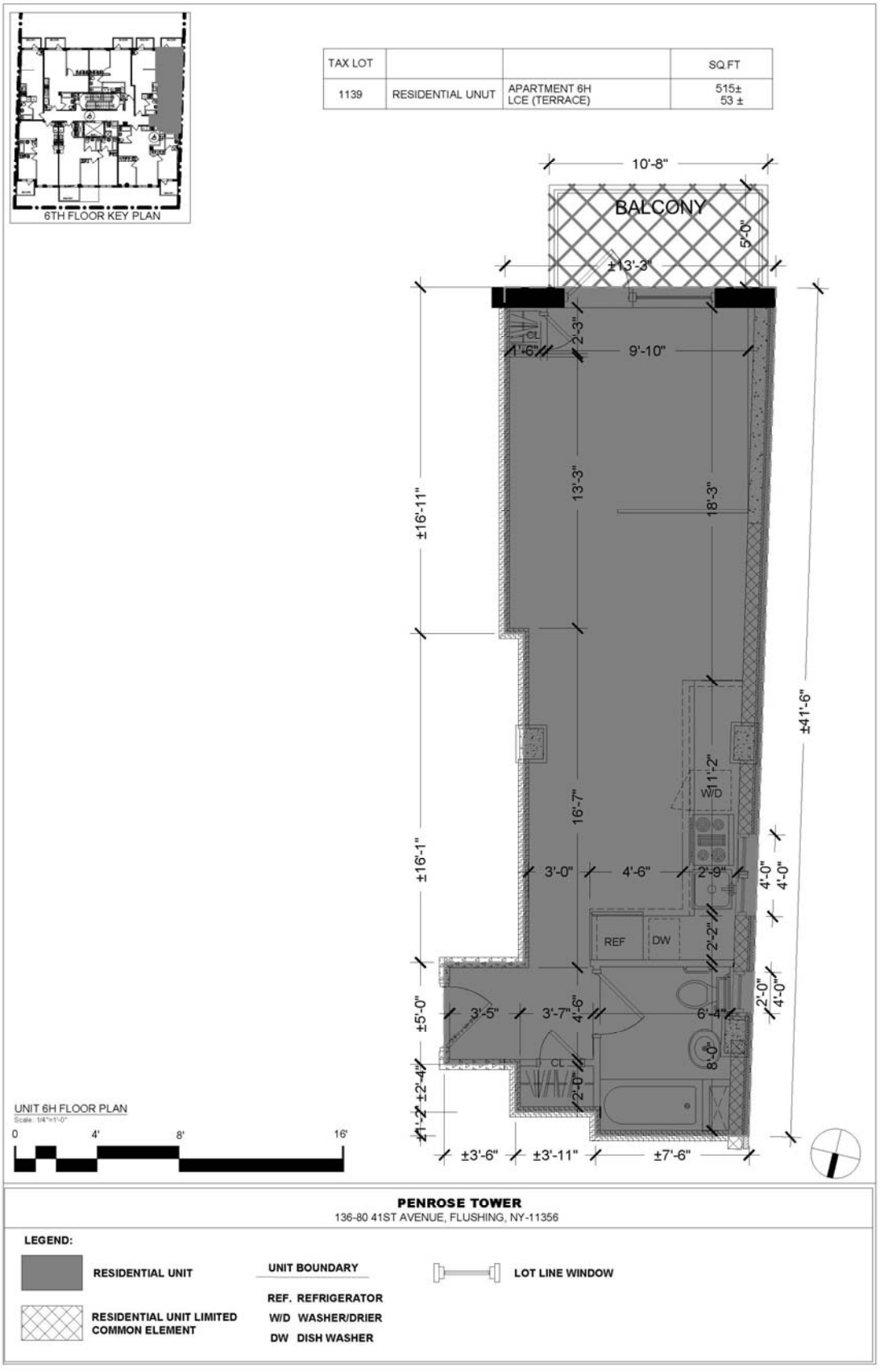
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

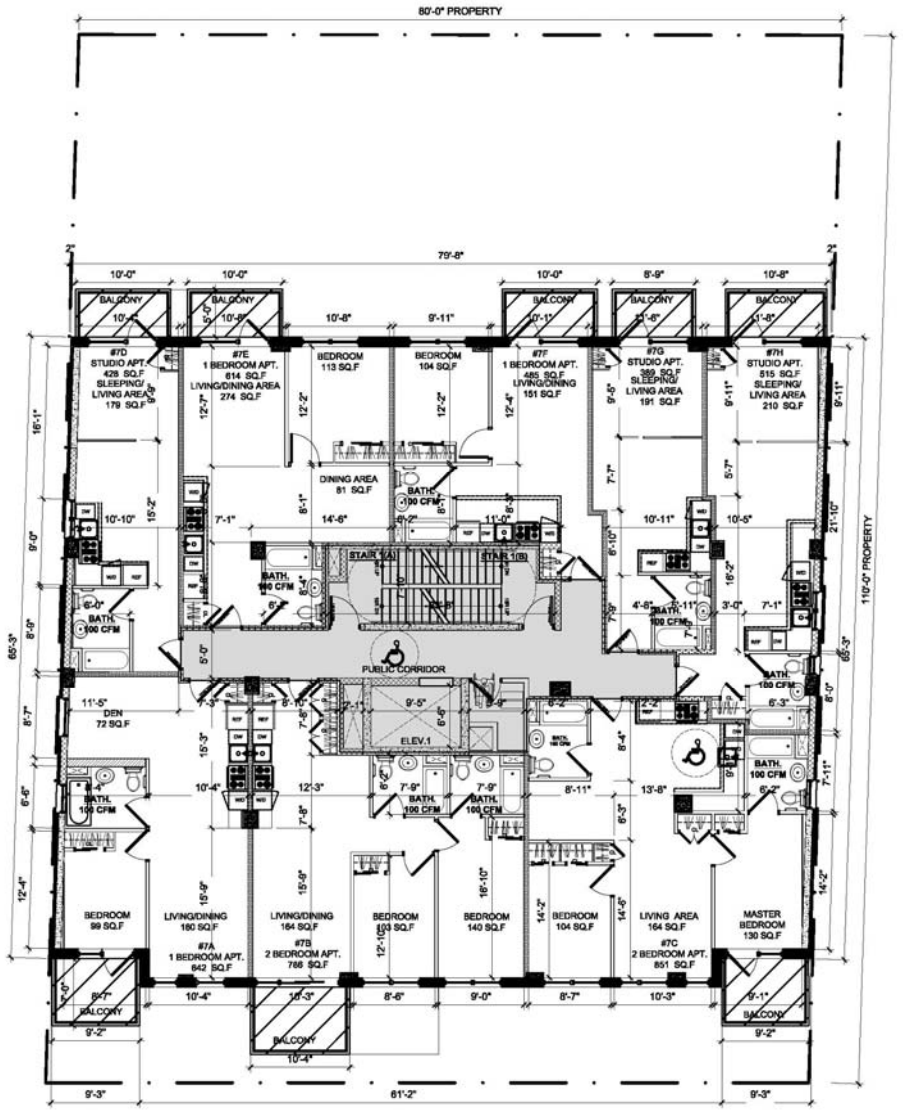
**UNIT BOUNDARY**

**REF. REFRIGERATOR**

**W/D WASHER/DRIER**

**DW DISH WASHER**


6TH FLOOR KEY PLAN
TAX LOT
SQ.FT
1139
RESIDENTIAL UNUT
APARTMENT 6H
LCE (TERRACE)
515±
53 ±
10'-8"
BALCONY
5'-0"
±13'-3"
CL
1'-6"
2'-3"
9'-10"
±16'-11"
13'-3"
18'-3"
±41'-6"
11'-2"
W/D
16'-7"
±16'-1"
3'-0"
4'-6"
2'-9"
4'-0"
4'-0"
REF
DW
2'-2"
±5'-0"
3'-5"
3'-7"
4'-6"
6'-4"
2'-0"
4'-0"
8'-0"
CL
2'-0"
±1'-2"
±2'-4"
±3'-6"
±3'-11"
±7'-6"
UNIT 6H FLOOR PLAN
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER
LOT LINE WINDOW




7TH FLOOR PLAN
Scale: 3/32"=1'-0"

0 4' 8' 16'

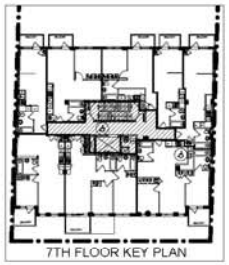
**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

LEGEND:

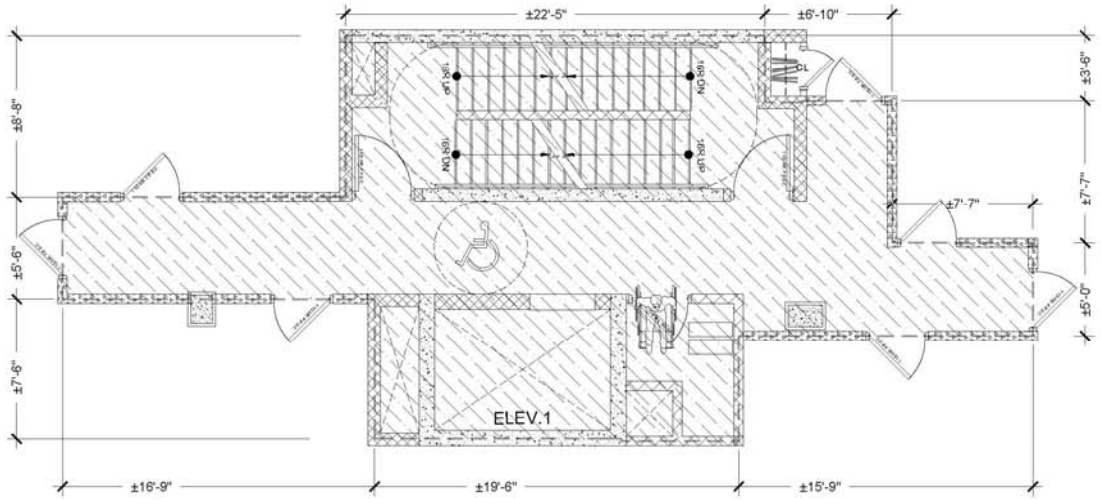
COMMON AREA

LIMITED COMMON AREA

PROPERTY LINE




| RESIDENTIALCOMMON AREA | SQ.FT |
|---|---|
| PUBLIC CORRIDOR, ELEVATOR, STAIRS, REFUSE SHAFTS | 675 ± |




7TH FLOOR COMMON AREA

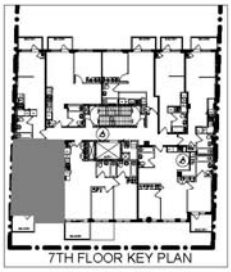
0 4' 8' 16'

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

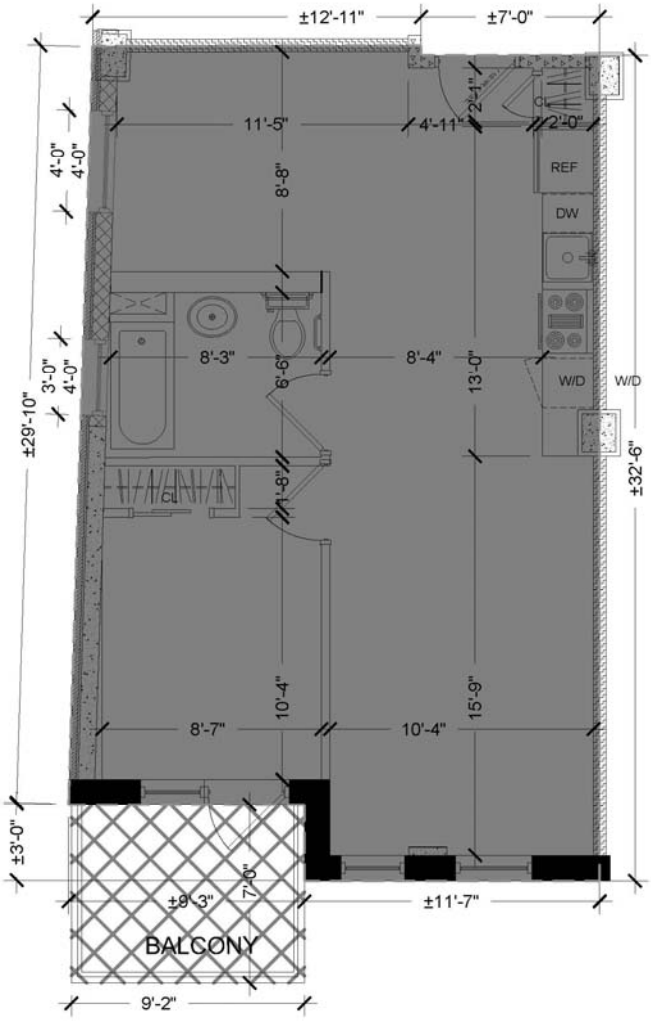
**LEGEND:**

**RESIDENTIAL COMMON AREA AT 7TH FLOOR**

**UNIT BOUNDARY**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1140 | RESIDENTIAL UNUT | APARTMENT 7A<br>LCE (BALCONY) | 642 ±<br>64 ± |




UNIT 7A FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

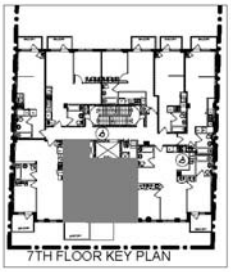
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

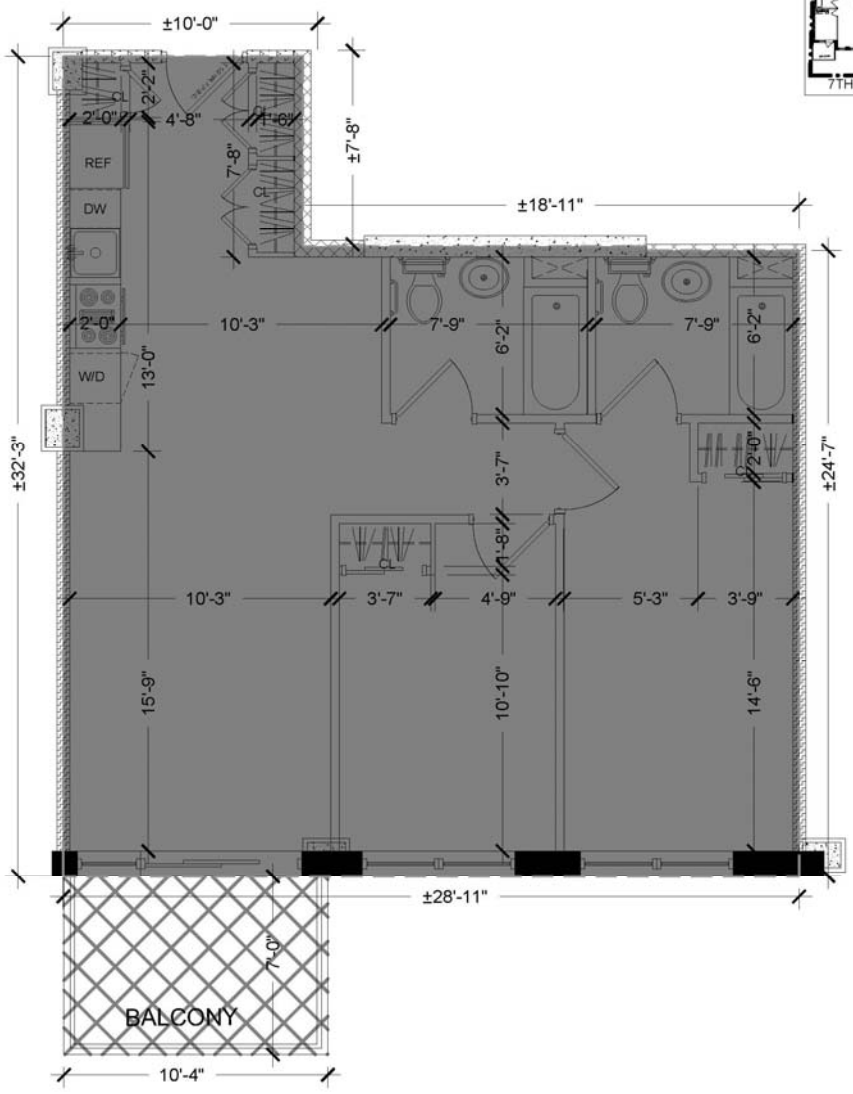
**UNIT BOUNDARY**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**

**LOT LINE WINDOW**

| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1141 | RESIDENTIAL UNUT | APARTMENT 7B<br>LCE (BALCONY) | 786 ±<br>72 ± |




UNIT 7B FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

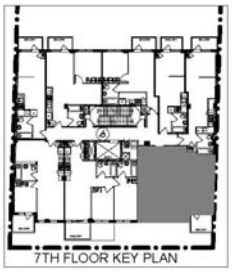
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

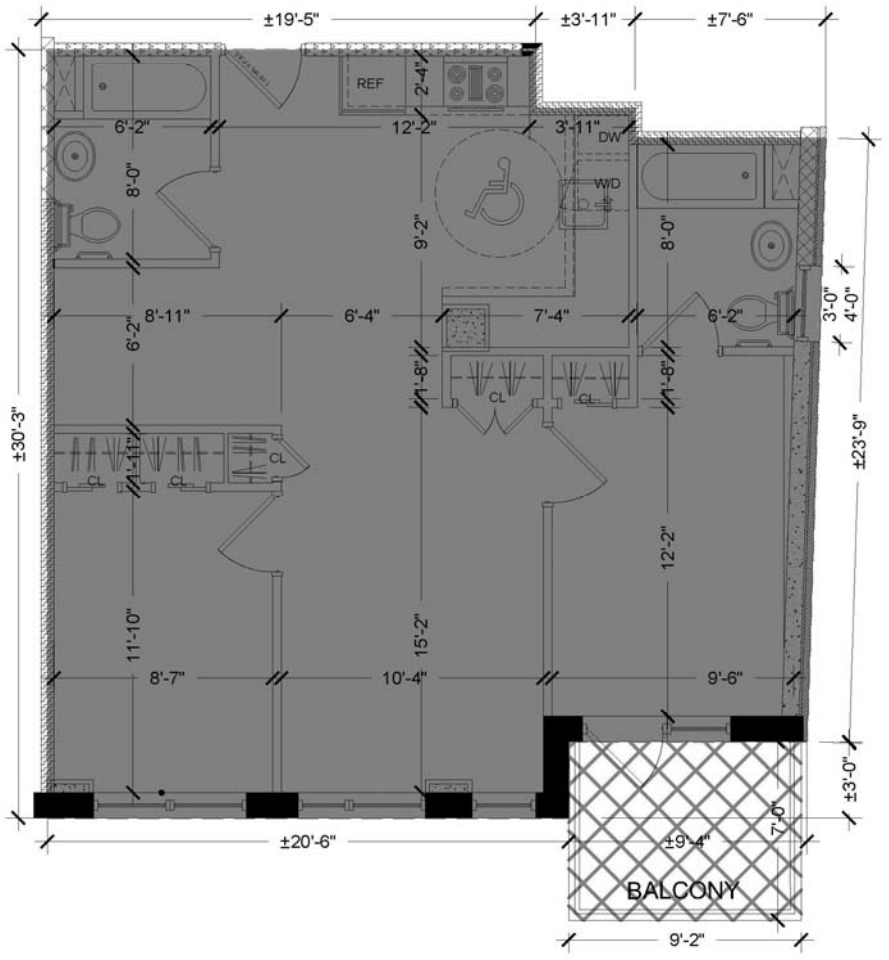
**REF. REFRIGERATOR**

**W/D WASHER/DRIER**

**DW DISH WASHER**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1142 | RESIDENTIAL UNUT | APARTMENT 7C<br>LCE (BALCONY) | 851 ±<br>64 ± |




UNIT 7C FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

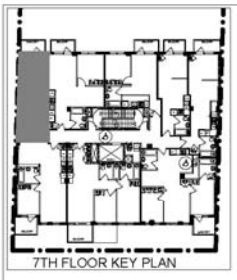
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

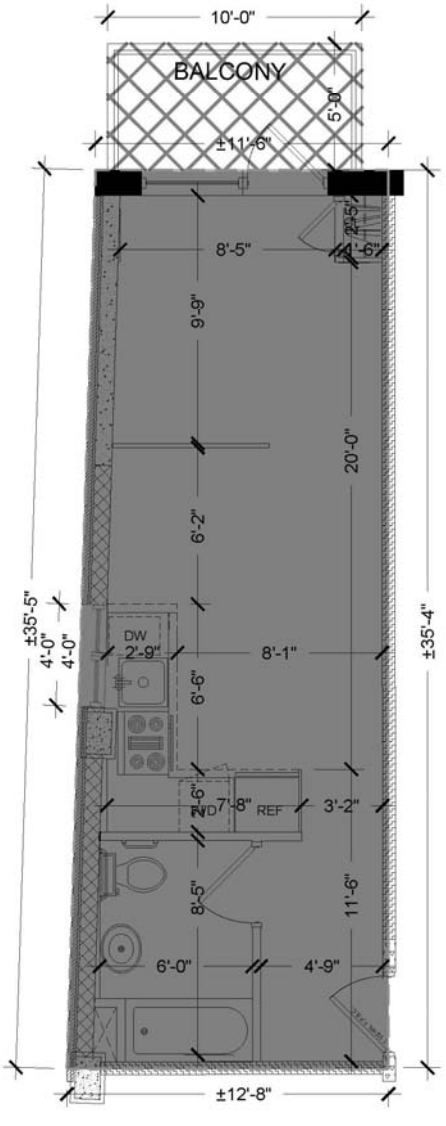
**UNIT BOUNDARY**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**

**LOT LINE WINDOW**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1143 | RESIDENTIAL UNUT | APARTMENT 7D<br>LCE (TERRACE) | 428 ±<br>58 ± |




UNIT 7D FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

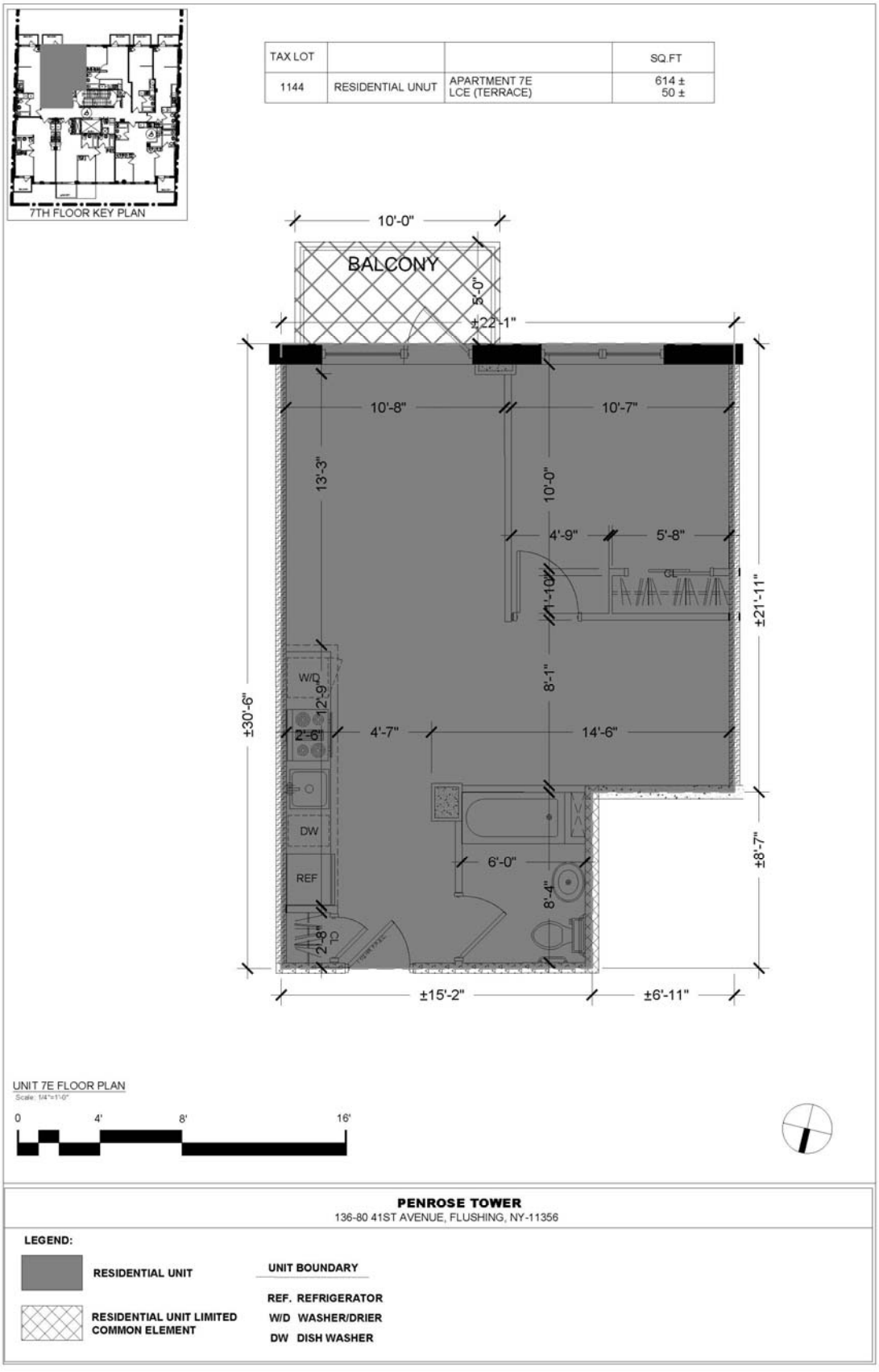
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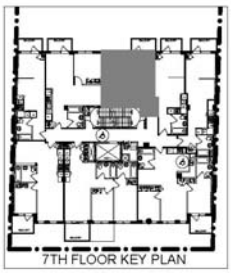
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**

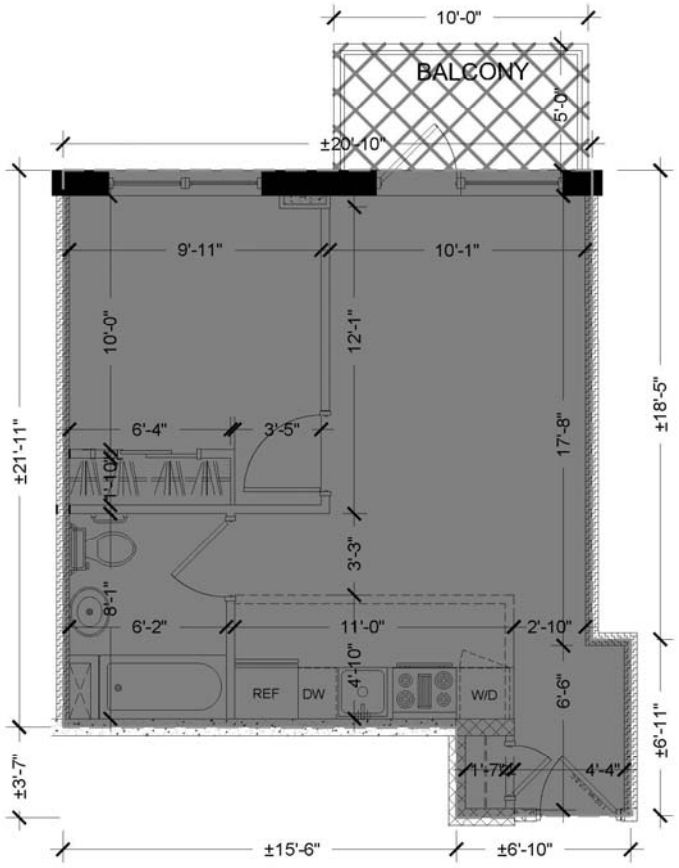
**LOT LINE WINDOW**


7TH FLOOR KEY PLAN
TAX LOT
SQ.FT
1144
RESIDENTIAL UNUT
APARTMENT 7E
LCE (TERRACE)
614 ±
50 ±
10'-0"
BALCONY
5'-0"
±22'-1"
10'-8"
10'-7"
13'-3"
10'-0"
4'-9"
5'-8"
CL
1'-10"
±21'-11"
W/D
2'-9"
8'-1"
±30'-6"
2'-6"
4'-7"
14'-6"
DW
6'-0"
REF
8'-4"
±8'-7"
2'-8"
CL
±15'-2"
±6'-11"
UNIT 7E FLOOR PLAN
Scale: 1/4"=1'-0"
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER



7TH FLOOR KEY PLAN

| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1145 | RESIDENTIAL UNUT | APARTMENT 7F<br>LCE (TERRACE) | 485 ±<br>50 ± |




UNIT 7F FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

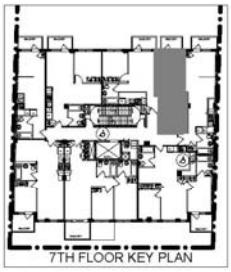
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

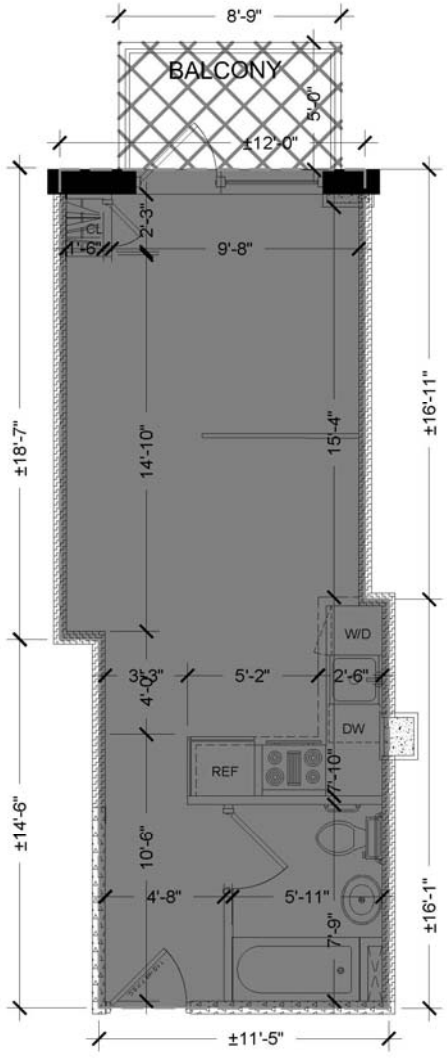
**REF. REFRIGERATOR**

**W/D WASHER/DRIER**

**DW DISH WASHER**




| TAX LOT | | | SQ.FT |
|---|---|---|---|
| 1146 | RESIDENTIAL UNUT | APARTMENT 7G<br>LCE (TERRACE) | 389 ±<br>44 ± |




UNIT 7G FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

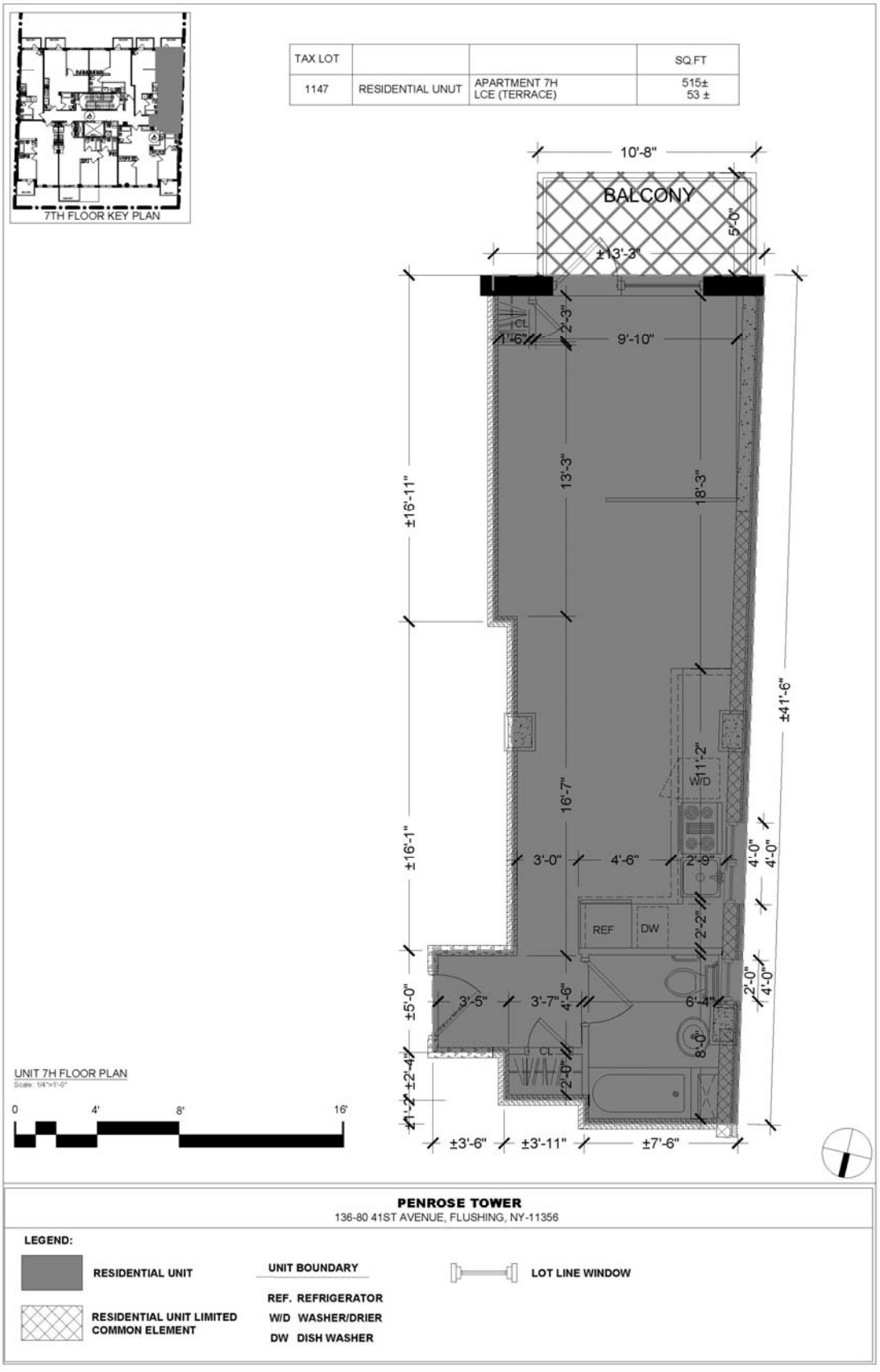
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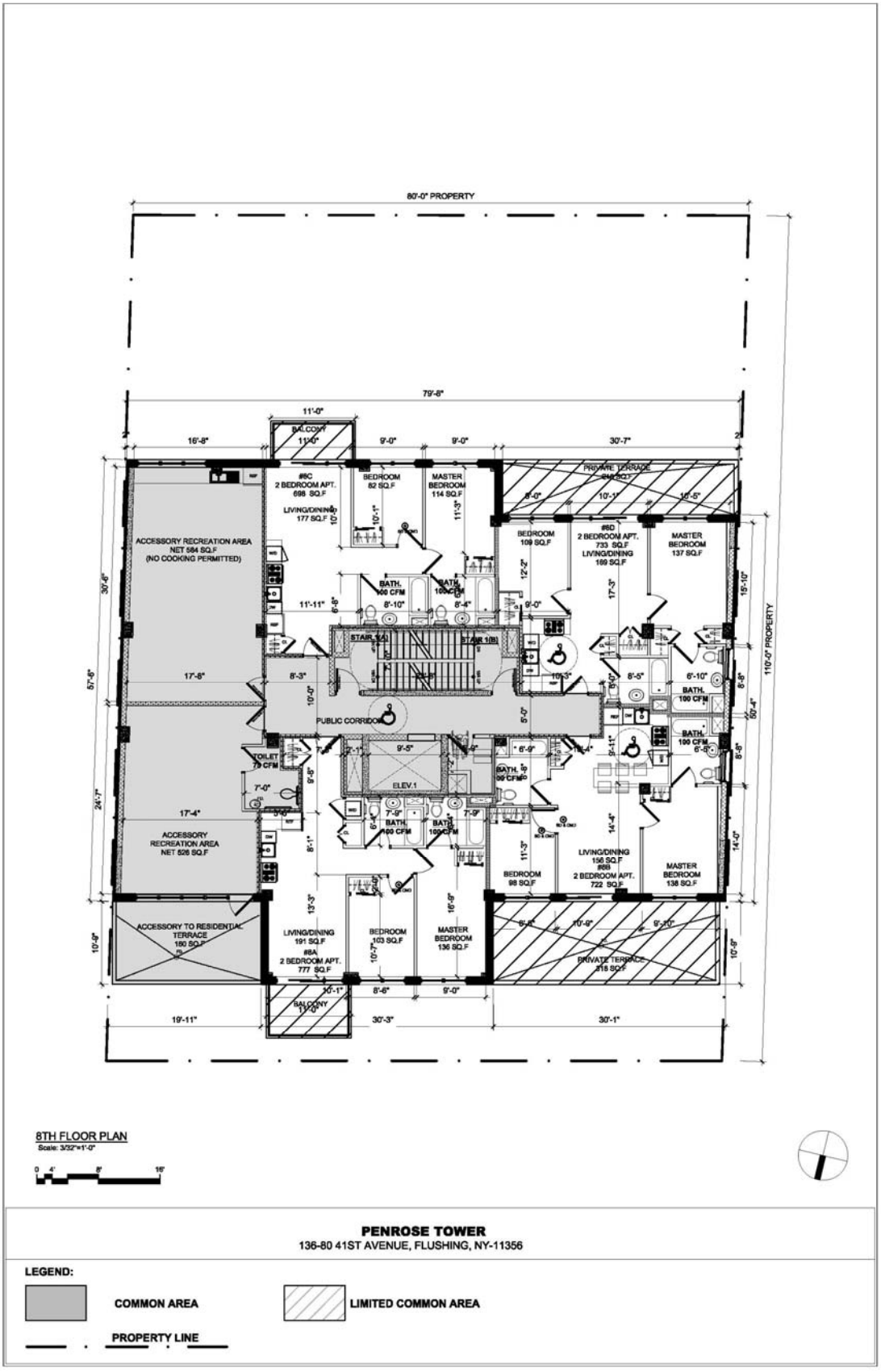
**RESIDENTIAL UNIT**

**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

**UNIT BOUNDARY**

**REF. REFRIGERATOR**
**W/D WASHER/DRIER**
**DW DISH WASHER**


7TH FLOOR KEY PLAN
TAX LOT
SQ.FT
1147
RESIDENTIAL UNUT
APARTMENT 7H
LCE (TERRACE)
515±
53 ±
10'-8"
BALCONY
5'-0"
±13'-3"
CL
1'-6"
2'-3"
9'-10"
13'-3"
18'-3"
±16'-11"
±41'-6"
11'-2"
W/D
16'-7"
±16'-1"
3'-0"
4'-6"
2'-9"
4'-0"
4'-0"
REF
DW
2'-2"
±5'-0"
3'-5"
3'-7"
4'-6"
6'-4"
2'-0"
4'-0"
8'-0"
CL
2'-0"
1'-2"
±2'-4"
±3'-6"
±3'-11"
±7'-6"
UNIT 7H FLOOR PLAN
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER
LOT LINE WINDOW




8TH FLOOR PLAN

Scale: 3/32"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

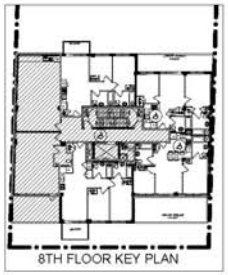
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

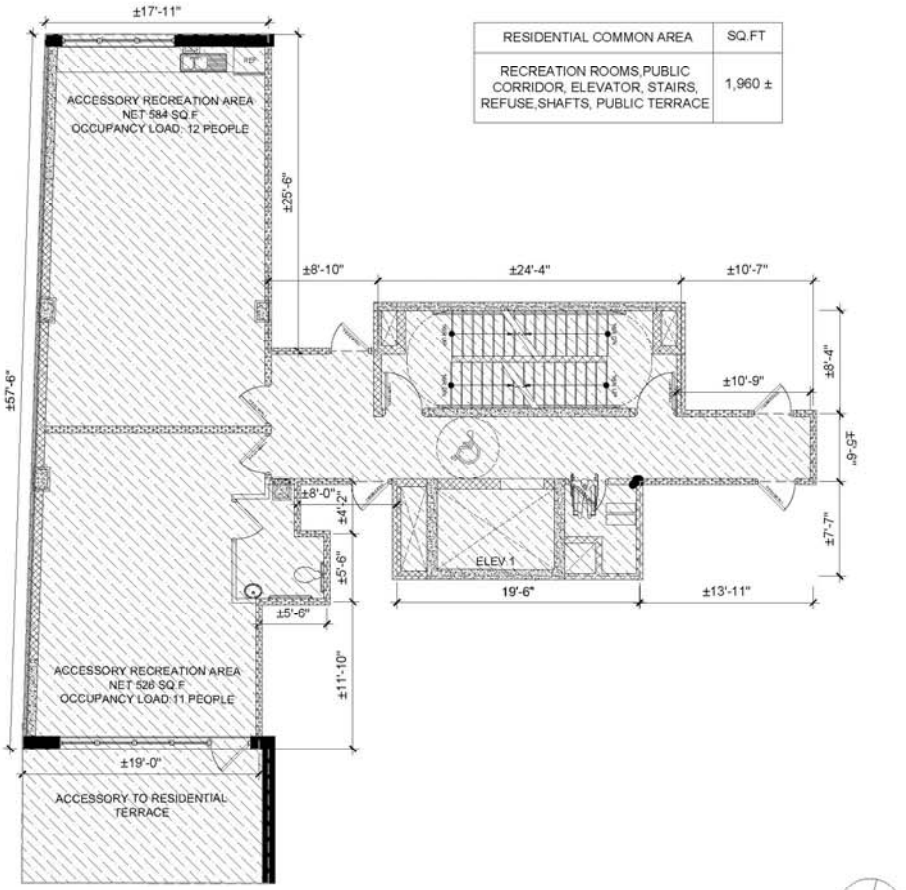
COMMON AREA

LIMITED COMMON AREA

PROPERTY LINE



8TH FLOOR KEY PLAN




| RESIDENTIAL COMMON AREA | SQ.FT |
|---|---|
| RECREATION ROOMS,PUBLIC CORRIDOR, ELEVATOR, STAIRS, REFUSE,SHAFTS, PUBLIC TERRACE | 1,960 ± |

8TH FLOOR COMMON AREA PLAN

Scale: 1/8"=1'-0"

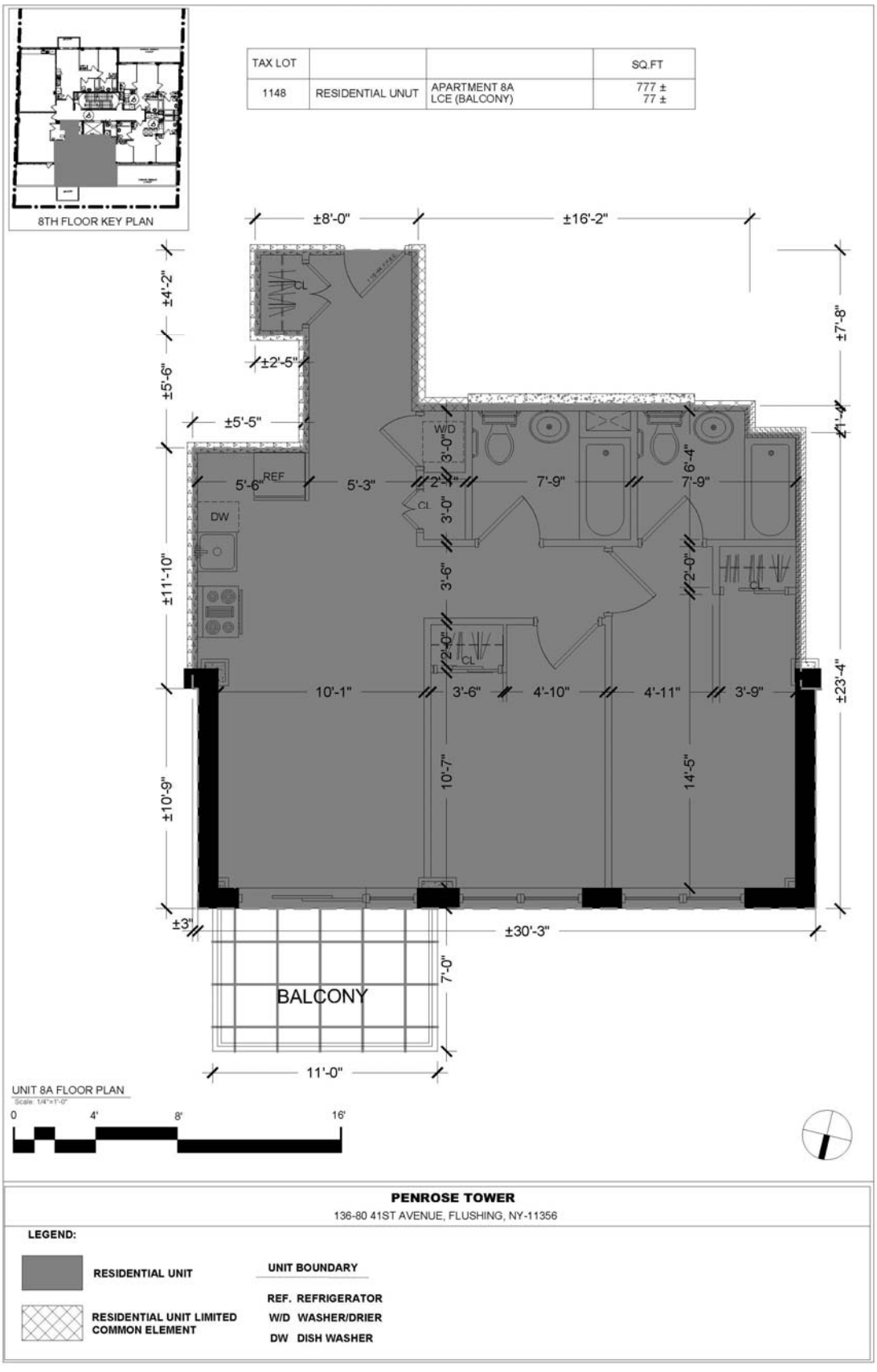
0 4' 8' 16'

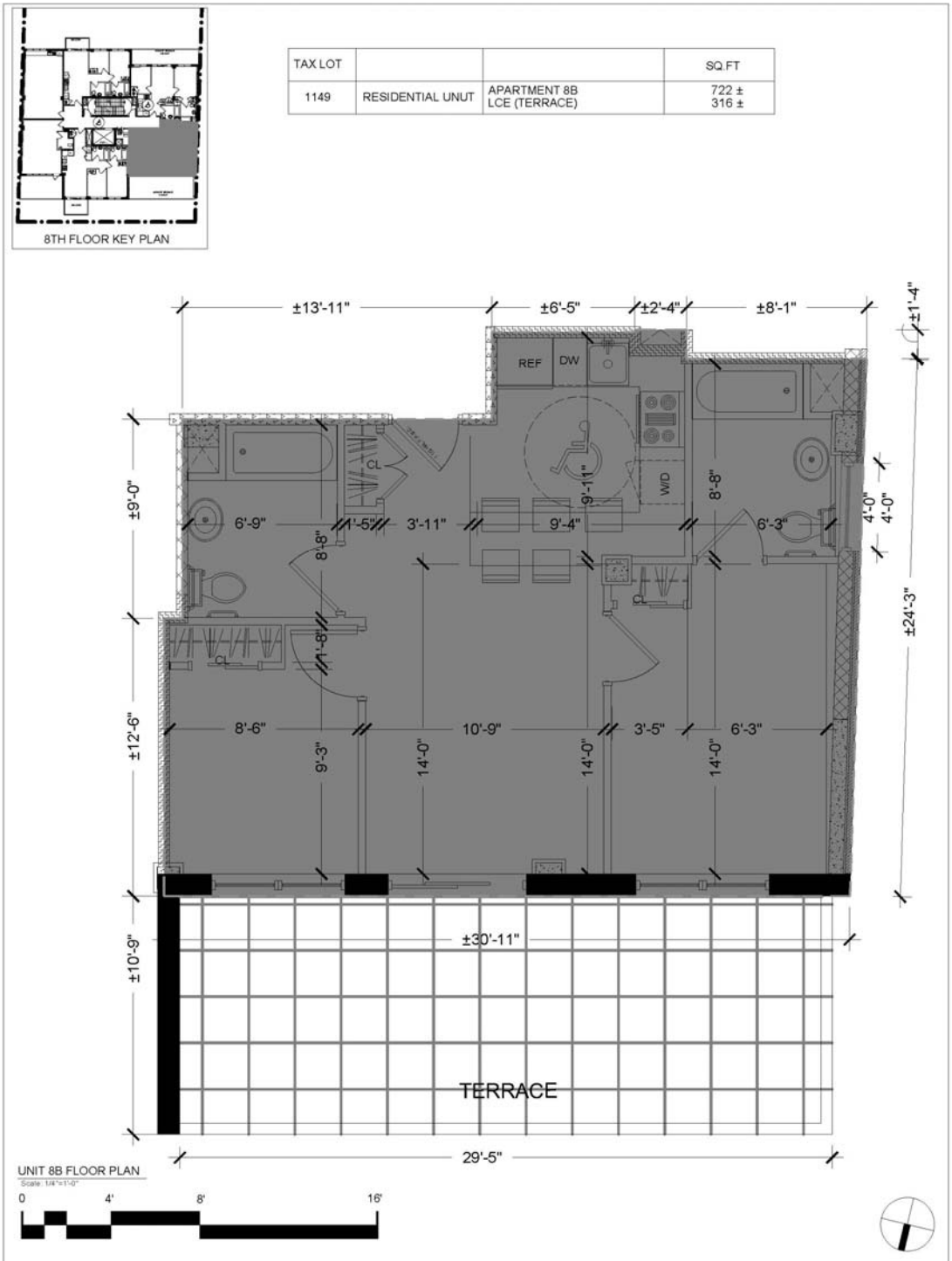
**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

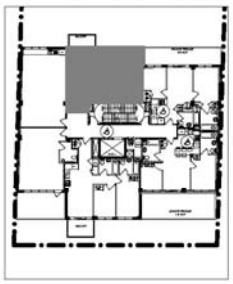
**LEGEND:**

**RESIDENTIAL COMMON AREA AT 8TH FLOOR**

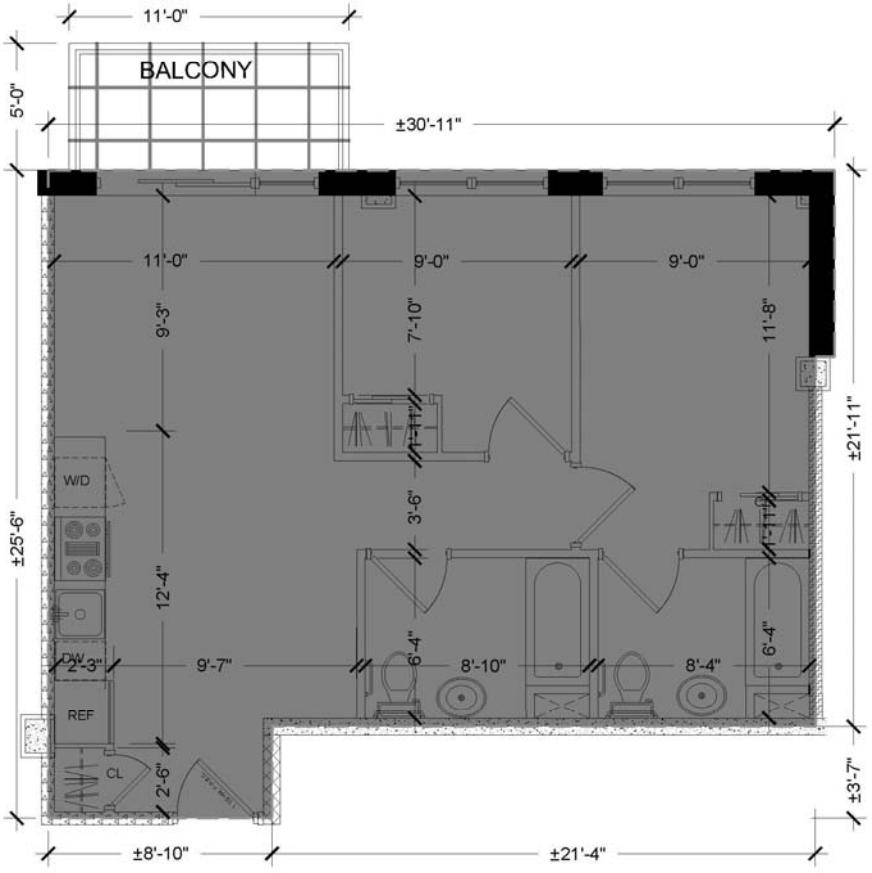
**UNIT BOUNDARY**


8TH FLOOR KEY PLAN
TAX LOT
SQ.FT
1148
RESIDENTIAL UNUT
APARTMENT 8A
LCE (BALCONY)
777 ±
77 ±
±8'-0"
±16'-2"
±4'-2"
±5'-6"
±11'-10"
±10'-9"
±7'-8"
±1'-4"
±23'-4"
±2'-5"
±5'-5"
CL
W/D
3'-0"
REF
5'-6"
5'-3"
2'-4"
7'-9"
6'-4"
DW
3'-0"
3'-6"
2'-0"
10'-1"
3'-6"
4'-10"
4'-11"
3'-9"
10'-7"
14'-5"
±3"
±30'-3"
7'-0"
BALCONY
11'-0"
UNIT 8A FLOOR PLAN
Scale: 1/4"=1'-0"
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER


8TH FLOOR KEY PLAN
TAX LOT
SQ FT
1149
RESIDENTIAL UNUT
APARTMENT 8B
LCE (TERRACE)
722 ±
316 ±
±13'-11"
±6'-5"
±2'-4"
±8'-1"
±1'-4"
REF
DW
W/D
CL
±9'-0"
6'-9"
1'-5"
3'-11"
9'-4"
6'-3"
8'-8"
9'-11"
4'-0"
4'-0"
±24'-3"
1'-8"
±12'-6"
8'-6"
10'-9"
3'-5"
6'-3"
9'-3"
14'-0"
14'-0"
14'-0"
±10'-9"
±30'-11"
TERRACE
29'-5"
UNIT 8B FLOOR PLAN
0
4'
8'
16'
PENROSE TOWER
136-80 41ST AVENUE, FLUSHING, NY-11356
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
LOT LINE WINDOW
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER



| TAX LOT | | | SQ FT |
|---|---|---|---|
| 1150 | RESIDENTIAL UNUT | APARTMENT 8C<br>LCE (BALCONY) | 698 ±<br>55 ± |




UNIT 8C FLOOR PLAN

Scale: 1/4"=1'-0"

0 4' 8' 16'

**PENROSE TOWER**

136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

**RESIDENTIAL UNIT**

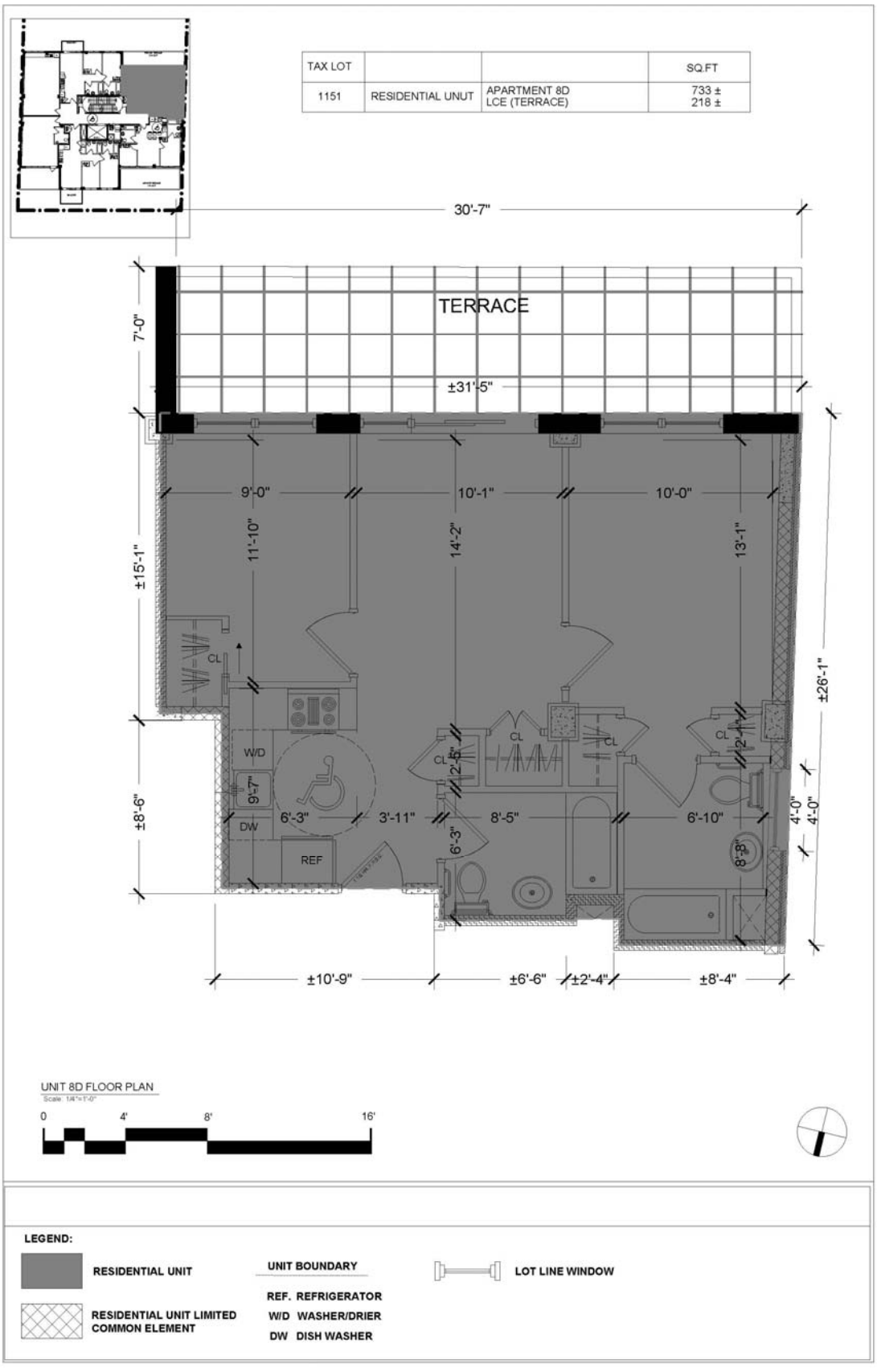
**RESIDENTIAL UNIT LIMITED COMMON ELEMENT**

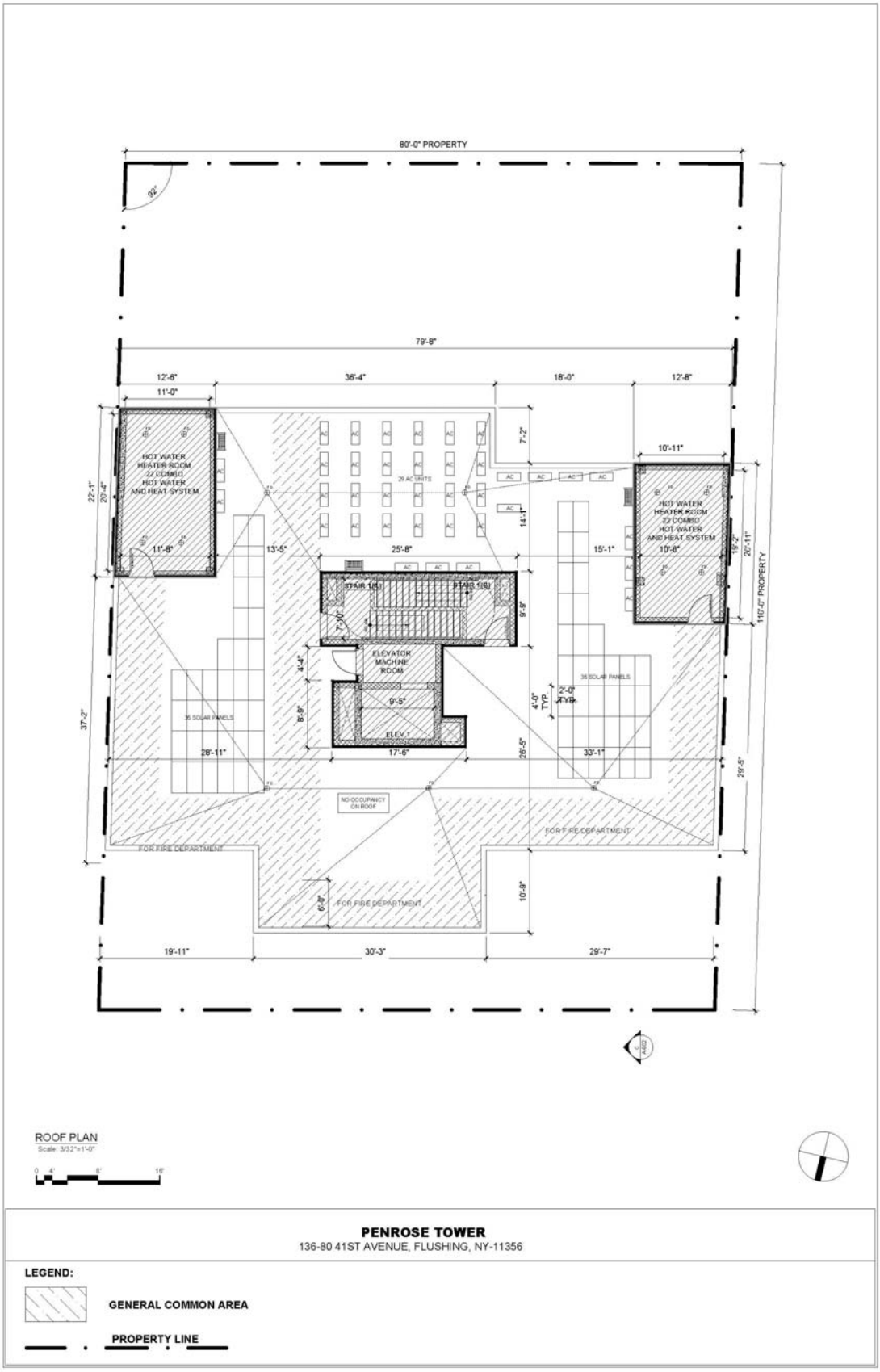
**UNIT BOUNDARY**

**REF. REFRIGERATOR**

**W/D WASHER/DRIER**

**DW DISH WASHER**


TAX LOT
SQ.FT
1151
RESIDENTIAL UNUT
APARTMENT 8D
LCE (TERRACE)
733 ±
218 ±
30'-7"
TERRACE
7'-0"
±31'-5"
9'-0"
10'-1"
10'-0"
±15'-1"
11'-10"
14'-2"
13'-1"
±26'-1"
CL
W/D
DW
REF
9'-7"
2'-6"
2'-1"
±8'-6"
6'-3"
3'-11"
8'-5"
6'-10"
4'-0"
4'-0"
8'-8"
±10'-9"
±6'-6"
±2'-4"
±8'-4"
UNIT 8D FLOOR PLAN
Scale: 1/4"=1'-0"
0
4'
8'
16'
LEGEND:
RESIDENTIAL UNIT
RESIDENTIAL UNIT LIMITED COMMON ELEMENT
UNIT BOUNDARY
REF. REFRIGERATOR
W/D WASHER/DRIER
DW DISH WASHER
LOT LINE WINDOW




ROOF PLAN
Scale: 3/32"=1'-0"

0 4' 8' 16'

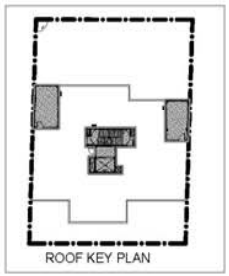
**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356

**LEGEND:**

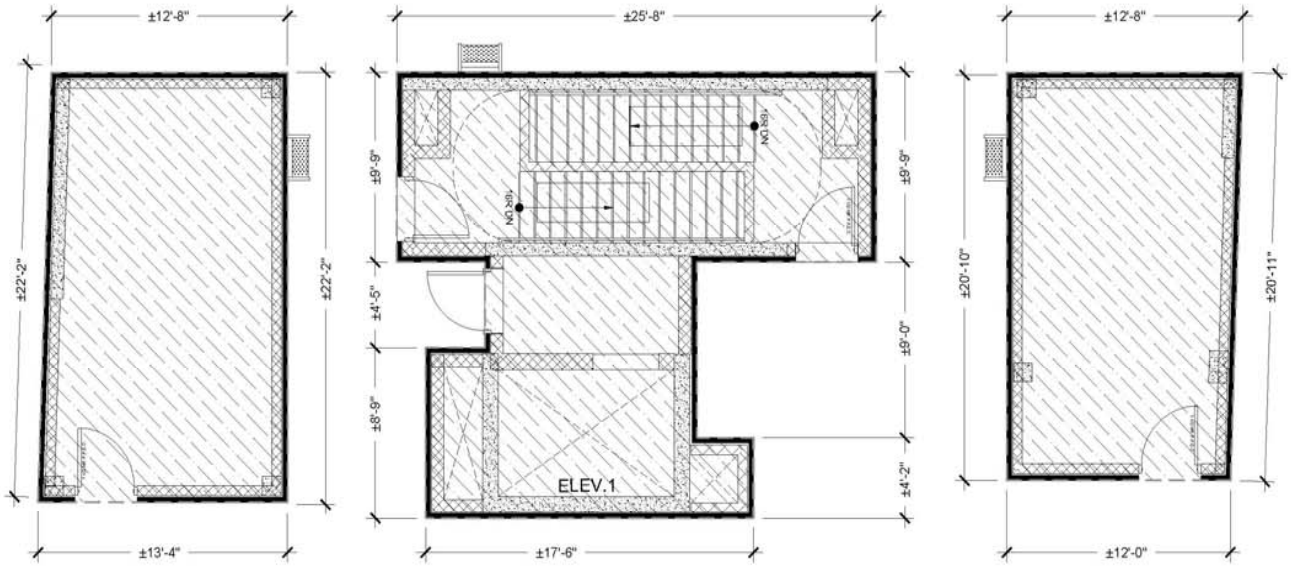
**GENERAL COMMON AREA**

**PROPERTY LINE**

**PENROSE TOWER**
136-80 41ST AVENUE, FLUSHING, NY-11356




| GENERAL COMMON AREA | SQ.FT |
|---|---|
| CORRIDOR, ELEVATORS, STAIRS, BOILERS ROOMS, MECHANICAL SHAFTS | 984 ± |




**ROOF COMMON AREA**
Scale: 3/16"=1'-0"




**LEGEND:**

**COMMON AREA AT ROOF**

**UNIT BOUNDARY**

# REAL PROPERTY LAW SECTION 339-KK RENTS

## 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.

4. This act may be enforced by any party by means of a special proceeding brought pursuant to Article 4 of the Civil Practice Law and Rules.

6. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

THE LEGISLATURE OF THE STATE OF NEW YORK: ss.:

Pursuant to the authority vested in us by Section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this section law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO
Temporary President of the Senate

SHELDON SILVER
Speaker of the Assembly

# DECLARATION OF CONDOMINIUM

Establishing a Plan for Condominium Ownership of Premises located at 136-80 41 Avenue, Queens, NY 11355, County of Queens, City and State of New York. Pursuant to Article 9-B of the Real Property Law of the State of New York.

NAME: **PENROSE TOWER**

SPONSOR: 136-78 LLC
131-03 40th Road, Apt 8F
Flushing, NY 11354

DATE OF DECLARATION:_____

The land affected by the within instrument lies in Section , Block **5044** Lot (s) fka **44** nka _____ - _____on the Tax Map of the Borough of Queens, County of Queens, City and State of NY.

Record and Return:

Attorney for Sponsor

**DYLAN CHAN LAW FIRM, P.C.**
**Attorney for Sponsor**
**136-20 38th Avenue, Suite 11C**
**Flushing, New York 11354**

**DECLARATION ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP of Premises to be known as PENROSE TOWER, located at 136-80 41 Avenue, Queens, NY 11355, Borough of Queens, County of Queens, City and State of NY, pursuant to Article 9B of the Real Property Law of the State of New York.**

136-78 LLC**,** 131-03 40th Road, Apt 8F**,** Flushing, NY 11354**,** hereinafter referred to as "the Sponsor," does hereby declare:

1. **SUBMISSION OF PROPERTY:** Sponsor 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 Queens, City and State of NY, more particularly described on Schedule A annexed hereto and made a part hereof. The Land is owned by the Sponsor in fee simple absolute.

3. **NAME OF CONDOMINIUM:** The Condominium shall be known as PENROSE TOWER**.**

4. **DESCRIPTION OF THE BUILDING:** The Building consists of one (1) newly constructed building, comprised of eight (8) stories, with cellar, roof and bulkhead, containing in aggregate forty four (44) residential units. The Building has one (1) garage, as offered to be sold as Parking Unit, which twelve (12) valet double level parking (2 levels lift system), one (1) ADA required parking, and two (2) reservoir parking spots for maneuvering. The building complies with Class R7-1 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 Raymond Chan, R.A.; and intended to be filed in the Queens 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 as defined in said floor plans.

As shown on the Floor Plans, the approximate square foot area of each Unit is measured horizontally from the exterior face of the Building to the centerline of the demising wall between the corridors and partitions separating one Unit from another or one Unit from the corridor, stairs, elevator and other mechanical equipment spaces. Columns, mechanical pipes and shafts are not deducted for the purpose of floor area measurement. Each Unit will consist of a volume measured

vertically from the top of the concrete floor to the underside of the concrete or unit ceiling, except that any Common Elements located within any unit shall not be considered as part of that Unit. Any Common Element located within any Unit shall not be considered part of that Unit, and in any instance where a floor of a Unit is above or below a floor of the same Unit, the concrete floor slab between such floors shall be a part of such Unit.

Terraces are measured horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen.

The floor area occupied by any Common Elements bordering or within a Unit (such as the Building's façade or exterior walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Unit, but such Common Elements are not part of the Unit. As a result, the square footage shown are taken from points behind the walls enclosing the Unit and exceed the Unit's usable floor are. Minor inaccuracies in a Unit's square footage will not excuse a Purchaser from completing the purchase of a Unit without recourse against the Declarant, or reduction in the price.

7. **COMMON ELEMENTS:** The Common Elements of the Condominium consists of the entire Property, including parts of the Buildings and improvements thereon other than the Units. Common Elements are comprised of General 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;

(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), corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls enclosing the Residential Unit; lobby; 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;

(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 is included only to the extent they are present in this building. If any of the foregoing are hereinafter designated as limited common elements, such designation shall take priority over the listing set forth herein.

(B) Limited Common Elements:

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 of a Unit to which a Limited Common Element is appurtenant shall be responsible for the cost and performance of all painting, decorating and non-structural ordinary maintenance, repairs, cleaning and replacements to such Limited Common Element, including pipes, wires, and conduits exclusively servicing the Unit. However, any structural or non-ordinary repairs or replacements to a Limited Common Element shall be made by the Board of Managers, and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense unless the need for such repair or replacement was caused by the wrongful or negligent act or omission of a Unit Owner or their tenants, guests, or invitees whereby the cost shall be charged to such Unit Owner. The Board of Managers shall have the right of access to, in, and through these areas for the purpose of doing building maintenance inspections. No structures of any kind may be erected on Limited Common Elements without the express written permission of the Board of Managers, except for temporary structures. Notwithstanding anything herein to the contrary, a Unit Owner who wishes to paint, decorate or make any other changes to a Limited Common Element appurtenant to their Unit, and which change deviates from the Limited Common Element as it was originally delivered by Sponsor, must first obtain express written permission from the Board of Managers; for as long as Sponsor owns at least one Unit, a Unit Owner must also obtain express written permission from the Sponsor.

8. **DETERMINATION OF PERCENTAGES IN COMMON ELEMENTS:** The determination of percentages of Common Interest allocated to each unit is based upon floor space, subject to the location of such space, and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements 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 unit may be used for private residential use, commercial use, parking use and community facility use, provided such use shall be in compliance with certificate of occupancy and shall be permitted under applicable zoning laws and ordinances, building code, or other rules and regulations of governmental authorities having jurisdiction thereof. Such Units may also be used as professional offices by a resident thereof, provided such professional use does not violate any zoning law and ordinance, and provided further that prior written consent of the

Board of Managers for such professional use is obtained. Any Community Facility Unit may be used for community facilities as defined in the Zoning Resolution and for no other purpose except as use is permitted under applicable zoning laws and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction thereof. The Parking Unit may only be used for parking. Notwithstanding the foregoing, the Sponsor 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.

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 Sponsor 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 Sponsor, 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 Sponsor'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 Sponsor 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 Sponsor is in control of the Board of Managers, 136-78 LLC, 131-03 40th Road, Apt 8F**,** Flushing, NY 11354, is hereby designated to receive notice of process in any action which may be brought against the Condominium. After Sponsor relinquishes control of the Board of Managers notice of process in any action which may be brought against the Condominium shall be served on the President of the Condominium at the office of the Condominium located at 136-78 LLC, 131-03 40th Road, Apt 8F**,** Flushing, NY 11354. 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. 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, 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 the Common Interest of all Unit Owners, 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 which shall change the percentage of Common Interests 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 Sponsor, its designee, or any Unsold Unit until the Sponsor or such designee shall consent thereto in writing.

The Sponsor 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 which 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 Queens County Office of the Register of the City of New York.

15. **CHANGES IN UNSOLD UNITS:** For any Unit owned by the Sponsor or its designee(s), if not prohibited by the New York Condominium Act (as the same may be amended), the Sponsor 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 the 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 Sponsor 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 Sponsor 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 Sponsor or its

designee(s). In the event of any such change in an Unsold Units, Sponsor shall amend the Declaration and Floor Plans to reflect same.

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 Queens 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. **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 percent (80%) in Common Interest of the Units. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the

Permitted Mortgagees representing at least fifty (51%) percent of the Common Interest of all Units which are subject to Permitted Mortgages or by a majority of Mortgage Representatives, if any. The Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty percent (80%) 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, provided however, that no payment shall be made to a Unit Owner until all lienors (other than mortgages which are not Permitted Mortgages), have first been paid off out of his share of such proceeds.

18. **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.

19. **DEFINITION OF "SPONSOR-DESIGNEE":** The term "Sponsor-Designee" as used in this Declaration shall mean any person or entity designated by the Sponsor to acquire title to a Unit, other than a good faith Purchaser for value purchasing pursuant to a validly executed Purchase Agreement. A "Sponsor-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 "Sponsor-Designee."

20. **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.

21. **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.

22. **GENDER:** The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

23. **ALTERATIONS AND/OR RENOVATION OF COMMUNITY FACILITIES:** The Community Facilities must obtain approval from the Board for any structural alteration and/or renovation which could affect the function of the Condominium, but such approval shall not be unreasonably withheld. However, Unit Owners much comply with Department of Building regulations and New York City building code.

IN WITNESS WHEREOF, the parties have caused this Declaration to be executed by its duly authorized representatives this day of **, 20___.**

Sponsor: 136-78 LLC

_____

**By:**
Name:
Title: Authorized Signatory

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

**SCHEDULE B**
**TO THE DECLARATION OF CONDOMINIUM**

**Penrose Tower**
**136-80 41 Avenue, Queens, NY 11355**

Block Number 5044

[To be completed prior to Recording of the Declaration]

| Tax Lot No. | Unit No. | Percentage of Common Interest | Location | Unit Square Footage (Sq. ft.) | Use | Bedrooms / Baths | Limited Common Element (Sq. Ft.) |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total % | | 100% | Total area | | | | |

# CONDOMINIUM BY-LAWS
# of

# PENROSE TOWER

## ARTICLE I

## PURPOSE OF BUSINESS

Section 1. Unit Ownership: The property located in the Borough of Queens, County of Queens, City and State of New York, at 136-80 (a/k/a 136-78) 41 Avenue, Flushing, Queens, NY 11355. (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 Queens County office of the Register of the City of New York, simultaneously herewith. The Condominium thereby created shall hereinafter be known as **PENROSE TOWER COMDOMINIUM**.

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 Queens, City and State 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 the 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 so to do 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 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 her/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 corporations 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 interest in the Common Elements attributable to the Unit or Units owned by them 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 Unit Owner: (i) shall be entitled to one vote for each .01% of Common Interest attributable to his Unit per member to be elected. 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 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. Each Condominium Unit shall be entitled to cast one vote for each .01% of Common Interest in the Condominium appurtenant to the Unit, which may be cast all for one nominated Manager, or divided among any number of candidates. 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 Manager 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 the 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 Manager 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 third 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 owing 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 NOTES TO SCHEDULE B of the offering plan;

b) Provide for new or additional services from indicated in the NOTES 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.

However, notwithstanding anything contained herein to the contrary, the Sponsor, as Holder of Unsold Units, or other successor sponsor, shall not veto the expenses set forth in SCHEDULE B of the Offering Plan, or expenditures required to comply with applicable laws or regulations.

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. 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.

## 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. 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 shall be submitted to arbitration in accordance with theses By-Laws.

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, the following insurance: (1) 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 Community Facility 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 Community Facility Unit, exceeds the cost which would otherwise have been obtained if no Community Facility Unit were present; and this cost shall be borne by the Community Facility Unit owners. A copy of the letter shall be delivered to the Community Facility Unit owner within ten (10) days after receipt thereof, and the Community Facility Unit owner shall be obligated to pay the amount assessed therein within fifteen (15) days after receipt thereof.

Each insurance policy shall contain a provision that such policy may not be either cancelled or substantially modified except upon at least 10 days' prior written notice to the Condominium Board and all insureds who may have requested such notice, including permitted mortgagees.

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 which 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 which 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.

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 a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. 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 branch 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 of and repairs 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 at the Unit Owner's expense, excepting as otherwise specifically provided herein.

b) All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of the exterior side of Unit entrance doors and windows 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.

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 Residential Units shall be used for private residences only, except that a Unit Owner may use his Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Any Unit may also be used as a professional office by a resident thereof provided such professional use does not violate zoning regulations and provided further that the prior consent of the Board of Managers to such professional use is obtained. The Community Facility Units may be used for commercial and community facilities respectively as defined in the Zoning Resolution and for no other purpose except as use is permitted under applicable zoning laws and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction thereof. The Parking Units may only be used for parking. 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 or 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 residents or which interferes with the peaceful possession or proper use of the Property by its residents.

d) No unlawful use shall be made of the Property of 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) No portion of a Unit or other Limited Common Elements appurtenant thereto (other than the entire Unit including the Limited Common Elements appurtenant thereto), may be separately rented.

f) Smoking and using electronic cigarettes is prohibited in any common areas within the interior of the building(s) as required by all applicable laws and is permitted in any of the dwelling units, provided that smoke does not enter into other Units or the Common Elements.

Smoking and using electronic cigarettes are permitted in all outdoor areas, including but not limited to, common courtyards, rooftops, balconies and patios, and any outdoor areas connected to dwelling units.

Unit Owners and their guests shall not permit cigarette, cigar or pipe smoke from escaping from the Unit and entering any other Unit or the Common Elements. Unit Owners shall not smoke in their Units if they are unable to prevent the smoke from entering the Common Elements or another Unit. The Board shall have the right to obtain a court order enjoining occupant of a Unit from smoking in the Unit or the Common Elements if the smoke escapes the Unit and the Board shall have the right to seek the eviction of a tenant who smokes in a Unit or the Common Elements if the smoke escapes from the Unit. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement for any fees or expenses incurred by the Condominium to cause the smoke infiltration into the Common Elements or another Unit to cease (including but not limited to legal fees) in enforcing this provision.

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 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 which requires 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 Buildings 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 10 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. Copies 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 except for the Community Facility Unit, if applicable, which shall be separately metered and billed, 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. The Community Facility Unit or Units, if applicable, shall be entitled to a credit against common charges for the portion of such common charges allocable to water/sewer charges for residential 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 mortgage 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 for more than 60 days, 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. Consent of Mortgagees and Designation of Mortgage Representatives:

(a) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination of act of the Board of Managers or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against a Unit Owner's mortgage. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (b) of this Article VII, Section 5, shall be deemed binding upon the holders of all mortgages encumbering Units. (b) The holders of institutional mortgages constituting a majority in principal amount of all institutional mortgages may, if they so elect, designate not more than 3 mortgage representatives by giving written notice thereof to the Board of Managers, which mortgage representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a mortgage representative pursuant to the terms of this paragraph

(b) shall be effective until any successor mortgage representative is designated pursuant to the terms hereof and written notice thereof is given to the Board of Managers. Unless otherwise required by Law, no holders of mortgages (which are not institutional mortgages) shall be entitled to participate in the designation of mortgage representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the mortgage representatives pursuant to the terms of the Declaration or these By-Laws.

Section 6. Notice to Mortgagees:

(a) The Condominium shall provide written notice to the mortgagee of Unit, whose name and address has heretofore been furnished to the Board of Managers to the extent applicable of any default by the mortgagee's mortgagor in the payment of Common Charges or Special Assessments for more than 60 days. If the Board of Managers shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Article VI, Section 6 hereof by reason of such default, the Board of Managers shall pay to such mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Board of Managers pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such mortgagee. Timely written notice shall be also given to the mortgagees of any condemnation or casualty loss that affects either a material portion of the Condominium or the unit securing its mortgage; a lapse, cancellation, or material modification of any insurance policy maintained by the Condominium; and any proposed action that requires the consent of a specified percentage of mortgagees.

(b) In no event, however, shall the Board of Managers (including its Members, officers, agents, attorneys, and employees) and Unit Owners be liable for any claims or liabilities and expenses for any failure, through oversight or negligence, in giving a mortgagee any notice required under (a) above. Nonetheless, the Board of Managers shall give such missed notice with reasonable promptness after discovering such failure.

(c) Where consent of the mortgagees or mortgage representatives is required pursuant to the terms of the Declaration or By-Laws, if the mortgagees or mortgage representatives fail to respond within 60 days after written receipt of the required consent, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such mortgagees or mortgage representatives shall be assumed.

(d) Nothing in the By-law shall gives a condo unit owner or any other party priority over any rights of the first mortgagee of the condo unit pursuant to its mortgage in the case of payment to the unit owner of insurance proceeds or condemnation awards for losses to or a taking of condo units and/or common elements.

(e) Amendments of a material adverse nature to mortgagees will be agreed to by mortgagees that represent at least 51% of the votes of unit estates that are subject to mortgages.

(f) Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs or for other reasons will be agreed to by mortgagees that represent at least 51% of the votes of the unit estates that are subject to mortgages.

(g) Implied approval is assumed when a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a return receipt requested.

## ARTICLE VIII

## SALES, LEASES AND MORTGAGES OF UNITS

Section 1. Sales and Leases: No Unit Owner other than the Sponsor or Sponsor-designee may sell or lease his Unit or any interest therein except by complying with the provisions below. The Sponsor or Sponsor-designee need not comply with such provisions.

Any Unit Owner who receives a bona fide offer for the sale of his Unit together with: (i) the undivided interest in the Common Elements and any Limited Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or his designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; (iii) the interest of such Unit Owner in any other assets of the Condominium, as defined in the Declaration (hereinafter collectively called the "Appurtenant Interest"); or a bona fide offer for a lease of his Unit (such proposed sale or lease, as the case may be is hereinafter called an "Outside Offer"), which he intends to accept, shall give notice by hand or by certified or registered mail to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, to the Board of Managers, or his designee, corporate or otherwise, on behalf of the Owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer, to the Board of Managers of behalf of the other Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. Within thirty (30) days after receipt of such notice, the Board of Managers may elect to purchase such Unit, together with the Appurtenant Interest, or to lease such

Unit as the case may be (or to cause the same to be purchased or leased by his designee, corporation or otherwise), on behalf of all other Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner.

In the event the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, or to cause the same to be purchased or leased by his designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Condominium in accordance with the terms of such offer but in no event less than forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner, if such Unit, together with the Appurtenant Interests, is to be sold, shall convey the same to the Board of Managers, or to his designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the States of New York, with all transfer stamps affixed, and shall pay all other taxes arising out of such sale. In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Board of Managers, or to his designee, a lease between the offering Unit Owner, as landlord, and the Board of Managers, or his designee, as tenant, covering such unit, for the rental and term contained in such Outside Offer.

In the event the Board of Managers or to his designee fails to notify the offering Unit Owner of its decision to accept such offer within thirty (30) days after receipt of notice as aforesaid or to notify the offering Unit Owner within such (30) day period of its decision not to accept such offer, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as they case may be, within sixty (60) days after the expiration of the thirty (30) day period in which the Board of Managers or to his designee might have accepted such offer, to the Outside Offeror, on the terms and conditions set forth in the notice from the offering Unity Owner to the Board of Managers of such Outside Offer. Any such deed to any Outside Offeror shall provide that acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior written consent of the Board of Managers, and that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers, and that the Board of Managers shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. Except as hereinbefore set forth, the form of any such lease for Residential Units shall be in the then current form of apartment lease recommended by Julius Blumberg, Inc., or the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Board of Managers. In the event the offering Unit Owner shall not, within such sixty (60) day period, contract to sell such Unit together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the Outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell or lease his Unit within such sixty (60) day period, but such sale or lease shall not be consummated pursuant to the terms of such Outside Offer, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the same or another Outside Offeror on the same or other terms and conditions, the offering Unit Owner

shall be required to again comply with all the terms and provisions of this section 1 of this Article VIII.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Board of Managers.

THE BOARD OF MANAGERS MAY NOT DISCRIMINATE AGAINST ANY PERSON ON THE BASIS OF RACE, CREED, COLOR, NATIONAL ORIGIN, SEX, AGE, DISABILITY, MARITAL STATUS OR OTHER GROUNDS PROHIBITED BY LAW.

Section 2. Consent of Unit Owners to Purchase or Lease of Units by Board of Managers. The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a majority of the Unit Owners.

Section 3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interest, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred, conveyed, or otherwise disposed of, except as part of a sale, transfer, conveyance, or other disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interest of interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 4. Release by Board of Managers of Right of First Refusal. The right of first refusal contained in Section 1 of this Article VIII may be released or waived by the Board of Managers, in which event the Unit, together with the Appurtenant Interests, may be sold, conveyed, or leased, free and clear of the provisions of such section.

Section 5. Certificate of Termination of Right of First Refusal. A certificate, executed and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 1 of this Article VIII have been met by a Unit Owner, or have been duly waived by the Board of Managers and the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of Section 1 of this Article VIII or in respect to whom the provisions of such section have been waived, upon request.

Section 6. Financing of Purchase of Units by Board of Managers. Acquisition or lease of Unit by the Board of Managers, or his designee, on behalf of all Unit Owners, may be made from the working capital and Common Charges in the possession of the Board of Managers, or, if such funds are insufficient, the Board of Managers may levy an assessment against each Unit Owner, other than the offering Unit Owner, in proportion to his ownership ion the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as

provided in Section 5 and 6 of Article VI, or, the Board of Managers, in its discretion, may borrow money to finance the acquisition of lease of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant Interests, so to be acquired or leased by the Board of Managers.

Section 7. Exceptions. The provisions of Section 1 of this Article VIII shall not apply with respect to any sale or conveyance or lease by a Unit Owner of his Unit, together with the Appurtenant Interests, to his spouse or to any of his children or to his parent or parents or to his brothers or sisters, or any one or more of them, or to any Unit owned by the Sponsor or Sponsor-designee, or to the acquisition or sale of any Unit, together with Appurtenant Interests, by a mortgagee herein authorized who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure or to the sale or lease of a Community Facility Unit. However, the provisions of this section shall apply with respect to any purchaser of a Unit from a mortgagee.

Section 8. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his or her Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction.

Section 9. Waiver of Right of Partition with Respect to Such Units as are Acquired by the Board of Managers or his designee, on Behalf of All Unit Owners as Tenants in Common. In the event that a Unit shall be acquired by the Board of Managers, or his designee, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 10. Payment of Common Charges and Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his or her Unit unless and until he or she shall have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by Board of Managers against his unit and until he shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit.

Section 11. Mortgage of Units. No Unit Owner shall mortgage his Unit, except by a first and/or second mortgage made to a bank, savings bank, trust company, savings and loan association, credit union or similar banking institution whether organized under the laws of New York State, the United States or any other state, foreign banking corporation licensed by the Superintendent of Banks of New York or regulated by the Comptroller of the Currency to transact business in New York State, insurance company duly organized or licensed to do business in New York State or a purchase money mortgage made to the Sponsor, Sponsor-designee, or to the seller of the Unit. Any such mortgage shall be substantially in the form on file with the Board of Managers, except for such changes or additions as may be required in order to permit the particular institutional lender to make the mortgage loan, or to the extent permitted by the Board of Managers. A mortgage may be made to a reputable private lender, other than a lender as above described, provided the same is approved in writing by either the Sponsor, prior to the Sponsor's relinquishing control of the Board of Managers, or the Board of Managers, subsequent to the release of control by the Sponsor. Such approval shall be in the sole and absolute discretion of the Sponsor or the Board of Managers as the case may be. Prior

to or simultaneously with the closing of any mortgage, the Unit Owner must satisfy all arrearages for unpaid Common Charges or assessments and discharge any liens therefor.

Section 12. Fees and Charges. The Condominium Board shall have the right to require the Offeree Unit Owner to pay a fee to the Condominium Board and/or the Managing Agent to cover reasonable legal and other expenses of the Condominium Board and the Managing Agent in connection with the sale or lease of a Residential Unit pursuant to the provisions of this Article VIII except such charges and fees shall not apply to a sale or lease of any Unit by Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor. Any other fees in connection with the sale or lease of a Residential Unit may only be enacted by action of Unit Owners except any such fee shall not apply to a sale or lease of any Unit by Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor.

## ARTICLE IX

## 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 percent (75%) 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 percent (75%) 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 that 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. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the mortgagees representing at least fifty-one (51%) percent of the Common Interest of all Units which are subject to mortgages or by a majority of mortgage representatives, if any. 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, in the order of priority of such liens.

## ARTICLE X

## ARBITRATION

Section 1. Procedure: Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in 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 Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York 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: (a) 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 XI

## 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 XII

## 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 By-Laws) in Common Interests of all Unit Owners at a meeting of Unit Owners duly held for such purpose.

For as long as there are of 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 XIII

## 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 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 five (5) or more Unit first mortgages). 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 five (5) or more Unit first mortgagees). 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.

## ARTICLE XIII

## Sale or Lease of Unit

**FOR THE PROPOSED RESALE OF A RESIDENTIAL, COMMUNITY FACILITY AND PARKING UNIT:**

Any Unit Owner shall have the right to sell his or her Unit under the following terms and conditions:

The terms of any lease, including the rent, will be subject to state or local laws.

A. The Unit Owner shall first give the Board of Managers thirty (30) days prior written notice of the terms of any bona fide sale, together with a copy of a contract of sale executed by a prospective purchaser, which the Unit Owner desires to execute. Written notice with a copy of the contract of sale shall be sent to the managing agent, if any, or to the President of the Condominium by Certified Mail or overnight mail by via a nationally recognized overnight courier service with proof of delivery being retained by the Unit Owner;

B. The Board of Managers may require the prospective purchaser to complete an application and/or questionnaire for consideration by the Board of Managers or Sponsor of the proposed transaction. (The 30-day period as discussed above shall commence from the time that the managing agent or the President of the Condominium receives a fully completed application in the event that the condominium requires applications to be completed by prospective purchasers). The Board of Managers shall require photo identification of all persons who are prospective purchasers and who may reside in the condominium unit; the names, addresses and social security numbers of all proposed occupants shall be provided to the Board of Managers with the proposed contract of sale. Any prospective purchaser of any condominium unit consents to the Board of Managers obtaining a criminal background check on the proposed purchasers. The Board of Managers may not discriminate against any proposed purchaser or proposed occupant on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

If the Board of Managers fails to act within such thirty (30) day period, it shall be deemed to have waived the right of first refusal to the proposed transaction;

Any such deed to convey any condominium unit shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time.

C. If the Board of Managers exercises the right of first refusal to the transaction, it shall, within the thirty (30) day period, either:

(i) Produce a purchaser who will purchase the unit upon the same terms as stated in the Unit Owner's notice to the Board of Managers and the contract of sale executed by the proposed purchaser, or

(ii)Agree to purchase the Unit on behalf of all other Unit Owners on the same terms stated in the contract of sale submitted to the Board of Managers.

If the Board of Managers desires to purchase the condominium unit from a unit owner, at the closing, the Unit Owner shall convey the unit (and Appurtenant Interests) to the Board of Managers or to its designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-0 of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all transfer and other taxes arising out of such sale. Real estate taxes, mortgage interest and common charges and expenses shall be apportioned between the Unit Owner and the Board of Managers, or its designee, as of the closing date. The closing shall occur within 45 days from the date that the Board of Manager exercises its right of first refusal to purchase the condominium unit. The closing shall occur at the offices of the attorney for the condominium.

In connection with the foregoing, the Board of Managers may not purchase a Unit without the approval of a majority of the Unit Owners (as such term "majority" is defined in the By-Laws). In the event that the Board of Managers does not have sufficient funds on hand for the purchase of a Unit which has been approved by the majority of the Unit Owners, the Board of Managers may borrow such funds or may assess the Unit Owners in proportion to their respective common interests to the extent of the purchase price amount. In the event that the Board of Managers exercises its right to purchase the condominium unit, it may do so on the same terms and conditions (including but not limited to the mortgage contingency provisions and closing date provisions set forth in the contract executed by the proposed purchaser). In the event that the Board of Managers does not either produce a purchaser for the Unit or agree to purchase the Unit on behalf of all of the Unit Owners as set forth above within the stated thirty (30) day period, the Unit Owner shall have the right to consummate the sale on the terms submitted to the Board of Managers and in accordance with the terms set forth in the contract of sale executed by the proposed purchaser. The proposed purchaser must comply with the requirements set forth in the Declaration and By-Laws.

The restrictions upon the sale of Units, set forth in this Section shall not apply to the Sponsor, or its designee, or to a mortgagee (including the holder of a construction loan, if any) acquiring title in foreclosure or by deed in lieu of foreclosure. Any right of first refusal shall not adversely impact the rights of a mortgagee or its assignee to foreclose or take title to a condo unit pursuant to the remedies in the mortgage; accept a deed or assignment in lieu of foreclosure in the event of default by a unit owner; sell or lease a unit acquired by the mortgagee or its assignee. The foregoing persons shall be free to sell without first notifying or obtaining the waiver of right of first refusal of the Board of Managers or Sponsor. The Board of Managers and the Sponsor, as the case may be, shall be required to cooperate in providing appropriate physical access to any such Unit and the common elements, as well as all financial information regarding same.

A Unit acquired by the Board of Managers pursuant to the Right of First Refusal described herein may be sold, leased, mortgaged or otherwise dealt with in the discretion of the Board of Managers. The proceeds of such disposition will be received by the Board of Managers on behalf of all Unit Owners in proportion to their respective common interests.

FOR THE PROPOSED LEASING OF A CONDOMINIUM UNIT BY A UNIT OWNER:

Any Unit Owner shall have the right to lease their condominium unit under the following terms and conditions:

The Unit Owner shall first give the written notice by Certified Mail or via a nationally recognized overnight courier service with proof of delivery being retained by the Unit Owner to and subject to the right of first refusal by the (a) Sponsor if Sponsor is in control of the Board of Managers, or (b) the Board of Managers if Sponsor is no longer in control of the Board of Managers, of no less than thirty (30) days written notice of the terms of any bona fide proposed lease and tenant, together with a copy of a completed lease to be executed by a prospective tenant, or if executed by the prospective tenant, the lease must include the following provision:

**For a lease:**

**"THIS LEASE IS SUBJECT TO THE WRITTEN WAIVER OF RIGHT OF FIRST REFUSAL OF THE BOARD OF MANAGERS OF PENROSE TOWER COMDOMINIUM. THIS LEASE IS NOT VALID UNLESS THE BOARD OF MANAGERS ISSUES A LETTER STATING THAT THE CONDOMINIUM HAS WAIVED THE RIGHT OF FIRST REFUSAL TO THE PROPOSED LEASING OF THE CONDOMINIUM UNIT WHICH IS THE SUBJECT OF THE LEASE".**

Written notice must be sent by the Unit Owner by Certified Mail or via a nationally recognized overnight courier service with proof of delivery being retained by the Unit Owner to the Sponsor if the Sponsor is still in control of the Board of Managers, or to the President of the Condominium if the Sponsor is no longer in control of the Board of Managers.

If the Board of Managers fails to waive the right of first refusal to the proposed leasing of the subject condominium unit within thirty (30) days of receipt by the Sponsor or President of the Board of Managers, as the case may be, of the notice and lease as set forth above, it shall be deemed that the Board of Managers or the Sponsor, as the case may be, has consented to the proposed transaction. If there is a managing agent managing the condominium building, then such notice may be sent to the managing agent instead of the President of the Condominium.

The Board of Managers may require the prospective tenant to complete an application and/or questionnaire for consideration by the Board of Managers or Sponsor of the proposed leasing transaction. (The 30-day period as discussed above shall commence from the time that the managing agent or the President of the Condominium receives a fully completed application in the event that the condominium requires applications to be completed by prospective purchasers). The Board of Managers shall require photo identification of all persons who are prospective tenants and occupants who shall reside in the condominium unit which is the subject of the lease. The names, addresses and social security numbers of all persons who will reside in the condominium unit must be submitted to the Board of Managers with the proposed lease. Any prospective tenant of any condominium unit consents to the Board of Managers obtaining a criminal background check on the proposed tenants and

occupants. The Board of Managers may not discriminate against any proposed purchaser or proposed occupant on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

If the Board of Managers or the Sponsor exercises the right of first refusal to the proposed leasing of any condominium unit, the Unit Owner may not execute the lease with the proposed tenant.

Any purported leasing of a Condominium Unit in violation of this Section shall be voidable at the election of the Board of Managers or Sponsor as the case may be.

The restrictions upon the leasing of Condominium Units, set forth in this Section shall not apply to the Sponsor, or its designee, or to a mortgagee (including the holder of a construction loan, if any) acquiring title in foreclosure or by deed in lieu of foreclosure. The foregoing persons shall be free to lease, without first notifying or obtaining the consent of the Board of Managers or Sponsor. The Board of Managers and the Sponsor, as the case may be, shall be required to cooperate in providing appropriate physical access to any such Unit and the common elements, as well as all financial information regarding same.

Any lease of a Unit shall be in the form recommended for apartments by the Real Estate Board of New York, except as otherwise provided in the By- Laws.

Notwithstanding the foregoing, no Unit Owner may sell or lease his Unit if he is in arrears on payment of common charges.

Unit Owners will be free, without restriction, to sell or lease their respective Units to a spouse or, any adult children, without first offering the unit for sale or lease to or obtaining the consent of the Board of Managers. Furthermore, a Unit Owner is free, without restriction, to make a gift of his Unit to anyone during his lifetime, to devise such Unit by will or pass such Unit by intestacy. No Unit can be sold, leased or in any way transferred apart from its appurtenant interest in the Common Elements.

The Board of Managers may make further restrictions on or conditions to sale or lease of Units in the future consistent with the Condominium Declaration, By-Laws and applicable law.

Every Unit Owner shall be required to pay a processing fee, to be determined by the Board of Managers, per transaction to the Board of Managers for each sale (other than the initial purchase by the Unit Owner) or lease of his or her Unit.

## Limited Warranty

Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does not apply to this offering as the Building comprises more than 5 stories. Sponsor makes no other warranties, express or implied, in connection with this offering of the Units and all such warranties are excluded, except as provided in the limited warranty ("Limited Warranty") set forth in this Section. Sponsor will correct, repair, or replace any and all defects relating to construction of the Building, Common Elements or the Units or in the installation or operation of any appliances, fixtures, or equipment therein, or will cause the same to be corrected, repaired, or replaced, but only if:

(5) such defects are due to substantially improper workmanship or construction practices or the use of materials that are substantially and materially at variance with the Plans and Specifications for the same; and

(6) Sponsor is notified by the Condominium Board or the affected Unit Owner, as the case may be, of the same in accordance with the following, which notice shall be by certified mail, return receipt requested:

(ii) with respect to any latent defect (that is, a defect that is not visually ascertainable) in the construction of a Unit, within 1 year of the earlier to occur of (a) the Closing of Title to the Unit or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing;

(ii) with respect to any patent defect (that is, a defect that is ascertainable through inspection) in the construction of a Unit within 6 months of the earlier to occur of (a) the Closing of Title to the Unit, or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing, provided, in each instance such patent defect is not caused by the Unit Owner or other occupant of the Unit;

(iii) with respect to any defects (patent or latent) in the construction of the Common Elements, within 1 year from the date of substantial completion of the portion of the Common Elements claimed to be defective. The issuance of a TCO or PCO covering such Common Elements shall be presumptive evidence that the construction of the Common Elements has been substantially completed.

The method of correcting any defect will be selected by Sponsor in its sole discretion. The quality of construction as to any such correction will be comparable to local standards customary in the particular trade or trades involved and will be in accordance with the Plans and Specifications.

Sponsor will be conclusively considered to have discharged any obligation that it may have with respect to the repair of a defect or replacement of a defective item, whether patent or latent, if:

a. Sponsor is not notified of the existence of such defect, in the manner and within the appropriate time period specified above;

b. The Condominium Board and/or Managing Agent and/or the Unit Owner fails to allow prompt access to the Unit in question by Sponsor or Sponsor's contractors; or

c. Sponsor has corrected, or caused the correction of, the defect in accordance with the practice of the industry, as determined by Sponsor's general contractor, architect, or engineer, in their sole judgment.

d. Purchaser, through any act or omission (i) is the cause of such defect, (ii) obstructs, delays, prevents or hinders Sponsor from gaining access to the Unit in order to repair or replace the defect, or (iii) undertakes the repair or replacement of such defect.

(7) This Limited Warranty is only available to the first Purchaser of the Unit and Sponsor shall have no liability to any subsequent Purchaser with respect to any claimed defects relating to the construction of the Units, the Common Elements, or the Building.

(8) Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner as a result of any defects in construction or renovation, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including appliances and bathroom fixtures) or any other condition:

(i) with respect to which assignable warranties or other undertakings (however denoted) from manufacturers, contractors, materialpersons, or others which are assigned to the Condominium Board and/or any Unit Owner;

(ii) resulting from normal wear and tear, natural deterioration, normal settling (including, without limitation, cracks in crown molding, minor gapping in the flooring, uneven ceilings or floors, "checking" or cracking of floors and floor buckling), damage to wood due to changes in humidity, deflection, expansion or shifting of the Building;

(iii) resulting from Purchaser's (i) failure to maintain such appliances, equipment, finishes, materials or fixtures in accordance with manufacturers' guidelines and specifications and renovations and/or alterations to a Residential Unit or its appurtenant Residential Limited Common Elements; or

(iv) that are not of a material nature, including, without limitation, the following:

a. death of trees or landscape improvements, cracks in roof ballast, or concrete cracks that do not impair the structural soundness of the Building, including cracks or discoloration in concrete walls and paving, leaching or color variation in colored mortar, tiles or pavers, and brick, dimensional variations in brick joints, mortar droppings on bricks, ponding, and/or controlled drainage on roof and terrace surfaces, terrace tiles or pavers not laid flat, stained tiles or color variations in tiles or pavers, and cracks in pressure treated wood used, or intended for use, outside the Building;

b. protruding dry wall fastenings, nail pops, ridging on gypsum board, slight variations in gypsum board taping visible only under certain lighting conditions, walls not square, lumber shrinkage, painting defects, electrical plates not straight, slight separation between base and floor, variations in floor and ceiling levels, carpet or floor discoloring or stretching, variations in width, length, thickness, finish, or color range of wood floors, ceiling imperfections, and stains, runs, lumps, shags, or imperfections in weave in fabric panels;

c. door or window sticking due to weather, door warpage (including warpage of the main entrance door or Terrace door to a Unit within reasonable tolerances of doors of similar size, weight and quality), adjustment of bi-fold doors, and air and water infiltration from windows or Terrace doors in excess of industry standards;

d. variations in tone or color of interior and exterior natural materials or natural stone including variations in tone or color of flooring, walls, countertops, backsplash, vanity tops or other natural stone, marble, ceramic or wood surfaces, slight scratches in plastic laminate, glass, metal, vitreous china, natural stone, wood, stainless steel, porcelain or other surfaces, discoloration to hardware and plumbing finishes, cracked bath tile grouting, variation in grouting thickness, and misalignment of bathroom finishes;

e. variations in wood floor stains and finishes;

f. noise, vibrations or odors from normal plumbing, heating, air conditioning, ventilating, mechanical equipment operation and elevator operation, and floor noises and creaking;

g. repair of chips, scratches, mars, breaks, dents, cracks, and other defects in any windows and window sashes, sliding glass doors, shower doors, louvers, insulation attached to the curtain wall, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, water closets, kitchen

cabinets, backsplashes, and countertops, vanity tops and cabinets, tile or natural stone floors and walls, saddles, appliances, woodwork, millwork, doors, mirrors, and hardware;

h. normal wear, including chips, to passenger elevator cabs, cab doors, elevator door frames, cab panels, Unit doors and Unit door frames; and

i. pertaining to television, radio, internet or other telecommunication reception;

Sponsor's obligation, regardless of any limitations in the warranty, cannot go below the duty to construction the premises in accordance with all applicable codes, filed plans and specifications and locally accepted building practices for items which are not covered by codes, pursuant to General Business Law §777-b(4)(e)(l).

# CERTIFICATIONS

# SPONSOR AND PRINCIPALS

**CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO SECTION 20.4(b) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED**

New York State Department of Law
Real Estate Financing Bureau
28 Liberty Street, 21st Floor
New York, New York 10005

**RE: Penrose Tower**
**136-78 41st Avenue, Flushing, NY 11355**

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Office of the Attorney General in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;
(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
(iii) not omit any material fact;
(iv) not contain any untrue statement of a material fact;
(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;
(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
(vii) not contain any representation or statement which is false, where I/we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

We 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 May 31, 2022.

**Sponsor: 136-78 LLC**

By: Cai Yu Chen
Title: Manager

Sworn to before me
on May 24th, 2022

Notary Public

JASON CHEN
Notary Public - State of New York
No. 01CH6378079
Qualified in Queens County
My Comm. Expires July 16, 2022

Principal of Sponsor

Cai Yu Chen

Sworn to before me
on May 24th, 2022

Notary Public

JASON CHEN
Notary Public - State of New York
No. 01CH6378079
Qualified in Queens County
My Comm. Expires July 16, 2022

Principal of Sponsor

Mei Song Xiao

Sworn to before me
on May 31, 2022

Notary Public

DYLAN W. CHAN
Notary Public, State of New York
No. 02oh6019321
Qualified in King County
Commission Expires February 1, 2024

Principal of Sponsor

Heng Yuan Ou

Sworn to before me
on May 20, 2022

Notary Public

DYLAN W. CHAN
Notary Public, State of New York
No. 02oh6019321
Qualified in King County
Commission Expires February 1, 2024

Principal of Sponsor

Li Yun Ou

Sworn to before me
on May 20, 2022

Notary Public

DYLAN W. CHAN
Notary Public, State of New York
No. 02oh6019321
Qualified in King County
Commission Expires February 1, 2024

Principal of Sponsor

Shao Zhen Lin

Sworn to before me
on May 24th, 2022

Notary Public

JASON CHEN
Notary Public - State of New York
No. 01CH6378079
Qualified in Queens County
My Comm. Expires July 16, 2022

**SPONSOR'S ARCHITECT/ENGINNER**
**Certification Concerning Description of Property**

CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO SECTION 20.4
OF THE REGULATIONS ISSUED PURSUANT TO
GENERAL BUSINESS LAW, ARTICLE 23-A
AS AMENDED

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

Attn: Real Estate Financing Bureau

**RE: Penrose Tower Condominium**

The undersigned is licensed as an architect in New York State and certifies as follows:

The sponsor of the offering plan for condominium ownership of the captioned property retained us to prepare a report describing the construction of the property (the "Report"). We prepared the building plans and specifications and were approved by the New York City Department of Buildings on December 31,2020 (initial set) and on March 14, 2022 (post approval amended set). We also prepared the report dated January 18, 2024, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are registered architects in the state where the property is located. We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in part 20 insofar as they are applicable to this report.

We have read the entire report and investigated the facts set forth in the report and the facts underlying with due diligence in order to form a basis for the certification. This certification is made for the benefit of all persons to whom this offer is made. We certify that the report does:

(I) Sets forth in narrative form the description of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we prepared;

(II) In our professional opinion, afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we prepared;

(III) Does not omit any material facts;

(IV) Does not contain any untrue statements of a material fact;

(V) Does not contain any fraud, deception, concealment or suppression;

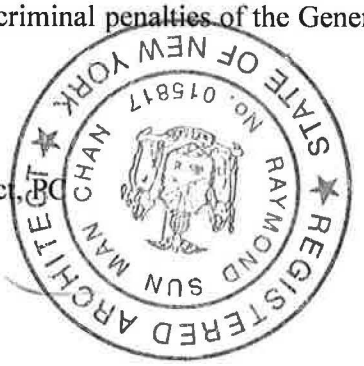
(VI) Does not contain any promise of representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(VII) Does not contain any representation or statement which is false, where we (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to (as certain) as to 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 and have no beneficial interest in the sponsor and that our compensation for preparing this report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,
Raymond Chan Architect, PC




Raymond Chan

Sworn to before me
this 18th day of January 2024

ADA L. LI
Notary Public, State of New York
No. 01LI6146479
Qualified in Nassau County
Commission Expires May 22, 2026

Notary Public Signature

SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

# CERTIFICATE OF ADEQUACY OF OPERATING BUDGET PURSUANT TO 13 NYCRR 20.4 (d)

Date: April 6, 2023

State of New York
Department of Law
28 Liberty Street,
New York, NY 10005
Attn: Real Estate Financing Bureau

**RE: Penrose Tower**
**136-78 41 Avenue, Flushing, NY 11355**
**(A/K/A 136-80 41 Avenue, Flushing, NY 11355)**

Gentlemen:

The sponsor of the condominium Offering Plan for the above captioned property retained us 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 four (4) years; the management of approximately four (4) residential condominium buildings; and the sale of numerous condominiums, co-ops, rental properties, and commercial 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 do:

1. Set forth in detail the projected income and expenses 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;

to found their judgment concerning the first year of condominium operation;

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. 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 income and expenses of 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.

Youyork Management LLC

By: _____
Name: Hangyuan Zhang
Title: Licensed Real Estate Broker

Sworn to before me this
on April 6, 2023

_____
Notary Public

DYLAN W. CHAN
Notary Public, State of New York
No. 02ch8019321
Qualified in King County
Commission Expires February 1, 2027

SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS

**CERTIFICATE OF ADEQUACY OF OPERATING BUDGET**
**PURSUANT TO 13 NYCRR 20.4 (e)**

Date: January 5, 2023

State of New York
Department of Law
28 Liberty Street
New York, NY 10005
Attn: Real Estate Financing Bureau

**RE:** **Penrose Tower**
**136-78 41 Avenue, Flushing, NY 11355**
**(A/K/A 136-80 41 Avenue, Flushing, NY 11355)**

Gentlemen:

The sponsor of the condominium Offering Plan for the captioned property retained our firm to review Schedule B which includes projections of common charges payable by the owners of the commercial unit(s).

We are a licensed real estate broker in the state of New York. We have been actively involved in real estate management and sales for approximately four (4) years. Our experience in real estate has included management of approximately four (4) properties in the City of New York. It includes condominiums, co-ops, rental properties, and commercial properties.

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 the commercial unit(s) listed in Schedule B.

We have reviewed the schedule as it impacts upon the commercial unit(s) and investigated 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 budget and projections in Schedule B for common charges payable by the owners of commercial or non-residential unit(s) appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial or non-residential unit(s) for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial or non-residential unit(s) also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owner(s) of the commercial or non-residential unit(s):

(i) set forth in detail the projected common charges for the commercial or non-residential unit(s) for the first year of condominium operation;
(ii) afford potential investors, purchasers and participants an adequate basis upon which to find their judgment concerning the common charges payable by the owners of the commercial or non-residential unit(s);
(iii) do not omit any material fact;
(iv) do not contain any untrue statement of a material fact;
(v) do not contain any fraud, deception, concealment, or suppression;
(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
(vii) do not contain any representation or statement which is false, where 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.

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 attributable to the commercial or non-residential unit(s) for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the "General Business Law and Penal Law."

Youyork Management LLC

By: _____
Name: Hangyuan Zhang
Title: Licensed Real Estate Broker

Sworn to before me this
on January 5, 2023

_____
Notary Public

DYLAN W. CHAN
Notary Public, State of New York
No. 02ch6019321
Qualified in King County
Commission Expires February 1, 2027