CONDOMINIUM OFFERING PLAN FOR
ARLOPARC CONDOMINIUM

124 East 86th Street & 126 East 86th Street
New York, NY 10028
NEW YORK COUNTY

Residential Units	28	$132,380,000.00
Commercial Unit	1	$ 7,000,000.00
Total Amount of Offering		**$139,380,000.00**

SPONSOR & SELLING AGENT:
126 East 86 Street Development LLC
227 Sea Breeze Avenue, 4th fl., Suite C-403
Brooklyn, NY 11224
(718) 758-5333

DATE OF ACCEPTANCE FOR FILING IS _____.
THIS PLAN MAY NOT BE USED FOR MORE THAN TWELVE (12) MONTHS FROM SUCH DATE UNLESS EXTENDED BY A DULY FILED AMENDMENT.
SEE PAGE 3 FOR SPECIAL RISKS TO PURCHASERS

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). OWNER-OCCUPANTS AND NON-RESIDENT OWNERS, SUCH AS SPONSOR, MAY HAVE INHERENT CONFLICTS ON MANAGEMENT OF THE CONDOMINIUM. SPONSOR IS RESERVING THE RIGHT TO RENT RESIDENTIAL UNITS. BECAUSE SPONSOR IS RETAINING THE RIGHT TO RENT RATHER THAN SELL RESIDENTIAL UNITS AFTER PLAN CONSUMMATION, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE SPECIAL RISK SECTION OF THE PLAN.)

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

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PART I

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 will endeavor, in good faith, to sell in a reasonably timely manner, all Residential Units to Purchasers. However, in the event that offers to buy the Residential Units are decreased by at least 25% from the offering prices listed in Schedule A, Sponsor reserves the right to rent, rather than sell, the Residential Units, after filing the Declaration of Condominium and the first transfer of title to a Residential Unit to at least one Purchaser under the Plan following a declaration of effectiveness by Sponsor and acceptance of the amendment by the Department of Law confirming or declaring the Plan effective, until there is an improvement of the market. Sponsor's good faith effort to sell to Purchasers will include listing Unsold Units with brokers, showing Unsold Units to brokers and prospective Purchasers or their representatives, filing update amendments to the Plan and otherwise engaging in customary sales activities. Sponsor will disclose in an amendment to the Plan if it opts to rent, rather than sell the Residential Units. In the event Sponsor decides to rent Residential Units in accordance with the terms of the Plan, Sponsor is obligated to attempt to sell the remaining Residential Units once there is an improvement of the market. Sponsor will resume sales where offers to buy the Residential Units increase so that they are within 25% of the offering prices listed in Schedule A.

If Sponsor opts to rent, rather than sell, the Residential Units, the Plan may not result in the creation of a condominium in which a majority of the Residential Units are owned by owner-occupants or investors unrelated to Sponsor. Under such circumstances, Sponsor will be under no obligation to sell more than 15% of the Residential Units necessary to declare the Plan effective, i.e. five (5) Residential Units.

Because Sponsor is reserving the right to rent Residential Units, Purchasers for their own occupancy may never gain control of the board of managers under the terms of the Plan, and owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on management of the Condominium.

Sponsor cannot rent Residential Units prior to filing the Declaration of Condominium and the first transfer of title to a Residential Unit to at least one Purchaser under the Plan following a declaration of effectiveness by Sponsor and acceptance of the amendment by the Department of Law confirming or declaring the Plan effective.

Please see "Introduction" and "Rights and Obligations of Sponsor" Sections of the Plan.

2. 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 units in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor has not sold a

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

3. Sponsor has obtained the construction loan in the amount of $50,750,000.00 (the "Loan") from Valley National Bank, having an address at 1455 Valley Road, Wayne, NJ 07470, (hereinafter called “Valley”).

Upon the sale of a Unit, Sponsor shall be entitled to a release of the Unit from the lien of Valley's mortgage immediately upon receipt of payment equal to the greater of (A) ninety percent (90.00%) of the actual gross selling price for such Unit, or (B) $1,430.00 per square foot for such Unit.

Except for a required payment per sale stated above, Valley did not establish any terms pertaining to Sponsor’s obligation to market the Units for sale, including any minimum number or percentage of Units which must be under contract before the Plan can be declared effective. Nor did Valley impose limits or requirements for Sponsor to rent rather than sell the Units under specified market conditions.

The Loan may only be paid down to the extent Sponsor sells the Units and thus, Sponsor's decision to rent rather than sell the Units will delay the discharge of the Loan.

Please see “Introduction” and “Rights and Obligations of Sponsor” Sections of the Plan.

4. The Property is located in Flood Zone X on FEMA Map Number 3604970089F, effective on September 5, 2007. The Property is designated as an area of minimal flood hazard on the currently effective FEMA’s Flood Insurance Rate Map. There is no mandatory flood insurance requirement for Flood Zone X.

Please see “Description of Property and Improvements” Section of the Plan.

5. Each Residential Unit will contain a laundry closet with hookups for a domestic electric washer and gas dryer. However, Sponsor will not provide a washer and dryer. Sponsor will provide and equip each Residential Unit with a refrigerator, a gas cooktop, and dishwasher. A cooktop and refrigerator are the appliances required to obtain a temporary certificate of occupancy for the Building.

Please see “Description of Property and Improvements” Section of the Plan.

6. The finished floor of the living, dining, kitchen and bedroom areas of each Residential Unit will be a hardwood (White Oak number one common in grade, size 3”x3’ plank) finish. Wood floors should be maintained in accordance with the requirements of National Wood Flooring Association available on its website at:

https://www.woodfloors.org/maintenance.aspx

Please see “Description of Property and Improvements” Section of the Plan.

7. Residential Units 16A and 17A will have five (5) lot line windows each. Three (3) lot line windows will be located along the west wall, and two (2) lots line windows be located along the east wall. Residential Units 18A and 19A will have two (2) lot line windows each, located along the west wall. The lower level of Residential Unit PH will have two (2) lot line windows. One (1) lot line window will be located along the west wall, and one (1) lot line window will be located along the east wall. The upper level of Residential Unit PH will have one (1) lot line window, located along the west wall. Lot line windows may be blocked in the future by a building constructed at the adjoining property. However, none of the light and air requirements will be provided through the lot line windows, and a blocking of the lot line windows will not change the legal use of the room of each Unit having the lot line window. If the neighboring property is developed there may be an obligation to seal the lot line windows, which will be an additional expense for Purchasers at an approximately $1,500.00 per window. Lot line windows shall not be credited towards meeting the mandatory light and ventilation requirements.

Please see “Description of Property and Improvements” Section of the Plan.

8. New York City Local Law 11/98 "Facade Inspection Safety Program" is applicable to the Condominium. It requires that owners of buildings with six or more stories above grade have their exterior walls and appurtenances thereof inspected by a registered architect or professional engineer every five (5) years. On the fifth anniversary of an initial temporary or final certificate of occupancy issued for the Building and every five (5) years thereafter, the Board of Managers will retain a registered architect or professional engineer who will inspect the exterior walls of the Building and appurtenances thereof, prepare a report of an inspection and file a report with the Commissioner of the New York City Department of Buildings. Each inspection by a registered architect or professional engineer to comply with New York City Local Law 11/98 will cost the Condominium the sum of $10,000.00. The projected cost is a part of the budget of the Condominium.

Please see “Description of Property and Improvements” Section of the Plan.

9. The Building will comply with the gas leak notice law under the New York City Administrative Code.

Please see “Description of Property and Improvements” Section of the Plan.

10. The estimate floor area of each Unit is based on the floor plans included in Part II of the Plan.

The horizontal physical dimensions of each Unit consist of the floor area enclosed by the outside face of the masonry work at the exterior walls of the Building and the non-unit side of the walls and partitions (dividing the Units from corridors, stairs and mechanical space). The

area adjacent to each Residential Unit which comprises the egress corridor, private elevator lobby, and trash chute on each floor containing a Residential Unit, but is included in the square foot area of the Residential Unit to which such space is adjacent, and has been measured to the centerline of the partitions defining such space.

The vertical physical dimensions of each Unit will consist of the area enclosed vertically from the centerline of the floor slab to the centerline of the ceiling slab.

The Limited Common Elements are not included in the dimensions.

Any Common Elements located within a Unit shall not be considered as part of that Unit.

The approximate measurements are within reasonable tolerances.

The above measurements are not based from interior surfaces of interior walls. Therefore, the actual area comprising each Unit is significantly less that the area listed in Schedule A.

The above measurements significantly exceed the actual usable floor area of each Unit.

Please see "Description of Property and Improvements” and “Footnotes to Schedule A” Sections of the Plan.

11. The Building will have a spa and sauna, gym, dog spa, lounge, indoor recreation room, outdoor recreation room, music room, and bicycle storage room. They will be fully operational as of the date of the commencement of condominium operation. It is not expected that the budget and common charges will increase in the second year of the operations due to availability of amenities.

Please see "Description of Property and Improvements" and "Rights and Obligations of Sponsor" Sections of the Plan.

12. The storage spaces, balconies and terraces are uninhabitable spaces. They may not be legally used for any residential uses including bedroom, dining room, or any other use considered to be a habitable space as defined by the New York City Building Code. Their use as a living or sleeping space may result in a building code violation being issued against the Building and the imposition of fines against the Building. The Unit Owner, who caused the violation, will be obligated to remove it and pay all fines associated with the violation.

Please see "Description of Property and Improvements", "Footnotes to Schedule A" and “Rights and Obligations of the Unit Owners and the Board of Managers” Sections of the Plan.

13. No real estate tax abatement benefits are available to the Units.

IN THE EVENT THERE ARE INCREASES IN THE REAL ESTATE TAX RATE OR THE UNIT’S ASSESSED VALUATION, REAL ESTATE TAXES MAY BE HIGHER

THAN SET FORTH IN THE PLAN FOR THE FIRST YEAR OF OPERATION OF THE CONDOMINIUM AND IN FUTURE YEARS. HENCE, INDIVIDUAL CARRYING COSTS FOR ALL UNITS WILL ALSO BE HIGHER.

Please see Schedule A, "Footnotes to Schedule A" and "Real Estate Taxes" Sections of the Plan.

14. On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the purchaser's taxes.

Please see "Footnotes to Schedule A" and "Income Taxes Deductions to Unit Owners and Tax Status of Condominium" Sections of the Plan. Please also see "Tax Opinion of Counsel".

15. Sponsor is not obligated to obtain a final certificate of occupancy before the first closing.

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, (hereinafter called "FCO"), covering the entire building but with only a temporary certificate of occupancy, (hereinafter called "TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are general governed by Section 301 of the Multiple Dwelling Law of the State of New York and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings, (hereinafter called "DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirement 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 comment unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario to 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 OBLIGATE 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 CURRRENT. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO.

Purchasers 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:

https://www1.nyc.gov/site/buildings/homeowner/certificate-of-occupancy.page

Please see "Description of Property and Improvements" and “Rights and Obligations of Sponsor” Sections of the Plan.

16. As required under Section 28-104.8.4 of the New York City Building Code (the “New Code” as enacted in 2008), since the Building is expected to be occupied by Unit Owners and/or tenants prior to the time when a FCO can be obtained, a tenant protection plan will be distributed to each occupant who will be occupying any Residential Units of the Building during construction. The Post-Closing Amendment to the Plan will state whether the tenant protection plan has been distributed to the Unit Owners. Please see "Description of Property and Improvements" and “Rights and Obligations of Sponsor” Sections of the Plan.

17. Repairs to the Common Elements of the Condominium will be performed by outside construction companies hired by either the Board of Managers of the Condominium or Managing Agent after Sponsor control period. The costs for the repairs are not a line item in the budget. In such a case, special assessments may be imposed to pay for these costs. There repairs don't include repairs that are necessary as a result of faulty construction. Sponsor will remain obligated and be responsible to perform such repairs.

Please see “Footnotes to Schedule B” Section of the Plan.

18. The Commercial Unit may be used for any legal use permitted by the certificate of occupancy of the Building, the Zoning Resolution of the City of New York or other applicable laws, such as a bank, antique store, commercial art gallery, artists' supply store, automobile store, bicycle shop, book store, candy and ice cream shop. The Commercial Unit shall not be used for: (1) conduct or maintenance of any gambling or gaming activities; (2) homeless shelter; (3) any fire, auction, going-out-of-business or bankruptcy sales, (4) massage parlor, (5) any obscene performances in violation of Article 235 of the Penal Law of the State of New York or any obscene or pornographic purposes or activities including, without limitation, the sale, or distribution of any obscene or pornographic material. The terms “obscene”, “material” and “performances” shall be defined for purposes of this covenant as they are defined in Section 235.00 of the Penal Law of the State of New York.

Please see "Commercial Unit" Section of the Plan.

19. The Commercial Unit may be subdivided into two (2) or more Commercial Units without the approval of the Board of Managers and without paying any cost or charge to the Board of Managers provided, however, that all such subdivision must comply with all applicable codes, rules and regulations. In no case may the subdivision of the Commercial Unit result in a greater percentage of Common Interest for the total of the new Commercial Units created by such subdivision than existed for the original Commercial Unit before the subdivision. Please see "Commercial Unit" Section of the Plan.

20. The Commercial Unit Owners and any tenant or tenants of such Unit or Units pursuant to the terms of any lease pertaining thereto, have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to install, repair and maintain either within or in the immediate location of such particular Unit at the facade of the front of the Building a sign or signs, which may be illuminated, for advertising or identification purposes.

Please see "Commercial Unit" Section of the Plan.

21. The Unit Owner of Unit C1 will be responsible for the installation of heating and cooling mechanical equipment, and hot water heaters.

Please see "Commercial Unit" Section of the Plan.

22. The unfinished nature of the Commercial Unit will not impact the procurement of a certificate of occupancy for the Residential Units. Please see "Commercial Unit" Section of the Plan.

23. The Commercial Unit shares 4.33% of the Common Expenses, except for the costs of labor, common water charges and sewer rents, and gas.

The Commercial Unit is not responsible for the costs of labor, common water charges and sewer rents, and gas.

The Commercial Unit will be billed separately by the Board of Managers for water charges and sewer rents based on actual amount used. The Commercial Unit Owners will be required to install and maintain a water sub-meter prior to conveyance of the Commercial Unit to the Commercial Unit Owners and shall be responsible for the payment of all water charges and sewer rents actually used as per sub-meter reading. The Board of Managers shall bill and collect payment from the Commercial Unit for all water charges and sewer rents as levied by the Department of Environmental Protection.

The Commercial Unit will have its own electric meter.

The Commercial Unit will be paying the Common Charges that are fairly attributable to it. Common Charges payable by the Commercial Unit Owners is sufficient to cover the expenses fairly attributable to such Unit.

This allocation makes Common Charges payable by the Residential Units substantially higher than Common Charges that would be payable if the Commercial Unit paid its share of the costs of labor, common water charges and sewer rents, and gas.

Section 1 of Article VI of the By-Laws of the Condominium provides for the specific allocation of Common Charges to the Commercial Unit. The requirements for amending this Section does not differ from those otherwise provided in the By-Laws of the Condominium.

Pursuant to N.Y. Real Prop. Law ("RPL") § 339-m "Special Allocation of Common Expenses", common expenses and profits (except as to insurance) must be charged and distributed in accordance with the allocation of common interests, unless otherwise permitted as provided in that statute. The RPL authorizes special allocations, among others, in the following situations: 1) if authorized by the By-Laws and Declaration, common expenses and profits may be specially allocated by the Board of Managers to non-residential units; 2) if authorized by the By-Laws and Declaration, common expenses or profits allocated to certain units, including residential or non-residential, or a combination thereof, may be specially allocated based upon special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners.

Please see "Footnotes to Schedule B" and "Commercial Unit" Sections of the Plan. Please also see Section 1 of Article VI of the By-Laws of the Condominium in Part II of the Plan.

24. With regard to the size of a Unit, a decrease in a Unit's area of five percent (5%) or less will not affect Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that a Unit's size that is diminished by five percent (5%) or less is not material.

Please see "Changes in Prices and Units" Section of the Plan.

25. Sponsor will not rent Residential Units before the consummation of the Plan other than to Purchasers for their contracted Units in accordance with the terms set forth in "Interim Lease" Section of the Plan.

Purchaser does not have the right to take possession of the Residential Unit prior to the closing without the prior written consent of Sponsor, which consent may be withheld for any reason or for no reason. Sponsor's refusal to consent to a pre-closing possession will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor.

Purchaser, who takes possession of the Unit prior to the closing pursuant to the Interim Lease, will assume risk of loss not covered by insurance.

An uncured default under the Purchase Agreement will be a default under the Interim Lease. An uncured default under the Interim Lease will be a default under the Purchase Agreement. Before Sponsor may utilize the default under the Interim Lease to declare a default

under the Purchase Agreement, 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.

Please see "Interim Lease" Section of the Plan.

26. Any deposits made for upgrades, extras, special or custom work shall be initially deposited into the Escrow Account, (hereinafter defined). However, such funds may be released from the Escrow Account in accordance with the terms of the Purchase Agreement as long as Sponsor uses the funds for such upgrades, extras, special or custom work. In the event Purchaser is entitled to a rescission, other than in the event of an abandonment of the Plan by Sponsor, Purchaser will not receive a refund of any funds used for any upgrades, extras, special or custom work in the Unit ordered by Purchaser if such funds have been expended for such upgrades, extras, special or custom work. In the event the Plan is abandoned, the deposit and all funds paid by Purchaser for any upgrades, extras, special or custom work in the Unit ordered by Purchaser shall be refunded to Purchaser within five (5) days of abandonment.

Please see "Procedure to Purchase" Section of the Plan.

27. The Federal Deposit Insurance Corporation, (hereinafter called "FDIC"), is an independent agency of the United States government that protects the funds depositors place in banks and savings associations. The standard insurance amount is $250,000.00 per depositor, per insured bank, for each account ownership category.

The escrow account of TSYNGAUZ & ASSOCIATES, P.C. is with Capital One, N.A., having an address at 6521 18th Avenue, Brooklyn, NY 11204.

Capital One, N.A. is a FDIC-insured depository institution. Should Capital One, N.A. suffer a bank failure, when asserting a claim for a loss covered by FDIC insurance, the account holder, TSYNGAUZ & ASSOCIATES, P.C., will be deemed a nominal account holder and Purchasers will be deemed the depositors to whom the standard insurance limit apply. In such a case, Purchasers' funds in excess of the limit may not be insured.

If Purchaser has accounts at the same bank as the Sponsor's account that holds escrowed funds, Purchaser's funds at the escrow bank factor into the $250,000.00 FDIC insurance limit.

Please see "Procedure to Purchase" Section of the Plan.

28. **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the balance of the purchase price and to pay, perform or comply with Purchaser's other obligations under the Purchase Agreement. Upon the occurrence of an Event of Default defined in the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to cancel the Purchase Agreement. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the written notice of cancellation to cure the specified default.

If the default is not cured within such thirty (30) days, **TIME BEING OF THE ESSENCE**, then the Purchase Agreement will be deemed cancelled, and Sponsor will have the right to retain the deposit and actual costs incurred by Sponsor for any upgrades, extras, special or custom work in the Unit ordered by Purchaser, as and for liquidated damages. Upon the cancellation of the Purchase Agreement, 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 the Purchase Agreement and the Plan, and the Unit may be sold to another as though the Purchase Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

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

TIME IS OF THE ESSENCE means that Purchasers must perform their obligations under the Purchase Agreement at the time certain regardless of whether they are sick, disabled, or cannot attend the closing for any other reason.

Provided Sponsor is ready, willing and able to close title in accordance with the Purchaser Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled closing:

(a) the closing apportionments described in the Purchase Agreement will be made as of the midnight of the day preceding the originally scheduled closing, regardless of when the actual closing occurs, and

(b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.03% of the purchase price for each day starting from and including the originally scheduled closing to and including the day before the actual closing. The interest rate charged will not exceed maximum legal usury limits.

Please see “Procedure to Purchase” Section of the Plan.

29. Purchaser shall also be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or, in the event Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in canceling the Purchase Agreement or otherwise enforcing Sponsor’s rights or Purchaser's obligations under the Purchase Agreement if Sponsor prevails in any such dispute or successfully defends itself.

Please see “Procedure to Purchase” Section of the Plan.

30. After the Plan has been declared effective, Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving notice to each Purchaser stating the date of the first closing and setting such Purchaser's closing date no less

than thirty (30) days before the date set for the closing of the Units. The notice will comply with 13 NYCRR §20.1(d)(1).

Please see "Procedure to Purchase" Section of the Plan.

31. Sponsor anticipates that the first closing of a Residential Unit will occur by July 1, 2024. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Residential Unit; or (ii) the projected date of closing of title to the first Residential Unit occurs later than June 30, 2025, twelve (12) months after the projected date for the first Residential Unit closing. If the Plan is amended to provide for a later projected date for the first Residential Unit closing, Purchasers will be entitled to an offer of rescission if the first Residential Unit closing occurs more than twelve (12) months beyond that amended, later day. Purchasers who enter into a Purchase Agreement after the Plan has been amended to provide for a later date would be entitled to an offer of rescission if the first Unit closing occurs more than twelve (12) months beyond that amended, later day.

However, if the first Residential Unit closing occurs before June 30, 2025, Sponsor may schedule the closings of title to other Units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain.

Purchasers should note that even if the first Residential Unit closing occurs on or before July 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 (12) 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 pursuing 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 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.**

Please see "Procedure to Purchase" Section of the Plan. Please also see Section 3 of the Purchase Agreement in Part II of the Plan.

32. If Purchaser refuses to execute the power of attorney to the Board of Managers and deliver it to the Selling Agent or Sponsor at the closing of his or her Unit, Purchaser will be in a default under the Purchase Agreement and Sponsor will have the right to retain the deposit and actual costs incurred by Sponsor for any upgrades, extras, special or custom work in the Unit ordered by Purchaser, as and for liquidated damages.

Please see "Procedure to Purchase" Section of the Plan.

33. 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. A person who takes possession prior to the closing pursuant to the Interim Lease assumes the risk of losses not covered by insurance.

Risk of loss from fire or other casualty remains with Sponsor until legal title to the Unit has been conveyed to Purchaser, unless Purchaser, with the prior written consent of Sponsor, takes possession of the Unit before the closing pursuant to the Interim Lease. In such a case, Purchaser, who takes possession of the Unit prior to the closing pursuant to the Interim Lease, will assume risk of loss not covered by insurance.

Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, Sponsor shall notify Purchaser within sixty (60) days of the damage to the Unit and repair the damage within ninety (90) days of the notice. In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within sixty (60) days of the damage to the Unit), or, if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, the Purchase Agreement shall be deemed cancelled and all monies paid on account of the purchase price, including any deposits made for upgrades, extras, special or custom work ordered by Purchaser, shall be returned to Purchaser within ten (10) days of Sponsor's notification to Purchaser that it does not elect to repair or restore the Unit or Unit Owners' notification that they do not intend to repair or restore the Unit pursuant to the By-Laws, whichever is sooner. Upon such return, 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 the Purchase Agreement and the Plan. Please see "Procedure to Purchase" and "Terms of Sale" Sections of the Plan.

34. Purchaser's obligation to purchase a Unit is contingent upon issuance, on or before forty-five (45) days after a fully executed copy of the Purchase Agreement is given to Purchaser or Purchaser's attorney, (hereinafter called the "Commitment Date"), of a written commitment through

Valley National Bank
350 Park Avenue
New York, NY 10022
Attn.: Dave DeBonis
Tel: (973) 207-6500
Fax: (973) 807-3466
Email: Ddebonis@valley.com

(hereinafter called the "Preferred Lender").

Under New York law, when a mortgage commitment is not fulfilled through no fault of a purchaser, performance is excused. Sponsor may not condition purchaser's obligations upon

obtaining a commitment. Therefore, if the purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused, and the sponsor must grant to such purchaser a right of rescission and a reasonable period of time to exercise such right. If the financing commitment lapses or expires prior to closing, and the purchaser has made a good faith effort to extend the commitment, sponsor must grant to such purchaser a right of rescission and a reasonable period of time to exercise the right.

PURCHASER UNDERSTANDS THAT PURCHASER IS FREE TO SEEK FINANCING DIRECTLY FROM OTHER LENDERS, EITHER SOLELY OR PARALLEL WITH THE APPLICATION TO THE PREFERRED LENDER, BUT THE CONTINGENCY CONTAINED IN THIS SECTION 29 SHALL ONLY APPLY IF AN APPLICATION ON THE ABOVE-SPECIFIED TERMS IS MADE IN GOOD FAITH TO THE PREFERRED LENDER AND IS DILIGENTLY PURSUED. THEREFORE, REFUSAL BY ANY LENDER TO MAKE A COMMITMENT TO PURCHASER WILL NOT ENTITLE PURCHASER TO CANCEL THIS AGREEMENT OR RECEIVE A REFUND OF THE DEPOSIT.

If

[i] the Preferred Lender denies Purchaser’s application in writing prior to the Commitment Date, and Purchaser has complied with all his obligations set forth in the Purchase Agreement, or

[ii] if no Commitment is issued by the Preferred Lender on or before the Commitment Date and Purchaser has complied with all his obligations set forth in the Purchase Agreement, or

[iii] if a Commitment was issued but it lapsed or expired prior to the closing, and Purchaser has made a good faith effort to extend the Commitment, but the Preferred Lender nevertheless refused or failed to extend the Commitment; or

[iv] If Purchaser acted in good faith and the Preferred Lender revoked a Commitment after the Commitment Date,

then Purchaser will have a right of rescission until the midnight of the fifteenth day following the Commitment Date. Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day. If Purchaser fails to give timely notice of cancellation, then Purchaser will be deemed to have waived Purchaser's right to cancel the Purchase Agreement and to receive a refund of the deposit by reason of the contingency.

If a Commitment was issued but its terms were not materially and adversely changed prior to the closing, Purchaser shall nevertheless be required to purchase a Unit. Please see Section 29 of the Purchase Agreement in Part II of the Plan.

If Purchaser does not want financing contingency, Purchaser may delete Section 29 of the Purchase Agreement at the time of its execution. If Purchaser deletes the financing contingency, any prospective Purchaser who executes a Purchase Agreement may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price.

The condominium complies with the Preferred Lender's requirements applicable to condominiums, including, without limitation, the amount of the reserve fund and the by-laws. The Preferred Lender requires that at least 15% of the Residential Units be sold and 51% of the Residential Units be owner-occupied before it will close a loan. As the closing of the Purchaser's loan is contingent upon the satisfaction of this condition, it is a special risk that even if a Purchaser obtains and satisfies all conditions of the financing commitment applicable to the Purchaser, the closing of the loan may be delayed or may not occur if the minimum sales and owner-occupancy requirements are not satisfied. If the Preferred Lender does not close a Purchaser's loan for this reason, Sponsor shall grant to such Purchaser a right of rescission and a reasonable period of time to exercise such right.

Please see "Procedure to Purchase" Section of the Plan.

35. The United States Financial Crimes Enforcement Network ("FinCEN") issued the Geographic Targeting Order ("GTO"), which requires title insurance companies to collect and report to FinCEN the personal identity of purchasers in residential real estate transactions in which:

(1) the purchaser is a legal entity as defined in the GTO, or through a trust;
(2) the purchaser purchases residential real property located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan, and Staten Island;
(3) the purchase price is $300,000.00 or more;
(4) such purchase is made without a bank loan or other similar form of external financing; and
(5) such purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

The GTO defines "legal entity" as a corporation, limited liability company, partnership or other similar business entity, whether formed under the laws of a state or of the United States or a foreign jurisdiction.

As long as the GTO remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria and occurring on or after November 6, 2020.

Please see "Terms of Sale" Section of the Plan.

36. Although Sponsor has a statutory obligation to pay the New York City and New York State real property transfer taxes, Sponsor is transferring said obligation to Purchasers. Purchasers will be required to the New York City real property transfer tax to the Department of Finance of the City of New York. The tax is 1.00% of the consideration for the Residential Unit of $500,000.00 or less and 1.425% of the consideration for the Residential Unit of more than $500,000.00. The tax is 1.425% of the consideration for the Commercial Unit of $500,000.00 or less and 2.625% of the consideration for the Commercial Unit of more than $500,000.00.

Purchasers will also be required pay the New York State real property transfer tax to the Department of Finance of the City of New York. The tax is 0.4% of the consideration for the Residential Unit of less than $3,000,000.00 and 0.65% of the consideration for the Residential Unit of $3,000,000.00 or more. The tax is 0.4% of the consideration for the Commercial Unit of less than $2,000,000.00 and 0.65% of the consideration for the Commercial Unit of $2,000,000.00 or more.

If the consideration for the Residential Unit is equal to or more than $1,000,000.00, Purchaser will also be required to pay “Mansion” and new supplemental tax New York State real property transfer taxes to the Department of Finance of the City of New York. The tax rates are as follows:

Consideration	Total Tax Rate ("Mansion" and New Supplemental)
$1,000,000.00 to $1,999,999.99	1.00%
$2,000,000.00 to $2,999,999.99	1.25%
$3,000,000.00 to $4,999,999.99	1.50%
$5,000,000.00 to $9,999,999.99	2.25%
$10,000,000.00 to $19,999,999.99	3.25%
$20,000,000.00 to $24,999,999.99	3.75%
$25,000,000.00 or more	3.9%

As of July 1, 2021, the amount of the New York State real property transfer tax is excluded from the calculation of consideration for the transfer tax purposes.

Accordingly, the consideration for the transfer tax purposes is the purchase price of the Unit plus the New York City transfer tax calculated on the amount of the purchase price.

Purchaser will be the required to pay the fee of $2,500.00 to Sponsor as partial reimbursement for the cost of preparing the Plan.

Purchaser will be required to pay the fee of $4,500.00 to TSYNGAUZ & ASSOCIATES, P.C. for services rendered in connection with the preparation of the closing documents and the conduct of the closing. Purchaser will also be required to pay $250.00 to TSYNGAUZ & ASSOCIATES, P.C. if the closing takes place outside the office of Sponsor's counsel at Purchaser's request and an additional $250.00 to TSYNGAUZ & ASSOCIATES, P.C. if Purchaser fails to close on the date set forth in the notice of closing. Purchaser will also be

required to pay an additional $300.00 to TSYNGAUZ & ASSOCIATES, P.C. if Purchaser buys the Unit with financing. Please see “Unit Closing Costs and Adjustments” Section of the Plan.

37. The Housing Merchant Implied Warranty (Article 36-B of the General Business Law of the State of New York), does not apply to this offering because the Building consists of more than five (5) stories. Thus, Sponsor will not provide the warranty required by that Article.

NO DISCLAIMER OR LIMITATION OF LIABILITY ON SPONSOR’S PART SHALL APPLY TO SPONSOR’S OBLIGATIONS UNDER ALL APPLICABLE STATUTES, LAWS AND REGULATIONS AND SPONSOR'S OBLIGATIONS UNDER THE PLAN.

The Sponsor’s obligation, regardless of any limitations in the warranty, is to construct the Building and the Unit in accordance with all applicable laws, codes, plans and specifications, and in accordance with all representations and obligations set forth in the Plan. Any conflict between the disclaimers and the Sponsor’s obligation to construct the Building and the Units in accordance with all applicable laws, codes, plans and specifications shall be resolved in favor of the latter.

At or prior to the closing of the Unit, Sponsor will assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit Owner and assign any warranties with respect to roof, equipment and appliances installed in the Common Elements to the Board of Managers. Soprema, Inc. will provide a roofing warranty that roof waterproofing will remain watertight for ten (10) years from the roof installation, i.e. March 31, 2024. At the closing of the first Residential Unit, Sponsor will assign the warranty to the Board of Managers of the Condominium. For the duration of the warranty period, the Board of Managers of the Condominium shall be obligated to comply with the terms and conditions of the warranty, and implement the care and maintenance program set forth in the warranty. A sample warranty is in included in Part II.

Sponsor is not providing “No Dollar Limit Manufactures Warrantee” (NDL) for new roof. The absence of NDL manufacturer’s warrantee may indicate that the roof membrane and appurtenance were not inspected for compliance with the manufacturer’s specifications for installation. As such, a premature deterioration and replacement of the roof membrane may be anticipated and therefore should be budgeted for. The approximate costs and expenses to repair the roof membrane are $5.00 per square foot.

Please see “Footnotes to Schedule B” and “Rights and Obligations of Sponsor” Sections of the Plan.

38. No bond or other security has been posted to secure Sponsor’s obligations under the Plan.

Please see “Rights and Obligations of Sponsor” Section of the Plan.

39. Sponsor or Sponsor-designee will retain voting control of the Board of Managers for one (1) year after the closing of title to the first Unit or whenever the Unsold Units constitute, less than 50% of the Common Interests, whichever is sooner.

Sponsor, during the time there are Unsold Units, will have the right to, and intends to, vote the percentage of Common Interests allocated to such Units, but subsequent to its relinquishing voting control of the Board of Managers Sponsor will not use such vote to elect a particular individual to the Board of Managers, which would, by the election of such individual, give Sponsor voting control of the Board. So long as Sponsor or Sponsor-designee will continue to own Unsold Units Sponsor or Sponsor-designee will have the right to elect one (1) member of the Board of Managers.

Please see “Control by Sponsor” Section of the Plan.

40. [i] For a period of five (5) years following the closing date of the first Unit, or [ii] so long as Sponsor or any Sponsor-designee, separately, will continue to own Units, the percentage Common Interest of which, in the aggregate, equals more than 25%, whichever is earlier, the Board of Managers may not, without Sponsor's or Sponsor-designee's prior written consent, as the case may be:

(a) increase the number, or change the type, of employees provided for in Schedule B,
(b) make any addition, alteration or improvement to the Common Elements or to any Unit or
(c) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B of the Plan for the Property to the extent that the aggregate amount of such fund does not exceed 10% of the budgeted expenses of the Condominium or
(d) borrow money on behalf of the Condominium (except where necessary to perform work required by applicable law or regulations, or remedy violations or a mortgagee's work order(s) to the extent that existing reserves are insufficient).

Sponsor and Sponsor-designee are entitled to the rights described herein collectively. If both Sponsor and Sponsor-designee, collectively, continue to own Units, the percentage Common Interest of which, in the aggregate, equals more than 25%, they are both entitled to veto power. Sponsor or Sponsor-designee will not retain veto power for a period greater than five (5) years after the closing of the first Unit.

However, notwithstanding the above restrictions, Sponsor or Sponsor-designee may not exercise veto power over expenses described in Schedule B, or over expenses required:

(a) to comply with applicable laws or regulations;
(b) to remedy any notice of violation;

(c) to remedy any work order by an insurer; or
(d) to preserve the safety of the Building or the safety and health of its occupants.

Please see “Control by Sponsor” Section of the Plan.

41. The Common Elements and the Limited Common Elements may not be used as a dwelling space, and for kindling, building, maintaining or using an open fire, including, without limitation, charcoal, piped natural gas or LPG fired barbeques. The use of roof terraces as contemplated in the Plan will comply with the requirements set forth in the New York City Department of Building's Buildings Bulletin 2018-002.

Please see “Rights and Obligations of the Unit Owners and the Board of Managers” Section of the Plan.

42. The storage spaces may only be used for the storage of personal effects of Unit Owners. In no event shall any (a) valuable items, (b) animals, (c) food or other perishable items, (d) hazardous substances, (e) flammable, combustible, explosive or other dangerous items, (f) items which have an objectionable odor or which may spoil or decay, or (g) items which may impose a health or safety threat or cause dirt or other sanitary problems or create a nuisance, be stored therein. A storage space may not be legally used for any residential uses including bedroom, dining room, or any other use considered to be a habitable space as defined by the New York City Building Code. The use of a storage space as a living or sleeping space may result in a building code violation being issued against the Building and the imposition of fines against the Building. The Unit Owner, who caused the violation, will be obligated to remove it and pay all fines associated with the violation.

Please see “Description of Property and Improvements” and “Footnotes to Schedule A” Sections of the Plan.

43. [A] Inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designed for people to use to inhale smoke, and [B] use of battery-operated devices that heat a liquid, gel, herb or other substance and produces vapor for people to inhale are not permitted:

[i] inside of the Units;
[ii] anywhere in the Limited Common Elements of the Units;
[iii] anywhere inside of the Building;
[iv] outdoor Common Elements, including play areas, rooftops, courtyards, patios, porches or yards; and
[v] outdoors within 15 feet of entrances, exits, windows, and air intake units in the Building.

This prohibition is included in Rule 28 of the Rules and Regulations of the Condominium.

Please see “Rights and Obligations of the Unit Owners and the Board of Managers” Section of the Plan.

44. While Sponsor is in control of the Board of Managers of the Condominium, the reserve fund or working capital fund may not be used to reduce the projected Common Charges in the Plan. At the time of the closing of title to the Units from Sponsor or Sponsor-designee to a bona fide Purchaser, Purchaser will be required to pay into the Working Capital Fund the sum equal to two (2) months’ Common Charges then applicable to each Unit being purchased. Sponsor will not contribute to the Working Capital Fund.

Please see “Working Capital Fund” and “Reserve Fund” Sections of the Plan.

45. The Purchase Agreement contains a provision that Purchase represents that Purchaser has not dealt with any broker in connection with this transaction other than the broker, if any, named in the Purchase Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this provision shall survive the Closing.

Please see “Procedure to Purchase” Section of the Plan. Please also see Section 22 of the Purchase Agreement in Part II of the Plan.

46. The Purchase Agreement contains a provision that Sponsor shall be excused from performing any obligation or undertaking provided for in the Purchase Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

Purchasers are advised that executing a Purchase Agreement that includes the foregoing provisions may impact Purchaser’s ability to close on her/his Unit in the time frame originally contemplated in the Purchase Agreement and may limit the Purchaser’s remedies for any such delay in the closing date. The Attorney General strongly recommends that Purchasers consult with their attorneys regarding any risks associated with executing a Purchase Agreement containing the foregoing provision prior to executing the Purchase Agreement.

The Purchase Agreement contains a provision that Purchaser's time to perform any obligation or undertaking provided for in the Purchase Agreement shall be tolled for the length of the period during which such performance was prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy,

labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Purchaser. Sponsor cannot limit any rights which Purchaser may have pursuant to Article 23A of the General Business Law, NYCRR regulations, and the Plan, except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency or by executive order.

Please see "Procedure to Purchase" Section of the Plan. Please also see Section 27 of the Purchase Agreement in Part II of the Plan.

47. The Purchase Agreement contains a provision that except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, the Purchase Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. Please see "Procedure to Purchase" Section of the Plan. Please also see Section 34 of the Purchase Agreement in Part II of the Plan.

48. Pursuant to the By-Laws of the Condominium, any matter arising out of the Condominium Documents, except for an action to foreclose a lien for unpaid common charges by the Board of Managers or an action seeking injunctive relief, shall be submitted for resolution by a panel of three (3) arbitrators in a proceeding held in the City of New York, which arbitrators shall be appointed as follows: One arbitrator shall be chosen by the Board of Managers, one arbitrator shall be chosen by the Unit Owner and the third arbitrator shall be chosen by the two aforementioned arbitrators. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction. There is no right of appeal from the arbitrator's decision. The decision, however, may be vacated if the court finds that the rights of the party were prejudiced by:

(i) corruption, fraud or misconduct in procuring the decision; or
(ii) partiality of the arbitrator appointed as a neutral; or
(iii) the arbitrator exceeded his power or so imperfectly executed it that a final and definite decision upon the subject matter submitted was not made.

The fees, costs and expenses of the arbitrators shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses. All costs and expenses paid or incurred by the Board of Managers in connection with any arbitration held, including, without limitation, the fees and expenses of counsel and expert witnesses shall constitute Common Expenses. Please see Article XIV of the By-Laws in Part II of the Plan.

Options for appeal are limited for matters submitted to arbitration.

The arbitration provision does not relate to Purchase Agreements.

Please see “Rights and Obligations of the Unit Owners and the Board of Managers” Section of the Plan.

49. Each Residential Unit Owner shall notify the Board of Managers or Managing Agent of the Condominium, if any, in writing when a child, or children, under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Residential Unit Owner shall install, at such Unit Owner’s expense, the required window guards (or safety “stops” in lieu of window guards, designated specifically to prevent a child from falling out of a window) in all windows of the Residential Unit in compliance with all applicable New York City Administrative Code requirements. The Residential Unit Owner should maintain all window guards (or stops) installed in the Unit and shall not remove same until permitted by applicable law and in any event, without prior written notice to the Managing Agent.

Please see “Rights and Obligations of the Unit Owners and the Board of Managers” Section of the Plan. Please also see “Rules and Regulations” Section of Part II of the Plan.

50. Refuse should not be placed on the sidewalk except on days of collection. Placing refuse on the sidewalk on days other than days of collection may result in a fine or penalty being levied against the Building. In turn, the Board of Managers will seek compensation for said fine or penalty from the Unit Owner, who caused said fine or penalty.

Please see “Rights and Obligations of the Unit Owners and the Board of Managers” Section of the Plan. Please also see “Rules and Regulations” Section of Part II of the Plan.

After the first year of condominium operations, the Condominium may choose to enter into a contract with another managing agent. If so, the Common Charges may need to be increased.

Please see “Footnotes to Schedule B” and “Management Agreement” Sections of the Plan.

INTRODUCTION

Sponsor is offering for sale twenty eight (28) residential units, (hereinafter called the "Residential Units" or a "Residential Unit"), and one (1) commercial unit (hereinafter the "Commercial Unit"), in the Building at the Property, located at 124 East 86th Street & 126 East 86th Street, New York, NY 10028 as a Condominium to be known as "Arloparc Condominium", (hereinafter called the "Condominium").

The following pertinent information is set forth with respect thereto:

1. Sponsor may not, under law, offer for sale Condominium Units unless and until a Condominium Offering Plan, (hereinafter called the "Plan"), has been accepted for filing by the Department of Law of the State of New York, (hereinafter called the "Department of Law"). The purpose of the Plan is to set forth all the material terms of the offer to sell the Units in the Condominium. The Plan may be amended from time to time when an amendment is filed with the Department of Law. Such an amendment shall be served on:

   i. Purchasers who have executed and delivered Purchase Agreements to Sponsor or Selling Agent and whose Purchase Agreements are in effect,
   ii. Unit Owners, and
   iii. any other person entitled to service pursuant to 13 NYCRR §20.1(d).

2. The Condominium is subject to and complies with Article 9-B of the Real Property Law of the State of New York, as amended, (hereinafter called the "Condominium Act").

3. Sponsor is 126 East 86 Street Development LLC, having an address at 227 Sea Breeze Avenue, 4th fl., Suite C-403, Brooklyn, NY 11224. The Property consists of one (1) parcel, identified as Lot 59 in Block 1514 in the County of New York and State of New York. Sponsor acquired it on November 2, 2020. The Property was used as a bank at the time of the acquisition. On November 2, 2020, Sponsor also acquired 12,000 square feet of development rights from parcel identified as Lot 58 in Block 1514 the County and State of New York. The building at Lot 58 is a mixed-used building, with the retail use at the first and second floors, and the residential use at the third, fourth, and fifth floors.

4. Sponsor will endeavor, in good faith, to sell in a reasonably timely manner, all Residential Units to Purchasers. However, in the event that offers to buy the Residential Units are decreased by at least 25% from the offering prices listed in Schedule A, Sponsor reserves the right to rent, rather than sell, the Residential Units, after filing the Declaration of Condominium and the first transfer of title to a Residential Unit to at least one Purchaser under the Plan following a declaration of effectiveness by Sponsor and acceptance of the amendment by the Department of Law confirming or declaring the Plan effective, until there is an improvement of the market. Sponsor's good faith effort to sell to Purchasers will include listing Unsold Units with brokers, showing Unsold Units to brokers and prospective Purchasers or their representatives, filing update amendments to the Plan and otherwise engaging in customary sales activities. Sponsor will disclose in an amendment to the Plan if it opts to rent, rather than sell the

Residential Units. In the event Sponsor decides to rent Residential Units in accordance with the terms of the Plan, Sponsor is obligated to attempt to sell the remaining Residential Units once there is an improvement of the market. Sponsor will resume sales where offers to buy the Residential Units increase so that they are within 25% of the offering prices listed in Schedule A.

If Sponsor opts to rent, rather than sell, the Residential Units, the Plan may not result in the creation of a condominium in which a majority of the Residential Units are owned by owner-occupants or investors unrelated to Sponsor. Under such circumstances, Sponsor will be under no obligation to sell more than 15% of the Residential Units necessary to declare the Plan effective, i.e. five (5) Residential Units.

Because Sponsor is reserving the right to rent Residential Units, Purchasers for their own occupancy may never gain control of the board of managers under the terms of the Plan, and owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on management of the Condominium.

Sponsor cannot rent Residential Units prior to filing the Declaration of Condominium and the first transfer of title to a Residential Unit to at least one Purchaser under the Plan following a declaration of effectiveness by Sponsor and acceptance of the amendment by the Department of Law confirming or declaring the Plan effective.

If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor will be bound by sponsor's representations regarding its commitment to sell the Units.

For purposes of this Paragraph, "bulk sale" shall mean a sale of at least six (6) Residential Units to one Purchaser, which are not purchased for occupancy by the owner or one or more members of his or her immediate family.

There are no obligations imposed on Sponsor by Valley National Bank with regard to selling or renting the Units except for a required payment per sale set forth in Paragraph 5 below.

5. Sponsor has obtained the construction loan in the amount of $50,750,000.00 (the "Loan") from Valley National Bank, having an address at 1455 Valley Road, Wayne, NJ 07470, (hereinafter called "Valley").

Upon the sale of a Unit, Sponsor shall be entitled to a release of the Unit from the lien of Valley's mortgage immediately upon receipt of payment equal to the greater of (A) ninety percent (90.00%) of the actual gross selling price for such Unit, or (B) $1,430.00 per square foot for such Unit.

Except for a required payment per sale stated above, Valley did not establish any terms pertaining to Sponsor's obligation to market the Units for sale, including any minimum number or percentage of Units which must be under contract before the Plan can be declared effective. Nor did Valley impose limits or requirements for Sponsor to rent rather than sell the Units under specified market conditions.

The Loan may only be paid down to the extent Sponsor sells the Units and thus, Sponsor's decision to rent rather than sell the Units will delay the discharge of the Loan. Please see “Rights and Obligations of Sponsor” Sections of the Plan.

6. All equipment and fixtures described in the Plan are included in the offering prices of the Residential Units except for a washer and dryer, which are not included in the offering prices of the Residential Units, and will not be provided by Sponsor. Washer and dryers are permitted in the Residential Units. Each Residential Unit will contain a laundry closet with hookups for a domestic electric washer and gas dryer.

Sponsor will provide and equip each Residential Unit with a refrigerator, a gas cooktop, and dishwasher. A cooktop and refrigerator are the appliances required to obtain a temporary certificate of occupancy for the Building.

The cellar has less light and air than ordinary living space and it is more susceptible to dampness.

7. The basic aspects of condominium ownership are these.

Each Purchaser will own his or her Unit in a manner similar in many respects to the ownership of a private home. In addition to outright ownership of his or her Unit, Purchaser will be entitled to exclusive possession of that Unit together with an interest in and right to use the Common Elements, and exclusive right to use the Limited Common Elements, if applicable.

The Common Elements are those areas of the Condominium, which are owned by all Unit Owners in common.

The Limited Common Elements are those areas of the Condominium, the use of which is restricted to a particular Unit, but which are not owned by the Owner of such Unit. Please see Schedule A for more details.

Each Unit Owner will have to pay Common Charges in accordance with the Condominium Act, Sections 339(i) and (m) of the Real Property Law of the State of New York, or applicable state and local law.

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

Each Residential Unit Owner will have the right to use his or her Unit only for a private residence.

The Commercial Unit Owners will have the right to use his or her Unit for any legal use permitted by the certificate of occupancy of the Building, the Zoning Resolution of the City of New York or other applicable laws, such as such as a bank, antique store, commercial art gallery, artists' supply store, automobile store, bicycle shop, book store, candy and ice cream shop. The

Commercial Unit shall not be used for: (1) conduct or maintenance of any gambling or gaming activities; (2) homeless shelter; (3) any fire, auction, going-out-of-business or bankruptcy sales, (4) massage parlor, (5) any obscene performances in violation of Article 235 of the Penal Law of the State of New York or any obscene or pornographic purposes or activities including, without limitation, the sale, or distribution of any obscene or pornographic material. The terms "obscene", "material" and "performances" shall be defined for purposes of this covenant as they are defined in Section 235.00 of the Penal Law of the State of New York.

Each Unit Owner will have the right to sell or lease his or her Unit, subject to the following restriction. No Unit Owner will be permitted to sell or lease his or her Unit unless and until the Unit Owner will have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by the Board of Managers against the Unit and until he will have satisfied all unpaid liens against the Unit.

Each Unit Owner will have the right to mortgage his or her Unit subject to the following restriction. No Unit Owner will be permitted to mortgage his or her Unit unless and until the Unit Owner will have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by the Board of Managers against the Unit and until he will have satisfied all unpaid liens against the Unit.

The affairs of the Condominium will be governed by the Board of Managers in accordance with the By-Laws.

The number of Managers, which will constitute the whole Board of Managers, will be three (3).

The Managers will be elected by ballot of the Unit Owners at their annual meetings.

Each Unit will be separately taxed for real estate tax purposes and may be separately mortgaged. The Unit will not be affected by any other Unit's separate obligation for real estate taxes and mortgage.

All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except the painting of the exterior side of Unit entrance door), windows (except the painting and cleaning of the exterior side of windows), electrical (except the Common Elements), plumbing (except the Common Elements) and heating fixtures, air conditioning units and appliances, if any, within the Unit or belonging to the Unit Owner will be at the Unit Owner's expense, except as otherwise specifically provided in the By-Laws.

All maintenance, repairs and replacements to the Common Elements as defined in the Declaration, and the painting, decorating, maintenance and repairs of the exterior side of Unit entrance doors and windows, and the cleaning of the exterior side of windows and the replacements of the windows and Unit entrance doors will be made by the Board of Managers and be 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 will be charged to such Unit Owner.

Maintenance, repair and replacements in or to the Limited Common Elements will be performed:

(a) by the Board of Managers as a Common Expense, if such Limited Common Element involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, all necessary waterproofing of the Limited Common Elements except as set forth below, and the repair of any leaks that are not caused by the acts or omissions of the Unit Owner, having direct and exclusive access thereto), or

(b) the Unit Owner having direct and exclusive access thereto at his or her sole cost and expense, if involving non-structural ordinary maintenance, repairs or replacements, including but not limited to painting, decorating and/or maintenance, waterproofing, repair and/or replacement of decking, tile or railings and/or means of terrace or balcony access constructed or installed by or at the request of the Unit Owner, or as a result of the Unit Owner's negligence, misuse or neglect.

The Board of Managers will be required to obtain and maintain insurances specified in the Plan and the Declaration of the Condominium.

Unit Owners will not be prohibited from carrying other insurance for their own benefit, provided that all such policies will contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers will not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Such policies will be so endorsed so as to state that they will in no way conflict with any insurance carried by the Board of Managers.

8. The prices for the Units set forth in Schedule A are not subject to approval by the Department of Law or any other government agency. Please see Schedule A for more details.

9. The 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 Department of Law in connection with the filing of the Plan will be available for inspection at no cost and for copying at 25 cents per page to prospective Purchasers and their attorneys at the office of Sponsor’s attorney, TSYNGAUZ & ASSOCIATES, P.C., having an office at 225 Broadway, Suite 2640, New York, NY 10007 for six (6) years from the date of first closing. Copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection at no cost and for copying at a reasonable fee at the Department of Law, having an office at 28 Liberty Street, New York, NY 10005.

10. The Units will be offered only to individuals over the age of 18 years, corporations, partnerships, associations, trustees or other legal entities that may legally own real property in the State of New York.

Neither Sponsor nor Selling Agent will discriminate in the sale or lease of Units on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

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

11. 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 units in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor has not sold a substantial percentage of the units in the building or group of buildings, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a purchaser to resell a unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

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

DEFINITIONS

The definitions set forth herein are for informational purposes and should be read in conjunction with technical definitions appearing in the Condominium Act and the Declaration and By-Laws of the Condominium, which appear in Part II of the Plan.

1. "Board of Managers" is the governing body of the Condominium, which will conduct the Condominium affairs and supervise the operation of the Property.

2. "Building" is the building, which contains the Units and portions of the Common Elements and Limited Common Elements.

3. "Common Charges" mean each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.

4. "Common Elements" mean and refer to those common elements shared by all Unit Owners, and include, without limitation, the following:

(a) The Land on which the Building is located;
(b) The foundations, columns, girders, beams, supports, chutes, bearing walls, those portions of the exterior walls and insulation beyond the interior exposed face of the exterior wall, those portions of the walls and partitions dividing the Units from corridors, lobbies, stairs, and other mechanical spaces located beyond the unexposed face of the dry walls enclosing the Units, or, where applicable, the subfloor and framing joists including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roof bulkhead; skylights (other than those located in the Unit), if any; roofs, halls, vestibules, corridors, lobbies, stairways, fire escapes, and entrances and exits of the Building;
(c) The basements, cellars, gardens, utility rooms, mechanical rooms, trash compactor rooms, pump rooms, meter rooms, sprinkler rooms, boiler rooms, hot water heater rooms, mail rooms, package rooms, recreation and storage areas outside the Units;
(d) The premises for the lodging or use of janitors and other persons employed for the operation of the Property;
(e) The central and appurtenant installations for services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning;
(f) The garbage compactors, elevators, escalators, tanks, pumps, motors, fans compressors, water storage tanks, vents, trash chutes, detention tanks, ducts and in general all apparatus and installations existing for common use;
(g) The sewer pipes and drainage pipes;
(h) The bicycle storage room;
(i) The water meter and electrical meters;
(j) The condensing units, cooling towers, boiler plants; and
(k) The spa and sauna;

(l) The gym;
(m) The lounge;
(n) The music room;
(o) The stroller parking;
(p) The dog spa;
(q) All other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use.

5. “Common Expenses” mean and include:

(a) Expenses of operation of the Property; and
(b) All sums designated Common Expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws of the Condominium.

6. “Common Interest” means the proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit, as expressed in the Declaration.

7. “Common Profits” mean the excess of all receipts of the rents, profits and revenues from the Common Elements remaining after the deduction of the Common Expenses.

8. "Condominium Documents" mean the Declaration and the By-Laws of the condominium, as may be amended from time to time.

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

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

11. “Limited Common Elements” mean and include the storage spaces, balconies and terraces appurtenant to the Units in the Building.

12. “Operation of the Property” means and includes the administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.

13. “Person” means a natural person, corporation, partnership, association, trustee or other legal entity.

14. "Preferred Lender" means Valley National Bank, having an address at 350 Park Avenue, New York, NY 10022, Attn.: Dave DeBonis, Tel: (973) 207-6500, Fax: (973) 807-3466, Email: Ddebonis@valley.com.

15. “Property” means and includes the land, the Building and all other improvements thereon, located at 124 East 86th Street & 126 East 86th Street, New York, NY 10128 and owned in fee simple absolute.

16. “Sponsor-designee” means a successor-Sponsor, which in the event of the dissolution or liquidation of Sponsor or transfer of at least twenty percent (20%) of the Units, assumes all the rights and obligations of Sponsor under the Plan and all applicable laws or regulations with respect to the Unsold Units so owned by said Sponsor-designee.

17. “Unit” means a part of the Property designated as a Residential Unit and Commercial Unit.

18. “Unit Owner” means the Person or Persons owning a Unit in fee simple absolute.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

This Section is intended to outline the contemplated character of the Property and Building, but shall not be interpreted as enlarging in any manner, directly or indirectly, the obligation or liability of Sponsor as set forth in this Plan. A more detailed description and approximate two-dimensional floor plans are set forth in "Description of Property and Specifications" Section of Part II of the Plan.

The Property and Building

Sponsor is constructing the new Building on the Property pursuant to Application No. 121208861 filed with the Department of Buildings of the City of New York.

The Property was previously used a bank.

The Property is located in C5-1A Zoning District, which permits residential use as of right.

The Property is located in Flood Zone X on FEMA Map Number 3604970089F, effective on September 5, 2007. The Property is designated as an area of minimal flood hazard on the currently effective FEMA's Flood Insurance Rate Map. There is no mandatory flood insurance requirement for Flood Zone X.

The Building will consist of the cellar, lobby, the 2nd through 19th floors, penthouse lower and upper floors, roof, bulkhead and elevator bulkhead.

The Building will have three (3) entrances. The main entrance, located along East 86th Street will provide access to the lobby of the Building, elevators, interior egress stair and all Residential Units. The service entrance, located along East 86th Street, will provide secondary means of egress for the Building. The Commercial Unit will have its own entrance along East 86th Street.

The Building will have two (2) elevators, serving all levels of the Building from the cellar to the roof.

The Department of Environmental Protection will provide water and sewer service to the Building, the Residential Units and Commercial Unit. The Building will have a single common meter and will be billed for water consumption and sewer disposal. The cost for water consumption and sewer disposal will be the Common Expense of the Residential Unit Owners. The Commercial Unit is not responsible for the costs of common water charges and sewer rents. The Commercial Unit will be billed separately by the Board of Managers for water charges and sewer rents based on actual amount used. The Commercial Unit Owners will be required to install and maintain a water sub-meter and shall be responsible for the payment of all water charges and sewer rents actually used as per sub-meter reading. The Board of Managers shall bill and collect payment from the Commercial Unit for all water charges and sewer rents as levied by the Department of Environmental Protection.

Consolidated Edison Company of New York, Inc. will supply electricity to the Building. The Building will have thirty (30) electric meters: one (1) for each Residential Unit, one (1) for the Commercial Unit and one (1) for the Common Elements. The cost for electricity consumption by each Residential Unit and Commercial Unit will be separately billed to and paid by each Residential Unit and Commercial Unit. The cost for electricity consumption by the Common Elements will be the Common Expense.

Consolidated Edison Company of New York, Inc. will supply gas service to the Building. The Building will have two (2) common gas meters. One (1) gas meter will be billed for the hot water heating and cooking by the Residential Units and another (1) gas meter will be billed for the emergency generator. The cost for gas consumption will be the Common Expense of the Residential Unit Owners. The Commercial Unit will not have gas service.

The street lighting will be provided by the City of New York.

Telephone, cable and internet service will be supplied by a company chosen by each Unit Owner. The cost for said service will be separately billed to and paid by each Unit Owner.

Each Residential Unit will contain a laundry closet with hookups for a domestic electric washer and gas dryer. However, Sponsor will not provide a washer and dryer. Sponsor will provide and equip each Residential Unit with a refrigerator, a gas cooktop, and dishwasher. A cooktop and refrigerator are the appliances required to obtain a temporary certificate of occupancy for the Building.

The finished floor of the living, dining, kitchen and bedroom areas of each Residential Unit will be a hardwood (White Oak number one common in grade, size 3”x3’ plank) finish. Wood floors should be maintained in accordance with the requirements of National Wood Flooring Association available on its website at:

https://www.woodfloors.org/maintenance.aspx

The Lot Line Windows

Residential Units 16A and 17A will have five (5) lot line windows each. Three (3) lot line windows will be located along the west wall, and two (2) lots line windows be located along the east wall. Residential Units 18A and 19A will have two (2) lot line windows each, located along the west wall. The lower level of Residential Unit PH will have two (2) lot line windows. One (1) lot line window will be located along the west wall, and one (1) lot line window will be located along the east wall. The upper level of Residential Unit PH will have one (1) lot line window, located along the west wall. Lot line windows may be blocked in the future by a building constructed at the adjoining property. However, none of the light and air requirements will be provided through the lot line windows, and a blocking of the lot line windows will not change the legal use of the room of each Unit having the lot line window. If the neighboring property is developed there may be an obligation to seal the lot line windows, which will be an additional expense for Purchasers at an approximately $1,500.00 per window. Lot line windows shall not be credited towards meeting the mandatory light and ventilation requirements.

The Local Law 11

New York City Local Law 11/98 "Facade Inspection Safety Program" is applicable to the Condominium. It requires that owners of buildings with six or more stories above grade have their exterior walls and appurtenances thereof inspected by a registered architect or professional engineer every five (5) years. On the fifth anniversary of an initial temporary or final certificate of occupancy issued for the Building and every five (5) years thereafter, the Board of Managers will retain a registered architect or professional engineer who will inspect the exterior walls of the Building and appurtenances thereof, prepare a report of an inspection and file a report with the Commissioner of the New York City Department of Buildings. Each inspection by a registered architect or professional engineer to comply with New York City Local Law 11/98 will cost the Condominium the sum of $10,000.00. The projected cost is a part of the budget of the Condominium.

The Gas Leak Notice Law

The Building will comply with the gas leak notice law under the New York City Administrative Code.

The Units

The Building will contain twenty eight (28) Residential Units. They will be located as indicated in the table below:

Residential Unit No.	Building Plans Floor	Marketing Floor
2A	Second	Second
3A	Third	Third
4A	Fourth	Fourth
5A, 5B	Fifth	Fifth
6A, 6B	Sixth	Sixth
7A, 7B	Seventh	Seventh
8A, 8B	Eighth	Eighth
9A, 9B	Ninth	Ninth
10A, 10B	Tenth	Tenth

Residential Unit No.	Building Plans Floor	Marketing Floor
11A, 11B	Eleventh	Eleventh
12A; 12B	Twelfth	Twelfth
14A, 14B	Thirteenth	Fourteenth
15A, 15B	Fourteenth	Fifteenth
16A	Fifteenth	Sixteenth
17A	Sixteenth	Seventeenth
18A	Seventeenth	Eighteenth
19A	Eighteenth	Nineteenth
PH	Nineteenth	Penthouse lower level
PH	Twentieth	Penthouse upper level

The Building will also contain one (1) Commercial Unit, i.e. Unit C1, located in the cellar and on the first floor.

The dimensions of each Unit and the Limited Common Elements appurtenant to each Unit are specified in Schedule A.

The horizontal physical dimensions of each Unit consist of the floor area enclosed by the outside face of the masonry work at the exterior walls of the Building and the non-unit side of the walls and partitions (dividing the Units from corridors, stairs and mechanical space). The area adjacent to each Residential Unit which comprises the egress corridor, private elevator lobby, and trash chute on each floor containing a Residential Unit, but is included in the square foot area of the Residential Unit to which such space is adjacent, and has been measured to the centerline of the partitions defining such space.

The vertical physical dimensions of each Unit will consist of the area enclosed vertically from the centerline of the floor slab to the centerline of the ceiling slab.

The Limited Common Elements are not included in the dimensions.

Any Common Elements located within a Unit shall not be considered as part of that Unit.

The approximate measurements are within reasonable tolerances.

The above measurements are not based from interior surfaces of interior walls. Therefore, the actual area comprising each Unit is significantly less that the area listed in Schedule A.

The above measurements significantly exceed the actual usable floor area of each Unit.

The Balconies and Terraces

The Building will have thirty one (31) balconies and two (2) terraces.

The balconies will be the Limited Common Elements of Residential Units 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 13A, 13B, 14A, 14B, 15A, 15B, 16A, 17A, 18A, 19A, and PH.

The terraces will be the Limited Common Elements of Residential Unit PH. The Unit Owners of Residential Unit PH shall have the right to install a pool at one of its terraces provided the installation complies with all applicable laws, rules, and regulations of governmental agencies having jurisdiction thereof and further complies with all recommendations and requirements of the Board of Managers and its engineer.

Please see Schedule A for detailed information.

The balconies and terraces are uninhabitable spaces. They may not be legally used for any residential uses including bedroom, dining room, or any other use considered to be a habitable space as defined by the New York City Building Code. Their use as a living or sleeping space may result in a building code violation being issued against the Building and the imposition of fines against the Building. The Unit Owner, who caused the violation, will be obligated to remove it and pay all fines associated with the violation.

The Storage Spaces

The Building will have twenty nine (29) storage spaces in the cellar of the Building.

The storage spaces will be the Limited Common Elements of all Residential Units.

Please see Schedule A for detailed information.

The storage spaces may only be used for the storage of personal effects of Unit Owners. In no event shall any (a) valuable items, (b) animals, (c) food or other perishable items, (d) hazardous substances, (e) flammable, combustible, explosive or other dangerous items, (f) items which have an objectionable odor or which may spoil or decay, or (g) items which may impose a health or safety threat or cause dirt or other sanitary problems or create a nuisance, be stored therein. A storage space may not be legally used for any residential uses including bedroom, dining room, or any other use considered to be a habitable space as defined by the New York

City Building Code. The use of a storage space as a living or sleeping space may result in a building code violation being issued against the Building and the imposition of fines against the Building. The Unit Owner, who caused the violation, will be obligated to remove it and pay all fines associated with the violation.

The Board of Managers will be responsible for the costs and expenses associated with the storage spaces.

The Bicycle Storage Room

The Building will have one (1) bicycle storage room, located in the cellar of the Building. The bicycle storage area will contain fourteen (14) racks for fourteen (14) bicycles.

The bicycle storage area is the Common Element of the Condominium.

Each Unit Owner will have the right to use the racks in the bicycle storage area on a “first-come, first-served” basis.

The bicycle storage area will be fully operational as of the date of the commencement of condominium operation. It is not expected that the budget and common charges will increase in the second year of the operations due to availability of amenities.

The Board of Managers will be responsible for the costs and expenses associated with the bicycle storage area.

The Music Room

The Building will have one (1) music room, located on the first floor. The music room, having an approximate size of 56.00 sq. ft. will be the Common Element of the Condominium, and will be used by all Residential Unit Owners on a "first-come, first served" basis. It will be equipped with an electrical piano. The maximum capacity of the music room is two (2) people.

The music room will be fully operational as of the date of the commencement of condominium operation. It is not expected that the budget and common charges will increase in the second year of the operations due to availability of amenities.

The Board of Managers will be responsible for the costs and expenses associated with the music room.

The Recreation Areas

The Building will have two (2) recreation areas, i.e. indoor and outdoor.

The indoor recreation area, having an approximate size of 1,080.00 sq. ft., will be located at the first floor. The indoor recreation area may be used for meetings, reading, playing games. The maximum capacity of the indoor recreation area is fifty (50) people.

The outdoor recreation area, having an approximate size of 1,090. sq. ft., will be located on the second floor. It will be equipped with an electrical grill, sink and faucet. The outdoor recreation area may be used for a barbeque and sunbathing. The maximum capacity of the outdoor recreation area is six (6) people.

Both recreation areas will be the Common Elements of the Condominium, and will be used by all Residential Unit Owners on a "first-come, first served" basis.

The recreational areas will be fully operational as of the date of the commencement of condominium operation. It is not expected that the budget and common charges will increase in the second year of the operations due to availability of amenities.

The Board of Managers will be responsible for the costs and expenses associated with the recreational areas.

The Spa and Sauna

The Building will have one (1) spa and one (1) sauna, located in the cellar. The spa, having an approximate size of 229.00 sq. ft. and sauna, having an approximate size of 103.00 sq. ft. will be the Common Element of the Condominium, and will be used by all Residential Unit Owners on a "first-come, first served" basis. The spa will be equipped with relaxation couches. The sauna will be equipped with benches around the perimeter walls and heater providing dry heat for the room. The maximum capacity of the spa and sauna is six (6) people.

The spa and sauna will be fully operational as of the date of the commencement of condominium operation. It is not expected that the budget and common charges will increase in the second year of the operations due to availability of amenities.

The Board of Managers will be responsible for the costs and expenses associated with the spa and sauna.

The Gym

The Building will have one (1) gym, located in the cellar. The gym room, having an approximate size of 380.00 sq. ft. will be the Common Element of the Condominium, and will be used by all Residential Unit Owners on a "first-come, first served" basis. It will be equipped with non-commercial exercise equipment such as treadmills, stationary bikes, elliptical machines and free weights. The maximum capacity of the gym is six (6) people.

The gym will be fully operational as of the date of the commencement of condominium operation. It is not expected that the budget and common charges will increase in the second year of the operations due to availability of amenities.

The Board of Managers will be responsible for the costs and expenses associated with the gym.

The Lounge

The Building will have one (1) lounge, located at the second floor. The lounge, having an approximate size of 963.00 sq. ft. will be the Common Element of the Condominium, and will be used by all Residential Unit Owners on a "first-come, first served" basis. The maximum capacity of the gym is sixty five (65) people.

The lounge will be fully operational as of the date of the commencement of condominium operation. It is not expected that the budget and common charges will increase in the second year of the operations due to availability of amenities.

The Board of Managers will be responsible for the costs and expenses associated with the lounge.

The Dog Spa

The Building will have one (1) dog spa, located in the cellar. The dog spa, having an approximate size of 36.00 sq. ft. will be the Common Element of the Condominium, and will be used by all Residential Unit Owners on a "first-come, first served" basis. It will be equipped with a sink and floor drain. The maximum capacity of the dog spa is one (1) person with dogs.

The dog spa will be fully operational as of the date of the commencement of condominium operation. It is not expected that the budget and common charges will increase in the second year of the operations due to availability of amenities.

The Board of Managers will be responsible for the costs and expenses associated with the dog spa.

The Completion of Construction and Compliance with Law

The Property will be improved and the Units constructed in accordance with all applicable zoning and building laws, regulations, codes and other government requirements as well as in accordance with the plans and specifications filed with the Department of Buildings of the City of New York and identified in the Plan.

The project is governed by the Building Code of the City of New York, the Multiple Dwelling Law of the State of New York, and the Zoning Resolution of the City of New York.

Sponsor anticipates that the construction of the Building will be completed by March 31, 2024. However, Sponsor makes no representation or warranty that the Units will be completed by said date.

Sponsor is not obligated to obtain a final certificate of occupancy before the first closing.

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, (hereinafter called "FCO"), covering the entire building but with only a temporary certificate of occupancy, (hereinafter called "TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are general governed by Section 301 of the Multiple Dwelling Law of the State of New York and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings, (hereinafter called "DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirement 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 comment unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario to 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 OBLIGATE 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 CURRRENT. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO.

Purchasers 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:

https://www1.nyc.gov/site/buildings/homeowner/certificate-of-occupancy.page

As required under Section 28-104.8.4 of the New York City Building Code (the "New Code" as enacted in 2008), since the Building is expected to be occupied by Unit Owners and/or tenants prior to the time when a FCO can be obtained, a tenant protection plan will be distributed to each occupant who will be occupying any Residential Units of the Building during construction. The Post-Closing Amendment to the Plan will state whether the tenant protection plan has been distributed to the Unit Owners.

LOCATION AND AREA INFORMATION

The Property is located in the Yorkville section of the Upper East Side neighborhood in Manhattan.

It is easily accessible by private transportation as well as New York City subway 4, 5, and 6 lines, located approximately 75 feet from the Property, and subway N, Q, and R lines, located approximately 0.3 mile from the Property, and New York City bus M86-SBS, located approximately 387 feet from the Property, and buses M98, M101, M102, and M103, located approximately 285 feet from the Property.

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

The New York City Police Department's 19th Precinct, located at 153 East 67th Street, New York, NY 10065, patrols the community. The New York City Fire Department's Engine 22 / Ladder 13 / Battalion 10, located at 159 East 85th Street, New York, NY 10028, provides an emergency response in case of fire. Lenox Hill Hospital, located at 100 East 77th Street, New York, NY 10075, serves medical needs of the neighborhood.

Students living in the Condominium may be eligible to attend P.S. 6 Lillie D. Blake, located at 45 East 81st Street, New York, NY 10028, P.S. 77 Lower Lab School, located at 1700 3rd Avenue, New York, NY 10128, East Side Middle School, located at 331 East 91st Street, New York, NY 10128, Junior High School 167 Robert F. Wagner, located at 220 East 76th Street, New York, NY 10021, Eleanor Roosevelt High School, located at 411 East 76th Street, New York, NY 10021, and Life Sciences Secondary School, located at 320 East 96th Street, New York, NY 10128.

The Property is in the vicinity of Park Avenue Christian Church, located at 1010 Park Avenue, New York, NY 10028, Park Avenue United Methodist Church, located at 106 East 86th Street, New York, NY 10028, Congregation Kehilath Jeshurun, located at 125 East 85th Street, New York, NY 10028, Congregation Beth El of Manhattan, located at 106 East 86th Street, New York, NY 10028, Islamic Center of New York, located at 222 East 97th Street, New York, NY 10029, and Othman bin Affan Masjid - Islamic Society of Mid Manhattan, located at 154 East 55th Street, New York, NY 10022.

The Property is near Whole Foods Market, located at 1551 3rd Avenue, New York, NY 10128, Fairway Market of 86th Street, located at 240 East 86th Street, New York, NY 10028, and Butterfield Market, located at 1150 Madison Avenue, New York, NY 10028.

The Property is close to AMC Orpheum 7, located at 1538 3rd Avenue, New York, NY 10028, and LeFrak Theater, located at 200 Central Park West, New York, NY 10024.

The Property is in the vicinity of Neue Galerie New York, located at 1048 5th Avenue, New York, NY 10028, The Metropolitan Museum of Art, located at 1000 5th Avenue, New York, NY 10028, and Solomon R. Guggenheim Museum, located at 1071 5th Avenue, New York, NY 10128.

The Property is near The New York Society Library, located at 53 East 79th Street, New York, NY 10075, and 96th Street Library, located at 112 East 96th Street, New York, NY 10128.

The Property is close to Orangetheory Fitness, located at 220 East 86th Street, New York, NY 10028, and Crunch Fitness - 81st Street, located at 1438 3rd Avenue, New York, NY 10028.

The Property is located in C5-1A Zoning District, which permits residential use as of right. There is no landmark designation of the Property.

There are no adjoining undeveloped areas to the Property.

Neither Sponsor, nor any principals of Sponsor, own in whole or in part, or have an optional right to acquire in whole or in part, any other adjacent areas which are not fully developed.

There are no uses currently in existence or proposed in adjacent or nearby buildings or land, which a reasonable prudent purchaser would find offensive.

Sponsor is not involved in any projects within one block radius of the Property. Nor does Sponsor have plans for other development projects that have been approved by the New York City Buildings Department or authority having jurisdiction that will be adjacent to or directly across the street from the Property, and impact the Condominium. Any change in this information that occurs while sales are continuing must be disclosed in an amendment within thirty (30) days after the information becomes known to Sponsor.

SCHEDULE A*

OFFERING PRICES, ALLOCATION OF COMMON INTEREST AND ESTIMATED INDIVIDUAL EXPENSES FOR FIRST YEAR OF CONDOMINIUM OPERATION

July 1, 2024 - June 30, 2025

126 East 86th Street, New York, NY 10028

		Approx. Size of Units in sq. ft. (1)		Approx. Size of Limited Common Elements in sq. ft. [uninhabitble] (2)															
Unit No.	**Bdrs/ Bths (1)**	**Approx. Size of Units in sq. ft. [habitable] (1)**	**Approx. Size of Units in sq. ft. [uninhabitable] (1)**	Storage Space	Storage Space	Balcony	Balcony	Balcony	Terrace	Terrace	**Offering Prices (3)**	**Shared % of Common Interests (4)**	**Residential % of Common Interests (4)**	**Comercial % of Common Interests (4)**	**Projected Monthly Common Charges**	**Projected Monthly Real Estate Taxes **** (6)**	**Projected Annual Real Estate Taxes **** (6)**	**Projected Monthly Carrying Charges**	**Projected Annual Carrying Charges**
C1	0/2	0.00	**2,309.00****	None	None	None	None	None	None	None	$7,000,000.00	**4.33**	**0.00**	**100.00**	$759.44	$9,036.08	$108,433.00	$9,795.53	$117,546.31
2A	2/2.5	**1,534.00**	0.00	10.00	None	None	None	None	None	None	$2,450,000.00	**2.46**	**2.57**	**0.00**	$1,266.54	$2,595.79	$31,149.52	$3,862.33	$46,348.02
3A	4/3.5	**3,013.00**	**178.00*****	15.00	None	None	None	None	None	None	$6,350,000.00	**4.94**	**5.17**	**0.00**	$2,544.21	$5,214.39	$62,572.71	$7,758.60	$93,103.24
4A	4/3.5	**3,013.00**	**178.00*****	15.00	None	None	None	None	None	None	$6,500,000.00	**4.94**	**5.17**	**0.00**	$2,544.21	$5,214.39	$62,572.71	$7,758.60	$93,103.24
5A	2/2	**1,300.00**	0.00	10.00	None	36.00	None	None	None	None	$2,695,000.00	**2.17**	**2.27**	**0.00**	$1,118.00	$2,291.36	$27,496.27	$3,409.36	$40,912.28
5B	3/2.5	**1,700.00**	0.00	15.00	None	36.00	None	None	None	None	$3,595,000.00	**2.78**	**2.91**	**0.00**	$1,432.12	$2,935.15	$35,221.81	$4,367.27	$52,407.27
6A	2/2	**1,300.00**	0.00	15.00	None	36.00	None	None	None	None	$2,720,000.00	**2.17**	**2.27**	**0.00**	$1,118.00	$2,291.36	$27,496.27	$3,409.36	$40,912.28
6B	3/2.5	**1,700.00**	0.00	15.00	None	36.00	None	None	None	None	$3,635,000.00	**2.78**	**2.91**	**0.00**	$1,432.12	$2,935.15	$35,221.81	$4,367.27	$52,407.27
7A	2/2	**1,300.00**	0.00	15.00	None	36.00	None	None	None	None	$2,745,000.00	**2.22**	**2.32**	**0.00**	$1,142.84	$2,342.28	$28,107.30	$3,485.12	$41,821.44
7B	3/2.5	**1,700.00**	0.00	15.00	None	36.00	None	None	None	None	$3,675,000.00	**2.84**	**2.97**	**0.00**	$1,463.95	$3,000.38	$36,004.52	$4,464.32	$53,571.87
8A	2/2	**1,300.00**	0.00	15.00	None	36.00	None	None	None	None	$2,770,000.00	**2.22**	**2.32**	**0.00**	$1,142.84	$2,342.28	$28,107.30	$3,485.12	$41,821.44
8B	3/2.5	**1,700.00**	0.00	15.00	None	36.00	None	None	None	None	$3,715,000.00	**2.84**	**2.97**	**0.00**	$1,463.95	$3,000.38	$36,004.52	$4,464.32	$53,571.87
9A	2/2	**1,300.00**	0.00	15.00	None	36.00	None	None	None	None	$2,795,000.00	**2.22**	**2.32**	**0.00**	$1,142.84	$2,342.28	$28,107.30	$3,485.12	$41,821.44
9B	3/2.5	**1,700.00**	0.00	15.00	None	36.00	None	None	None	None	$3,755,000.00	**2.84**	**2.97**	**0.00**	$1,463.95	$3,000.38	$36,004.52	$4,464.32	$53,571.87
10A	2/2	**1,300.00**	0.00	15.00	None	36.00	None	None	None	None	$2,890,000.00	**2.22**	**2.32**	**0.00**	$1,142.84	$2,342.28	$28,107.30	$3,485.12	$41,821.44
10B	3/2.5	**1,700.00**	0.00	15.00	None	36.00	None	None	None	None	$3,950,000.00	**2.84**	**2.97**	**0.00**	$1,463.95	$3,000.38	$36,004.52	$4,464.32	$53,571.87
11A	2/2	**1,300.00**	0.00	15.00	None	36.00	None	None	None	None	$2,950,000.00	**2.22**	**2.32**	**0.00**	$1,142.84	$2,342.28	$28,107.30	$3,485.12	$41,821.44
11B	3/2.5	**1,700.00**	0.00	15.00	None	36.00	None	None	None	None	$3,990,000.00	**2.84**	**2.97**	**0.00**	$1,463.95	$3,000.38	$36,004.52	$4,464.32	$53,571.87
12A	2/2	**1,300.00**	0.00	15.00	None	36.00	None	None	None	None	$3,000,000.00	**2.22**	**2.32**	**0.00**	$1,142.84	$2,342.28	$28,107.30	$3,485.12	$41,821.44

SCHEDULE A*

OFFERING PRICES, ALLOCATION OF COMMON INTEREST AND ESTIMATED INDIVIDUAL EXPENSES

FOR FIRST YEAR OF CONDOMINIUM OPERATION

July 1, 2024 - June 30, 2025

126 East 86th Street, New York, NY 10028

		Approx. Size of Units in sq. ft. (1)		Approx. Size of Limited Common Elements in sq. ft. [uninhabitble] (2)															
Unit No.	**Bdrs/ Bths (1)**	**Approx. Size of Units in sq. ft. [habitable] (1)**	**Approx. Size of Units in sq. ft. [uninhabitable] (1)**	Storage Space	Storage Space	Balcony	Balcony	Balcony	Terrace	Terrace	**Offering Prices (3)**	**Shared % of Common Interests (4)**	**Residential % of Common Interests (4)**	**Comercial % of Common Interests (4)**	**Projected Monthly Common Charges**	**Projected Monthly Real Estate Taxes **** (6)**	**Projected Annual Real Estate Taxes **** (6)**	**Projected Monthly Carrying Charges**	**Projected Annual Carrying Charges**
12B	3/2.5	**1,700.00**	0.00	15.00	None	36.00	None	None	None	None	$4,050,000.00	**2.84**	**2.97**	**0.00**	$1,463.95	$3,000.38	$36,004.52	$4,464.32	$53,571.87
14A	2/2	**1,300.00**	0.00	15.00	None	36.00	None	None	None	None	$3,100,000.00	**2.27**	**2.37**	**0.00**	$1,167.69	$2,393.19	$28,718.33	$3,560.88	$42,730.60
14B	3/2.5	**1,700.00**	0.00	15.00	None	36.00	None	None	None	None	$4,150,000.00	**2.91**	**3.04**	**0.00**	$1,495.77	$3,065.60	$36,787.23	$4,561.37	$54,736.48
15A	2/2	**1,300.00**	0.00	15.00	None	36.00	None	None	None	None	$3,200,000.00	**2.32**	**2.42**	**0.00**	$1,192.53	$2,444.11	$29,329.36	$3,636.65	$43,639.76
15B	3/2.5	**1,700.00**	0.00	15.00	None	36.00	None	None	None	None	$4,250,000.00	**2.97**	**3.10**	**0.00**	$1,527.60	$3,130.83	$37,569.93	$4,658.42	$55,901.08
16A	4/3.5	**2,694.00**	**169.00*** **	10.00	None	431.00	None	None	None	None	$7,750,000.00	**5.11**	**5.34**	**0.00**	$2,628.71	$5,387.57	$64,650.86	$8,016.28	$96,195.35
17A	4/3.5	**2,694.00**	**169.00*** **	10.00	None	80.00	80.00	None	None	None	$7,550,000.00	**5.20**	**5.44**	**0.00**	$2,679.26	$5,491.18	$65,894.14	$8,170.44	$98,045.26
18A	3/3.5	**2,592.00**	**170.00*** **	15.00	None	148.00	170.00	None	None	None	$7,950,000.00	**5.10**	**5.33**	**0.00**	$2,626.46	$5,382.96	$64,595.48	$8,009.41	$96,112.95
19A	3/3.5	**2,592.00**	**170.00*** **	15.00	None	148.00	170.00	None	None	None	$8,250,000.00	**5.20**	**5.43**	**0.00**	$2,675.09	$5,482.64	$65,791.69	$8,157.73	$97,892.82
PH	5/5.5	**5,310.00**	**318.00*** **	15.00	15.00	148.00	170.00	148.00	1149.00	868.00	$17,950,000.00	**11.97**	**12.51**	**0.00**	$6,162.29	$12,629.69	$151,556.32	$18,791.98	$225,503.79
TOTALS:		**53,442.00**									**$139,380,000.00**	**100.00**	**100.00**	**100.00**	**$50,010.79**	**$109,977.36**	**$1,319,728.37**	**$159,988.15**	**$1,919,857.85**

*Notes are on page 46

**530.00 sq. ft. are located in the cellar.

****The area adjacent to each Residential Unit which comprises the egress corridor, private elevator lobby, and trash chute on each floor containing a Residential Unit, is a Residential Common Element, but is included in the square foot area of the Residential Unit to which such space is adjacent, and has been measured to the centerline of the partitions defining such space.

***The projected real estate taxes for the first year of operation contained in Schedule A are based on an assesment of the building after the construction is complete.

See Footnote 6 to Schedule A for more information.

C1 is the Commercial Unit

The cellar has less light and air than ordinary living space and it is more susceptible to dampness.

Notes:

1. The storage spaces, balconies, terraces, corridors, and lobbies are uninhabitable spaces. They may not be legally used for any residential uses including bedroom, dinning room, bedroom or living room or any other use considered to be a habitable space as defined by the New York City Building Code.
   Their use as a living or sleeping space may result in a building code violation being issued against theBuilding and the imposition of fines against the Building.
   The Unit Owner, who caused the violation, will be obligated to remove it and pay all fines associated with the violation.
   Please see Footnote 2 to Schedule A.
2. Projected monthly carrying charges are composed of projected monthly Common Charges and real estate taxes imposed against each Unit.
3. Projected annual carrying charges are composed of projected annual Common Charges and real estate taxes imposed against each Unit.
4. The above figures are rounded off to the nearest cent.

FOOTNOTES TO SCHEDULE A

1. The number of bedrooms in the Residential Units is computed in accordance with the Multiple Dwelling Law of the State of New York and the Administrative Code of the City of New York. A bedroom is a room used for sleeping purposes. Dining bays and dinettes fifty (50) square feet or less in floor area, foyers, water-closet compartments, bathrooms, cooking spaces less than eighty (80) square feet in area, and halls, corridors and passageways entirely within the Residential Unit is not a bedroom.

The measurements in Schedule A, Column (3), pertaining to the Residential Units, are measurements of habitable spaces only.

The estimate floor area of each Unit is based on the floor plans included in Part II of the Plan.

The horizontal physical dimensions of each Unit consist of the floor area enclosed by the outside face of the masonry work at the exterior walls of the Building and the non-unit side of the walls and partitions (dividing the Units from corridors, stairs and mechanical space). The area adjacent to each Residential Unit which comprises the egress corridor, private elevator lobby, and trash chute on each floor containing a Residential Unit, but is included in the square foot area of the Residential Unit to which such space is adjacent, and has been measured to the centerline of the partitions defining such space.

The vertical physical dimensions of each Unit will consist of the area enclosed vertically from the centerline of the floor slab to the centerline of the ceiling slab.

The Limited Common Elements are not included in the dimensions.

Any Common Elements located within a Unit shall not be considered as part of that Unit.

The approximate measurements are within reasonable tolerances.

The above measurements are not based from interior surfaces of interior walls. Therefore, the actual area comprising each Unit is significantly less that the area listed in Schedule A.

The above measurements significantly exceed the actual usable floor area of each Unit.

Sponsor does not intend to add additional units, which will become part of the Condominium.

2. **THE LIMITED COMMON ELEMENTS OF THE UNITS SUCH AS THE STORAGE SPACES, BALCONIES AND TERRACES ARE UNINHABITABLE SPACES. THEY MAY NOT BE LEGALLY USED FOR ANY RESIDENTIAL USES INCLUDING BEDROOM, DINING ROOM, OR ANY OTHER USE CONSIDERED TO BE A HABITABLE SPACE AS DEFINED BY THE NEW YORK CITY BUILDING CODE.**

THEIR USE AS A LIVING OR SLEEPING SPACE MAY RESULT IN A BUILDING CODE VIOLATION BEING ISSUED AGAINST THE BUILDING AND THE IMPOSITION OF FINES AGAINST THE BUILDING. THE UNIT OWNER, WHO CAUSED THE VIOLATION, WILL BE OBLIGATED TO REMOVE IT AND PAY ALL FINES ASSOCIATED WITH THE VIOLATION.

The cellar has less light and air than ordinary living space and it is more susceptible to dampness.

3. Prices and terms of sale, such as an assignment of the Purchase Agreement in Section 23 of the Purchase Agreement and an extension of a closing without incurring any penalties in Section 6 of the Purchase Agreement, are negotiable. Sponsor may enter into a Purchase Agreement with an individual Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment.

The offering prices set forth in Schedule A must be changed by a filed amendment to the Plan when:

(a) the change in price is an across the board increase or decrease affecting one or more lines of Units or Unit models, or
(b) the change in price is to be advertised, or
(c) the change in price is a price increase for an individual Purchaser.

Please review "Changes in Prices and Units" Section of the Plan for a detailed discussion.

At the closing of title, each Purchaser of a Unit will be required to pay certain closing costs in addition to the legal fees of such Purchaser's counsel and the amount of any net credit in favor of Sponsor resulting from the closing adjustments described below. Such closing costs will include:

i. the New York City and New York State real property transfer taxes;
ii. $4,500.00 to TSYNGAUZ & ASSOCIATES, P.C. for services rendered in connection with the preparation of the closing documents and the conduct of the closing;
iii. $2,500.00 to Sponsor as partial reimbursement for the cost of preparing the Plan;
iv. working capital contribution equal to two (2) months' Common Charges then applicable to each Unit being purchased.

Please review "Unit Closing Costs and Adjustments" Section of the Plan, which discloses and explains the additional closing costs and adjustments that Purchaser may have to pay in connection with the purchase of a Unit.

4. Each Unit will have appurtenant thereto a Common Interest as expressed in the Declaration. In accordance with Section 339-i(1)(iv) of the Real Property Law of the State of

New York, the Common Interest has been allocated to each Unit upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

The Shared Percentages of Common Interests of the Commercial Unit are 4.33%. The Shared Percentages of Common Interests of the Residential Units are 95.67%.

5. Sponsor is not offering or procuring mortgage financing. If Purchaser obtains financing, Purchaser's debt service will be an additional expense. Projected carrying charges do not include costs such as repairs to the interior of the Unit, separately metered electricity, cable television service and telephone service.

Electricity consumption by the Residential Units and the Commercial Unit for the air-conditioning, heating, lighting and appliances are not included in the projected monthly carrying charges. Please review Schedule B-1 for approximate electricity charges for each Unit.

There are no separate individual separate charges for gas consumption by the Residential Units and the Commercial Unit.

6. The projected real estate taxes for the first year of operation contained in Schedule A are based on a post-completion assessment of the Property.

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

Sponsor anticipates that the construction will be completed by March 31, 2024.

It is anticipated that Units will be separately assessed for the 2025/2026 tax year. The anticipated date of reassessment after the construction is complete is January 15, 2025.

No real estate tax abatement benefits will be available to the Units.

Properties in New York City are divided into different classes, each treated differently under the law. The type of property one owns determines class and how property value is accessed. Tax classes each pay a different share of property tax in New York City. Tax Class 2 includes residential properties with more than three (3) units, including cooperatives and condominiums. Tax Class 4 includes commercial properties.

Upon the estimate provided by MGNY Consulting Corp., in the post-completion year of 2025/2026, the Property will be assessed at $10,906,671.00. $9,900,460.00 out of said $10,906,671.00 will be attributable to the Residential Units and $1,008,211.00 to the Commercial Unit.

The projected real estate taxes in Schedule A for the Residential Units are calculated based on these Units being in Tax Class 2, the estimated tax rate of 12.235% of their assessed value, and the post-completion assessed value of the Residential Units estimated by MGNY Consulting Corp. to be $9,900,460.00 for the post-completion year of 2025/2026. Based on this information, the projected real estate taxes in Schedule A for the Residential Units are expected to be $1,211,311.00.

The real estate taxes payable in Schedule A by the Residential Units are determined by applying said data to calculate real estate taxes against the Residential Units and then allocating the amount due in conformity with the allocation of the Residential Percentages of Common Interests as set forth in Schedule A.

The projected real estate taxes in Schedule A for the Commercial Unit are calculated based on the Commercial Unit being in Tax Class 4, the estimated tax rate of 10.755% of the assessed value of the Commercial Unit, and the post-completion assessed value of the Commercial Unit estimated by MGNY Consulting Corp. to be $1,008,211.00 for the post-completion year of 2025/2026. Based on this information, the projected real estate taxes in Schedule A for the Commercial Unit are expected to be $108,433.00.

The letter of MGNY Consulting Corp., dated May 13, 2022, is located on pages 130-132 of Part I of the Plan.

IN THE EVENT THERE ARE INCREASES IN THE REAL ESTATE TAX RATE OR THE UNIT'S ASSESSED VALUATION, REAL ESTATE TAXES MAY BE HIGHER THAN SET FORTH IN THE PLAN FOR THE FIRST YEAR OF OPERATION OF THE CONDOMINIUM AND IN FUTURE YEARS. HENCE, INDIVIDUAL CARRYING COSTS FOR ALL UNITS WILL ALSO BE HIGHER.

The City of New York is not bound by the allocation of the Common Interests, and may allocate on a different basis. Nor is the City bound by the estimate of the market value of the Property. All figures are estimates.

Please see “Real Estate Taxes” Section of the Plan.

7. On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the purchaser’s taxes.

Unit Owners who itemize their deductions should, for Federal income tax purposes, be entitled to a deduction for mortgage interest on a principal of up to $750,000.00 and real estate taxes up to $10,000.00 in the year paid, or accrued, under Section 11043 and 11042 of the Internal Revenue Code. The $10,000.00 limit includes other state and local taxes besides real estate taxes. The projected tax deductions 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 from changes in the assessed value, the tax rate or the method of assessing real property.

THE FOREGOING SCHEDULE A IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL CARRYING CHARGES OR EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE AS SET FORTH THEREIN OR THAT SUCH CARRYING CHARGES OR EXPENSES WILL NOT VARY FROM THE AMOUNTS SHOWN IN SCHEDULE A.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
July 1, 2024 – June 30, 2025

Projected Income (1)	
Common Charges – Residential Units Share (2)	$591,023.80
Common Charges – Commercial Unit Share (3)	$9,113.31
TOTAL (1)	**$600,137.11**
Projected Expenses	
Labor (4)	$348,881.00
Gas (5)	$10,396.00
Electricity (6)	$22,351.00
Water charges and sewer rents (7)	$30,391.00
Repairs and supplies (8)	$5,000.00
Service contracts (9)	$25,320.00
Insurance (10)	$47,500.00
Management fee (11)	$36,000.00
Legal fees and audit fees (12)	$5,550.00
Inspections, permits and miscellaneous (13)	$6,735.00
Contingency (14)	$2,000.00
Yearly reserve fund (15)	$60,013.11
TOTAL	**$600,137.11**

Note: All figures are rounded to the nearest dollar.

IF THE ACTUAL OR PROJECTED DATE OF COMMENCEMENT OF CONDOMINIUM OPERATIONS IS DELAYED MORE THAN SIX (6) MONTHS FROM THE BUDGET YEAR PROJECTED IN THE PLAN, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING AMENDED PROJECTIONS. IF SUCH AMENDED PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY 25% OR MORE, ALL PURCHASERS WILL HAVE A RIGHT TO RESCIND THEIR PURCHASE AGREEMENTS WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF PRESENTATION, WHETHER OR NOT SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION. SPONSOR WILL RETURN ANY DEPOSIT OR DOWNPAYMENT TO PURCHASERS WITHIN TEN (10) DAYS AFTER RECEIPT OF WRITTEN NOTICE OF RESCISSION. IN ADDITION, ALL PURCHASERS WILL HAVE A RIGHT TO RESCIND THEIR PURCHASE AGREEMENTS IF (I) THE ACTUAL DATE OF CLOSING OF TITLE TO THE FIRST RESIDENTIAL UNIT; OR (II) THE PROJECTED DATE OF CLOSING OF TITLE TO THE FIRST RESIDENTIAL UNIT OCCURS LATER THAN JUNE 30, 2025, TWELVE (12) MONTHS AFTER THE PROJECTED DATE FOR THE FIRST CLOSING. SPONSOR MAY NOT DECLARE THE 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 PLAN.

ALLOCATION OF COMMON CHARGES BETWEEN UNITS

Common Charges	Total Expenses	Residential Units Share	Commercial Unit Share
Labor	$348,881.00	$348,881.00	$0.00
Gas	$10,396.00	$10,396.00	$0.00
Electricity	$22,351.00	$21,383.20	$967.80
Water charges and sewer rents	$30,391.00	$30,391.00	$0.00
Repairs and supplies	$5,000.00	$4,783.50	$216.50
Service contracts	$25,320.00	$24,223.64	$1,096.36
Insurance	$47,500.00	$45,443.25	$2,056.75
Management fee	$36,000.00	$34,441.20	$1,558.80
Legal fees and audit fees	$5,050.00	$5,309.69	$240.32
Inspections, permits and miscellaneous	$6,735.00	$6,443.37	$291.63
Contingency	$2,000.00	$1,913.40	$86.60
Yearly reserve fund	$60,013.11	$57,414.54	$2,598.57
	$600,137.11	$591,023.80	$9,113.31

FOOTNOTES TO SCHEDULE B

1. Common Charges – In General. The expenses for the projected first year of the Condominium operation were allocated among the Residential Units and the Commercial Unit based on the Shared Percentages of Common Interests as set forth in Schedule A, except as otherwise indicated below.

The Shared Percentages of Common Interests of the Commercial Unit are 4.33%. The Shared Percentages of Common Interests of the Residential Units are 95.67%.

2. Common Charges - Residential Units.

The expenses for the projected first year of the Condominium operation allocated to the Residential Units were apportioned among them based on the Residential Percentage of Common Interests allocated to each as set forth in Schedule A.

3. Common Charges - Commercial Unit. The Commercial Unit shares the Common Expenses, except for the costs of labor, common water charges and sewer rents, and gas.

The Commercial Unit is not responsible for the costs of labor, common water charges and sewer rents, and gas.

The Commercial Unit will be billed separately by the Board of Managers for water charges and sewer rents based on actual amount used. The Commercial Unit Owners will be required to install and maintain a water sub-meter prior to conveyance of the Commercial Unit to the Commercial Unit Owners and shall be responsible for the payment of all water charges and sewer rents actually used as per sub-meter reading. The Board of Managers shall bill and collect payment from the Commercial Unit for all water charges and sewer rents as levied by the Department of Environmental Protection.

If Sponsor decides to rent the Commercial Unit, Sponsor will install a sub-meter prior to entering into a lease for the Commercial Unit.

The Commercial Unit will have its own electric meter.

The Commercial Unit will be paying the Common Charges that are fairly attributable to it. Common Charges payable by the Commercial Unit Owners is sufficient to cover the expenses fairly attributable to such Unit.

This allocation makes Common Charges payable by the Residential Units substantially higher than Common Charges that would be payable if the Commercial Unit paid its share of the costs of labor, common water charges and sewer rents, and gas.

Section 1 of Article VI of the By-Laws of the Condominium provides for the specific allocation of Common Charges to the Commercial Unit. The requirements for amending this Section does not differ from those otherwise provided in the By-Laws of the Condominium.

Pursuant to N.Y. Real Prop. Law ("RPL") § 339-m "Special Allocation of Common Expenses", common expenses and profits (except as to insurance) must be charged and distributed in accordance with the allocation of common interests, unless otherwise permitted as provided in that statute. The RPL authorizes special allocations, among others, in the following situations: 1) if authorized by the By-Laws and Declaration, common expenses and profits may be specially allocated by the Board of Managers to non-residential units; 2) if authorized by the By-Laws and Declaration, common expenses or profits allocated to certain units, including residential or non-residential, or a combination thereof, may be specially allocated based upon special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners.

4. Labor. Due to the size of the Building, the Condominium will employ one (1) full-time superintendent, who resides within two hundred (200) feet of the Building, in accordance with Section 27-2053 of the Administrative Code of the City of New York. The superintendent will be required to provide the following services:

(a) cleaning and maintenance of the Common Elements of the Condominium, including the making of minor exterior repairs of the Common Elements;
(b) the removal of garbage, refuse, ashes and wastes from the Building and placement on the street (curbside) for pickup; and
(c) the removal of snow, ice, dirt and other matter from the sidewalk and gutter.

The Condominium will also employ four (4) full-time doormen.

The budgeted figure assumes that the superintendent will work Monday thru Friday, forty (40) hours per week at a rate of $22.00 per hour and the doormen will work Monday thru Sunday, twenty-four (24) hours per day or one hundred sixty-eight (168) hours per week at a rate of $22.00 per hour. The hourly rates exceed a mean hourly rate of $15.10 for superintendent, $15.11 for concierge and $13.98 for protective service worker as published by the United States Department of Labor, Occupational Employment Statistics.

The projected level of staffing for the Building complies with all applicable housing and labor laws.

The projected figure is based upon the superintendent not being a member of any labor union.

Superintendent	**Yearly Base Wage Rate**
Full-Time Superintendent	$47,520.00
FICA – Social Security @ 6.2% of Base Wages	$2,946.24
FICA – Medicare @ 1.45% of Base Wages	$689.04
State Unemployment Insurance @ 2.5% of first $8,500.00 of Base Wages	$212.50
Federal Unemployment Insurance @ 6% of first $7,000.00 of Base Wages	$420.00

NYS Disability @ $62 per employee	$62.00
Worker's Compensation @ 4.46% of Base Wages	$2,119.39
Family Leave Benefits Contribution @ 0.511% of Base Wages (max $423.71)	$242.83
Total Wages, Taxes and Benefits	$54,212.00

Doormen	**Yearly Base Wage Rate**
4 Full-Time Doormen	$221,760.00
FICA – Social Security @ 6.2% of Base Wages	$13,749.12
FICA – Medicare @ 1.45% of Base Wages	$3,215.52
State Unemployment Insurance @ 2.5% of first $8,500.00 of Base Wages	$212.50
Federal Unemployment Insurance @ 6% of first $7,000.00 of Base Wages	$420.00
NYS Disability @ $62 per employee	$248.00
Worker's Compensation @ 4.46% of Base Wages	$9,890.50
Family Leave Benefits Contribution @ 0.511% of Base Wages (max $423.71)	$1,133.19
Total Wages, Taxes and Benefits	$250,628.83
Health Insurance Allowance	$44,040.00

Repairs to the Common Elements of the Condominium will be performed by outside construction companies hired by either the Board of Managers of the Condominium or Managing Agent after Sponsor control period. The costs for the repairs are not a line item in the budget. In such a case, special assessments may be imposed to pay for these costs. There repairs don't include repairs that are necessary as a result of faulty construction. Sponsor will remain obligated and be responsible to perform such repairs.

5. Gas. The budgeted figure is based upon the estimate provided by FIDY Management Inc., having an address at 254 36th Street, C-303, Unit 1, Brooklyn, NY 11232. It is the projected cost for common gas consumption by all Residential Units for the Units' dryers, cooktops and hot water heating. It is based on an estimated annual gas consumption of 5,880.00 Therms, the tariff of $1.538 per Therm, inflation adjustment of 10% and the tax of 4.5%.

There will be no separate gas consumption by each Unit.

6. Electricity. The budgeted figure is based upon the estimate provided by FIDY Management Inc., having an address at 254 36th Street, C-303, Unit 1, Brooklyn, NY 11232. It is based on an estimated annual electrical consumption of 83,022.00 kWh for the common area lighting, fixtures, equipment and other appliances and heating, the tariff of $0.2342 per kWh, the inflation adjustment of 10% and the tax of 4.5%.

The cost for electricity consumption by the Residential Units and the Commercial Unit for the air-conditioning, heating, lighting and appliances are not included in the projected

monthly carrying charges. Please review Schedule B-1 for approximate electricity charges for each Unit.

The common hallway and mechanical rooms will be heated.

7. Water charges and sewer rents. The budgeted figure is based upon the estimate provided by Ashokan Water Services, having an address at 150 11th Street, Brooklyn, NY 11215. It is based on an estimated annual consumption of 2,861.60 HCF (1 HCF = 100 cubic feet of water or 748 gallons of water) by the Residential Units, and the water charges and sewer rents of $10.62 per HCF. This cost is for the water charges and sewer rents projection for the Residential Units only.

8. Repairs and Supplies. The Building is being newly constructed and no historical costs for repairs and maintenance are available. No amounts have been allocated for the repair of Building systems (mechanical, electrical, water, heating, air-conditioning and other systems), envelope or for other capital expenditures. The budgeted figure is the projected cost of minor interior repairs of the Common Elements and minor exterior repairs of the Common Elements (including walls, windows, doors and locks), and administrative expenses such as virtual doorman fees, telephone lines, internet service, office supplies and decor, office equipment, postage, special communications and mailings to the Unit Owners, annual meetings, and general expenses.

It is based upon the estimate provided by FIDY Management Inc., having an address at 254 36th Street, C-303, Unit 1, Brooklyn, NY 11232. The budgeted figure is based on the prior experience of FIDY Management Inc. in managing similar size properties over the last five years.

Sponsor is not providing "No Dollar Limit Manufactures Warrantee" (NDL) for new roof. The absence of NDL manufacturer's warrantee may indicate that the roof membrane and appurtenance were not inspected for compliance with the manufacturer's specifications for installation. As such, a premature deterioration and replacement of the roof membrane may be anticipated and therefore should be budgeted for. The approximate costs and expenses to repair the roof membrane are $5.00 per square foot. The budget accounts for the potential costs and expenses associated with the possible need to replace the roof membrane.

9. Service Contracts. The budgeted figure represents the estimated costs for the initial year of building operations for service contracts. It should be noted that no service contracts have been entered into as of the date of the Plan. However it is anticipated that service contracts will be entered into prior to the initial year of building operating or service contracts for the building systems shall be included from the contractors who installed them. Purchasers are advised that the projections are only estimates and include reasonable allowances for increases in costs that may arise prior to the initial year of building operations. It is anticipated that maintenance and service contracts will include:

Service Provider	Projected Annual Cost
Fire Alarm Monitoring	$9,680.00

Elevator Maintenance	$6,400.00
Sprinkler Maintenance	$2,600.00
Garbage Chute	$1,500.00
Exterminating	$1,800.00
Phone/internet	$2,400.00
Compliance JJ	$600.00
Benchmarking LL133	$325.00
HPD	$15.00
Total	$25,320.00

The budgeted figure is based upon the estimate provided by FIDY Management Inc., having an address at 254 36th Street, C-303, Unit 1, Brooklyn, NY 11232.

10. Insurance. The projected figure is the projected cost of insurance for the Property. It is not based upon existing coverages for the Property. It is based upon coverages suggested and premiums estimated by Advanced Specialty Group, Inc., having an address at 1400 Avenue Z, Suite 402, Brooklyn, NY 11224, (hereinafter called the "Insurance Agent"), in the estimate, dated March 29, 2022. Although the projection is considered to be reasonable, there can be no guarantee that the estimate premium will not escalate or that such coverage will continue to be available. The insurance proposal provides for the following coverages:

Property	
Building/Boiler and Machinery	$24,000,000.00
Cause of Loss Special Form	Included
Value/Replacement Cost	Agreed Amount
Deductible	$50,000.00
Income/Extra Expense	Actual Loss Sustained up to 12 months
General Liability	
Each Occurrence (Bodily Injury/Property Damage)	$1,000,000.00
General Aggregate	$2,000,000.00
Personal Injury	$1,000,000.00
Water Damage Legal Liability	$1,000,000.00
Directors & Officers Liability	
Liability (Deductible: $5,000.00)	$1,000,000.00
Managing Rider Agents	Included
Umbrella	$10,000,000.00

The insurance coverage meets the requirements of the Preferred Lender.

The projected figure includes public liability insurance, which is required prior the closing of the first Unit.

Sponsor, at the sole cost and expense of the Condominium, will cause to be delivered to the Condominium on the closing date of the first Unit, the fire, casualty and general liability policies providing the insurance described above or binders thereof, on the terms that provide:

(1) that each Unit Owner will be an additional insured party;
(2) that there will be no cancellation without notice to the Board of Managers;
(3) a waiver of subrogation;
(4) a waiver of invalidity because of the acts of the insured and Unit Owners; and
(5) a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

In the opinion of the Insurance Agent, the amount of fire insurance is adequate, and the inclusion by the insurance company of the Agreed Amount clause avoids a co-insurance penalty.

In the opinion of the Insurance Agent, the amount of insurance is adequate to repair or replace the Building if it were totally destroyed. However, the policy does not guarantee the replacement of individual fixtures, and improvements installed by individual Unit Owners.

Purchasers are advised of the desirability of obtaining additional insurance, at their own cost and expense, to cover such risks as fire and casualty losses to Unit contents, replacements, additions, up-graded fixtures and improvements, and liability coverage for occurrences within the Unit or, where applicable, on the Limited Common Elements appurtenant to the Units.

The Property is located in Flood Zone X on FEMA Map Number 3604970089F, effective on September 5, 2007. The Property is designated as an area of minimal flood hazard on the currently effective FEMA's Flood Insurance Rate Map. There is no mandatory flood insurance requirement for Flood Zone X. However, the Board may wish to consider purchasing flood insurance.

11. Management fees. The budgeted figure is based upon the estimated annual cost for management services. At or prior to the first closing, Sponsor expects the Board of Managers to enter into a written agreement with FIDY Management Inc., having an address at 254 36th Street, C-303, Unit 1, Brooklyn, NY 11232, (hereinafter called "FIDY"), a real estate management firm. FIDY will receive an annual fee for the initial year of operations of $36,000.00 payable in advanced in equal monthly installments. The management fee for the initial year of building operations is based on prevailing rates for similar services for similar types of buildings.

Managing Agent and Sponsor are not affiliated.

After the first year of condominium operations, the Condominium may choose to enter into a contract with another managing agent. If so, the Common Charges may need to be increased.

12. Legal fees and audit fees. Based upon the quote from Boytan & Associates, CPAs, having an address at 1022 Avenue P, 2nd fl., Brooklyn, NY 11223, $2,040.00 of the

budgeted item will be used for preparation of certified financial statements of the Condominium for the first year of operation, which will be audited to comply with regulations. The balance of the budgeted figure, $3,000.00, anticipates legal services during the first year of operation, but would be insufficient to cover any substantial litigation. Said legal services will include the drafting of board meeting minutes and general advice to members of the board in connection with affairs of the Condominium. Legal fees are based upon the quote from Tsyngauz & Associates, P.C., having an address at 225 Broadway, Suite 2640, New York, NY 10007. The Board of Managers of the Condominium will decide in the future which attorney to hire.

13. Inspections, Permits and Miscellaneous. The budgeted figure represents the estimated costs for the city inspections, fire extinguisher inspections, elevator tests, permits and fees and other costs of compliance with Local Laws. It is based upon the estimate provided by FIDY Management Inc., having an address at 254 36th Street, C-303, Unit 1, Brooklyn, NY 11232.

14. Contingency. The budgeted figure is to provide a fund for unanticipated operating expenses during the initial year of building operations. Contingency is different from a reserve fund, which will be used only for capital expenditures.

15. Yearly Reserve Fund. The Condominium will have a reserve fund for capital expenditures only. Please see Article II, Section 2 of the By-Laws.

It will be equal to 10% of the projected annual budget of the Condominium. The yearly reserve fund will be sufficient to pay for major capital repairs or replacement items likely to be needed within the first five years of operation following the first closing under the Plan. When established, the Reserve Fund will not have any funds.

Sponsor will not make an initial contribution to the reserve fund, and the reserve fund will be funded by common charges. Please see “Reserve Fund” Section of the Plan.

SCHEDULE B-1

BUDGET FOR INDIVIDUAL ENERGY COSTS FOR FIRST YEAR OF CONDOMINIUM OPERATION July 1, 2024 – June 30, 2025

Below are projected costs for electricity consumption by the Residential Units and the Commercial Unit for the air-conditioning, heating, lighting and appliances, which will be separately billed to and paid by the Residential Units and the Commercial Unit. They are based upon estimates provided by FIDY Management Inc., having an address at 254 36th Street, C-303, Unit 1, Brooklyn, NY 11232.

	kWh/ year	Price per kWh	Annual Projected Costs	Inflation @ 10%	Tax @ 4.5%	Total Annual Projected Costs
2A	20865	$0.2342	$4,886.58	$488.66	$241.89	$5,617.13
3A	40982	$0.2342	$9,597.98	$959.80	$475.10	$11,032.88
4A	40982	$0.2342	$9,597.98	$959.80	$475.10	$11,032.88
5A	18009	$0.2342	$4,217.71	$421.77	$208.78	$4,848.26
5B	23069	$0.2342	$5,402.76	$540.28	$267.44	$6,210.47
6A	18009	$0.2342	$4,217.71	$421.77	$208.78	$4,848.26
6B	23069	$0.2342	$5,402.76	$540.28	$267.44	$6,210.47
7A	18009	$0.2342	$4,217.71	$421.77	$208.78	$4,848.26
7B	23069	$0.2342	$5,402.76	$540.28	$267.44	$6,210.47
8A	18009	$0.2342	$4,217.71	$421.77	$208.78	$4,848.26
8B	23069	$0.2342	$5,402.76	$540.28	$267.44	$6,210.47
9A	18009	$0.2342	$4,217.71	$421.77	$208.78	$4,848.26
9B	23069	$0.2342	$5,402.76	$540.28	$267.44	$6,210.47
10A	18009	$0.2342	$4,217.71	$421.77	$208.78	$4,848.26

	kWh/ year	Price per kWh	Annual Projected Costs	Inflation @ 10%	Tax @ 4.5%	Total Annual Projected Costs
10B	23069	$0.2342	$5,402.76	$540.28	$267.44	$6,210.47
11A	18009	$0.2342	$4,217.71	$421.77	$208.78	$4,848.26
11B	23069	$0.2342	$5,402.76	$540.28	$267.44	$6,210.47
12A	18009	$0.2342	$4,217.71	$421.77	$208.78	$4,848.26
12B	23069	$0.2342	$5,402.76	$540.28	$267.44	$6,210.47
14A	18009	$0.2342	$4,217.71	$421.77	$208.78	$4,848.26
14B	23069	$0.2342	$5,402.76	$540.28	$267.44	$6,210.47
15A	18009	$0.2342	$4,217.71	$421.77	$208.78	$4,848.26
15B	23069	$0.2342	$5,402.76	$540.28	$267.44	$6,210.47
16A	36643	$0.2342	$8,581.79	$858.18	$424.80	$9,864.77
17A	36643	$0.2342	$8,581.79	$858.18	$424.80	$9,864.77
18A	35256	$0.2342	$8,256.96	$825.70	$408.72	$9,491.37
19A	35356	$0.2342	$8,280.38	$828.04	$409.88	$9,518.29
PH	70512	$0.2342	$16,513.91	$1,651.39	$817.44	$18,982.74
C1	31407	$0.2342	$7,355.52	$735.55	$364.10	$8,455.17

There are no separate individual separate charges for gas consumption by the Residential Units and the Commercial Unit.

TSYNGAUZ & ASSOCIATES, P.C.
225 Broadway, Suite 2640
New York, NY 10007
(212) 337-9770

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

May 15, 2023

Real Estate Finance Bureau
New York State Department of Law
28 Liberty Street
New York, NY 10005

Re: Arloparc Condominium
124 East 86th Street & 126 East 86th Street
New York, NY 10028

Dear Sir/Madam:

I am the attorney for the sponsor and I have had over 12 years of experience in preparing contracts of sale and closing title to condominium units and as such have requisite experience to prepare this opinion letter. I am not the selling agent or managing agent for the above-referenced property.

I have reviewed the pertinent data with respect to the fair value of the units and other pertinent information with respect to the units. Based on these factors, and the annexed letter of Yana Izmaylov, the allocation of common interest is being made pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York, which provides that such interest shall be:

> "(iv) upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit."

I certify that I am not owned or controlled by and have no beneficial interest in the sponsor.

Very truly yours,

Yevgeny Tsyngauz

Yevgeny Tsyngauz

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

September 6, 2022

Sergey Rybak
126 East 86 Street Development LLC
227 Sea Breeze Avenue, 4th fl., Suite C-403
Brooklyn, NY 11224

Re: Arloparc Condominium
124 East 86th Street & 126 East 86th Street
New York, NY 10028

Dear Mr. Rybak:

You have requested an opinion from me with regards to your allocation of common interest to units in the above-referenced condominium pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York. You have informed me that the factual basis of calculating the percentage of shared common interest allocated to each Unit consists of the floor space, 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 my review of the foregoing factors, I have concluded that the proposed allocation of common interest to individual units is in compliance with Section 339-i(1)(iv) of the Real Property Law of the State of New York.

I am the principal of FIDY Management Inc. FIDY Management Inc. is a management company. FIDY Management Inc. has managed seventeen (17) residential and mixed-use buildings in Brooklyn since its formation in 2015. I am not, in any way, associated with you or any other participants in this 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 me in such reasonable inquiries as to the validity thereof as I deemed appropriate under the circumstances; and is not intended as a guarantee of the actual value of any individual unit. I consent to the inclusion of this letter in your offering plan.

Very truly yours,

Yana Izmaylov

COMMERCIAL UNIT

There is one (1) Commercial Unit offered for sale under this Plan.

Common Charges payable by the Commercial Unit have been calculated by allocating to the Commercial Unit 4.33% of the Common Expenses, except for the costs of labor, common water charges and sewer rents, and gas.

The costs of labor, common water charges and sewer rents, and gas are not borne at all by the Commercial Unit because said costs are not consumed by the Commercial Unit.

The Commercial Unit will be billed separately by the Board of Managers for water charges and sewer rents based on actual amount used. The Commercial Unit Owners will be required to install and maintain a water sub-meter prior to conveyance of the Commercial Unit to the Commercial Unit Owners and shall be responsible for the payment of all water charges and sewer rents actually used as per sub-meter reading. The Board of Managers shall bill and collect payment from the Commercial Unit for all water charges and sewer rents as levied by the Department of Environmental Protection.

If Sponsor decides to rent the Commercial Unit, Sponsor will install a sub-meter prior to entering into a lease for the Commercial Unit.

The Commercial Unit will have its own electric meter.

The Commercial Unit will be paying the Common Charges that are fairly attributable to it. Common Charges payable by the Commercial Unit Owners is sufficient to cover the expenses fairly attributable to such Unit.

This allocation makes Common Charges payable by the Residential Units substantially higher than Common Charges that would be payable if the Commercial Unit paid its share of the costs of labor, common water charges and sewer rents, and gas.

Section 1 of Article VI of the By-Laws of the Condominium provides for the specific allocation of Common Charges to the Commercial Unit. The requirements for amending this Section does not differ from those otherwise provided in the By-Laws of the Condominium.

Pursuant to N.Y. Real Prop. Law ("RPL") § 339-m "Special Allocation of Common Expenses", common expenses and profits (except as to insurance) must be charged and distributed in accordance with the allocation of common interests, unless otherwise permitted as provided in that statute. The RPL authorizes special allocations, among others, in the following situations: 1) if authorized by the By-Laws and Declaration, common expenses and profits may be specially allocated by the Board of Managers to non-residential units; 2) if authorized by the By-Laws and Declaration, common expenses or profits allocated to certain units, including residential or non-residential, or a combination thereof, may be specially allocated based upon

special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners.

Common Charges have been estimated by Sponsor based on the estimated operating budget annexed as Schedule B to this Plan.

Common Charges payable by the Commercial Unit Owners are sufficient to cover the expenses fairly attributable to such Unit.

The Commercial Unit Owners have rights and obligations, which differ from those of the Residential Unit Owners as follows.

Each Residential Unit may be used as a residence only.

The Commercial Unit may be used for any legal use permitted by the certificate of occupancy of the Building, the Zoning Resolution of the City of New York or other applicable laws, such as a bank, antique store, commercial art gallery, artists' supply store, automobile store, bicycle shop, book store, candy and ice cream shop. The Commercial Unit shall not be used for: (1) conduct or maintenance of any gambling or gaming activities; (2) homeless shelter; (3) any fire, auction, going-out-of-business or bankruptcy sales, (4) massage parlor, (5) any obscene performances in violation of Article 235 of the Penal Law of the State of New York or any obscene or pornographic purposes or activities including, without limitation, the sale, or distribution of any obscene or pornographic material. The terms “obscene”, “material” and “performances” shall be defined for purposes of this covenant as they are defined in Section 235.00 of the Penal Law of the State of New York.

Unlike a Residential Unit, the Commercial Unit may be subdivided into two (2) or more Commercial Units without the approval of the Board of Managers and without paying any cost or charge to the Board of Managers provided, however, that all such subdivision must comply with all applicable codes, rules and regulations. In no case may the subdivision of the Commercial Unit result in a greater percentage of Common Interest for the total of the new Commercial Units created by such subdivision than existed for the original Commercial Unit before the subdivision.

In addition, no portion of a Residential Unit other than the entire Unit, including any Limited Common Elements appurtenant thereto, may be rented. The Commercial Unit may be rented in parts to different tenants.

Moreover, the Commercial Unit Owners have the right to make alterations, additions, improvements or repairs to the Unit without the approval of the Board of Managers and without paying any cost or charge to the Board of Managers provided, however, that all such work must comply with all applicable codes, rules and regulations.

Finally, the Commercial Unit Owners and any tenant or tenants of such Unit or Units pursuant to the terms of any lease pertaining thereto, have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to install, repair

and maintain either within or in the immediate location of such particular Unit at the facade of the front of the Building a sign or signs, which may be illuminated, for advertising or identification purposes.

Such rights and obligations will not have a material adverse impact upon the Condominium.

All Profits are charged and distributed to all Units, including the Commercial Unit, in accordance with the allocation of the Shared Percentages of Common Interests as set forth in Schedule A.

The Unit Owner of Unit C1 will be responsible for the installation of heating and cooling mechanical equipment, and hot water heaters.

The unfinished nature of the Commercial Unit will not impact the procurement of a certificate of occupancy for the Residential Units.

The Commercial Unit Owners, like the Residential Unit Owners, may nominate members of the Board of Managers, cast votes to elect the Board of Managers, and if elected, may serve and cast votes on the Board of Managers. The Commercial Unit Owners may nominate one (1) member to the Board of Managers.

If there are any material changes to the Commercial Unit (while it is owned by Sponsor), such changes will be disclosed in an amendment to the Plan.

CHANGES IN PRICES AND UNITS

Changes in Prices

The offering prices set forth in Schedule A must be changed by a filed amendment to the Plan when:

(a) the change in price is an across the board increase or decrease affecting one or more lines of Units or Unit models, or
(b) the change in price is to be advertised, or
(c) the change in price is a price increase for an individual Purchaser.

Prices and specified terms of sale are negotiable and Sponsor may enter into a Purchase Agreement with an individual Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment.

Changes in Units

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

No change will be made in the size or number of Units and/or their respective percentages of Common Interest, and that no material change will be made in the size or quality of Common Elements, except by amendment to the Plan and, when applicable, to the Declaration.

For purposes of this Section, with regard to the size of a Unit, a decrease in a Unit's area of five percent (5%) or less will not affect Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that a Unit's size that is diminished by five percent (5%) or less is not material.

For any Unit owned by Sponsor or Sponsor-designees, if not prohibited by the Condominium Act, Sponsor or Sponsor-designees shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to:

(a) make alterations, additions, or improvements, structural and non-structural, ordinary and extraordinary, interior and exterior, in, to and upon the Unit;
(b) change the layout or number of rooms in the Unit;
(c) 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

(d) reapportion among such Unit(s) affected by such change in size or number, subdivision, combination or alteration, their appurtenant interests in the Common Elements; provided, however, that Sponsor or Sponsor-designees 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. If Sponsor reapportions the Common Elements to be included in the Unsold Units, Sponsor must obtain consent from the affected Unit Owners.

Sponsor's rights are subject to the above restrictions.

INTERIM LEASE

Sponsor will not rent Residential Units before the consummation of the Plan other than to Purchasers for their contracted Units in accordance with the terms set forth in this Section.

Purchaser does not have the right to take possession of the Residential Unit prior to the closing without the prior written consent of Sponsor, which consent may be withheld for any reason or for no reason. Sponsor's refusal to consent to a pre-closing possession will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor.

If Sponsor permits Purchaser to take a pre-closing possession of the Unit, the parties will execute the Interim Lease in the form set forth on pages 259-262 in Part II of the Plan.

[A] Inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designed for people to use to inhale smoke, and [B] use of battery-operated devices that heat a liquid, gel, herb or other substance and produces vapor for people to inhale are not permitted:

[i] inside of the Units;
[ii] anywhere in the Limited Common Elements of the Units;
[iii] anywhere inside of the Building;
[iv] outdoor Common Elements, including play areas, rooftops, courtyards, patios, porches or yards; and
[v] outdoors within 15 feet of entrances, exits, windows, and air intake units in the Building.

This prohibition is included in Rule 28 of the Rules and Regulations of the Condominium

The Interim Lease will not establish a landlord-tenant relationship between Sponsor and Purchaser.

Pursuant to the Interim Lease, Purchaser will be required to pay to Sponsor a monthly fee commencing on the possession date, through and including the date of the closing, which fee will be determined by Sponsor and Purchaser before the execution of the Agreement. Purchaser will also be responsible for all utilities as of the date of possession until the closing or return of possession to Sponsor.

Once Purchaser takes possession of the Unit, Purchaser will assume risk of loss from fire or other casualty not covered by insurance.

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 the closing pursuant to the Interim Lease assumes the risk of losses not covered by insurance.

An uncured default under the Purchase Agreement will be a default under the Interim Lease. An uncured default under the Interim Lease will be a default under the Purchase Agreement. Before Sponsor may utilize the default under the Interim Lease to declare a default under the Purchase Agreement, 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.

Purchaser will have thirty (30) days to vacate the Unit after a default under the Purchase Agreement or rescission of the Purchase Agreement by Purchaser. Sponsor must make a written demand for payment after default at least thirty (30) days before forfeiture of the deposit may be declared.

No rent protections laws are applicable to the Interim Lease.

Sponsor represents that Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

PROCEDURE TO PURCHASE

When a prospective Purchaser has decided to purchase a Unit, Purchaser will execute the Purchase Agreement substantially in the form set forth in Part II of the Plan and return four (4) copies thereof with the deposit check to Sponsor's attorney, TSYNGAUZ & ASSOCIATES, P.C., having an address at 225 Broadway, Suite 2640, New York, NY 10007. Purchaser will be afforded at least three (3) business days to review the Plan and all filed amendments prior to executing a Purchase Agreement. The Purchase Agreement will not be binding on Sponsor until a fully executed counterpart hereof has been sent out to Purchaser or Purchaser's attorney.

Among the important provisions of the Purchase Agreement are the following:

1. Deposit.

The required deposit will be 10% of the purchase price. However, such deposit may be increased for any upgrades, extras, special or custom work in the Unit ordered by Purchaser and itemized in the Purchase Agreement. Such deposit may also be decreased as an accommodation to Purchaser, but in no case will deposit be less than $5,000.00.

Within thirty (30) days after delivery by Purchaser of an executed Purchase Agreement, together with the required deposit, Sponsor will either:

(a) accept the Purchase Agreement and cause to be returned to Purchaser the fully executed counterpart thereof, or
(b) reject the Purchase Agreement offer and refund the deposit tendered.

If Sponsor takes no action within said thirty (30) day period, the Purchase Agreement shall be deemed null and void and Purchaser's deposit will be refunded.

Any deposits made for upgrades, extras, special or custom work shall be initially deposited into the Escrow Account, (hereinafter defined). However, such funds may be released from the Escrow Account in accordance with the terms of the Purchase Agreement as long as Sponsor uses the funds for such upgrades, extras, special or custom work. In the event Purchaser is entitled to a rescission, other than in the event of an abandonment of the Plan by Sponsor, Purchaser will not receive a refund of any funds used for any upgrades, extras, special or custom work in the Unit ordered by Purchaser if such funds have been expended for such upgrades, extras, special or custom work. In the event the Plan is abandoned, the deposit and all funds paid by Purchaser for any upgrades, extras, special or custom work in the Unit ordered by Purchaser shall be refunded to Purchaser within five (5) days of abandonment.

2. Escrow.

Sponsor shall comply with the escrow and trust requirements of Sections 352-e(2-b) and 352-h of the General Business Law of the State of New York.

All deposits, down payments, or advances made by Purchasers prior to the closing of each individual transaction shall be held pursuant to a Purchase Agreement.

Escrow Agent:

The law firm of TSYNGAUZ & ASSOCIATES, P.C., having an address at 225 Broadway, Suite 2640, New York, NY 10007 and telephone number (212) 337-9770, shall serve as escrow agent, (hereinafter called "Escrow Agent"), for Sponsor and Purchaser. Escrow Agent has designated Yevgeny Tsyngauz and Mikhail Litt to serve as signatories. All designated signatories are admitted to practice law in the State of New York. Neither Escrow Agent nor any authorized signatories on the account are Sponsor, Selling Agent, Managing Agent or any principal thereof, or has any beneficial interest in any of the foregoing.

The Escrow Account:

The Escrow Agent has established the escrow account at Capital One, N.A., having an address at 6521 18th Avenue, Brooklyn, NY 11204, a bank authorized to do business in the State of New York. The escrow account is entitled “TSYNGAUZ & ASSOCIATES, P.C., Escrow Account, IOLA”, (hereinafter called the "Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit. Any deposit in excess of $250,000.00 will not be insured. If Purchaser has accounts at the same bank as the Sponsor’s account that holds escrowed funds, Purchaser’s funds at the escrow bank factor into the $250,000.00 FDIC insurance limit.

The Escrow Account is a non-interest bearing account established pursuant to Section 497(4)(a) of the Judiciary Law of the State of New York. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

All deposits received from Purchaser prior to the closing shall be in the form of checks and shall be made payable directly to the order of "TSYNGAUZ & ASSOCIATES, P.C., as Escrow Agent”. Any check payable to, or endorsed other than as required hereby, and which cannot be deposited in the Escrow Account shall be returned to Purchaser promptly, but in no event more than five (5) business days following receipt of such check by the Escrow Agent. In the event of such return of the deposit, the check shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of the Purchase Agreement.

The Purchase Agreement:

The Purchase Agreement is set forth in Part II of the Plan. The relevant escrow provisions are included in Section 5 of the Purchase Agreement, which must be executed by the Escrow Agent.

Notification to Purchaser:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the deposit, 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, confirming the deposit and disclosing the account number. Any deposits made for upgrades, extras, special or custom work shall be initially deposited into the Escrow Account, and released in accordance with the terms of the Purchase Agreement.

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

Release of Funds:

All deposits, except for advances made for upgrades, extras, special or custom work received in connection with the Purchase Agreement, are and shall continue to be Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, as per Section 352-h of the General Business Law of the State of New York. Advances for upgrades cease to be Purchaser's money when the funds are used in commission of the upgraded work.

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

Escrow Agent shall release the deposit if so directed:

(a) pursuant to terms and conditions set forth in the Purchase Agreement upon closing of title to the Unit; or
(b) in a subsequent writing signed by both Sponsor and Purchaser; or
(c) by a final, non-appealable order or judgment of a court.

If Escrow Agent is not directed to release the deposit pursuant to paragraphs (a) through (c) above, and Escrow Agent receives a request by either party to release the deposit, then the Escrow Agent must give both 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 parties informing them of said release. If Escrow Agent receives a written notice from either party 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 paragraphs (a) through (c) 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 New York County and shall give written notice to both parties of such deposit.

Sponsor shall not object to the release of the deposit to:

(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 the Purchase Agreement or separate agreement, whether oral or in writing, by which Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any deposit in trust is absolutely void. The provisions of applicable regulations of the Department of Law and Sections 352-e(2-b) and 352-h of the General Business Law of the State of New York concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Purchase Agreement, Plan, or any amendment thereto.

General:

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 the Purchase Agreement or the performance or non-performance of Escrow Agent's duties under the 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 the 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.

Escrow Agent shall have the right to represent Sponsor in any lawsuit arising out of the Plan and the Purchase Agreement. Sponsor will compensate Escrow Agent for acting as Sponsor's attorney.

Escrow Agent shall have the right to represent Sponsor in any lawsuit arising out of the Plan and the Purchase Agreement. Sponsor will compensate Escrow Agent for acting as Sponsor's attorney. Escrow Agent owes a fiduciary duty to the Purchaser as the depositor of the funds.

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

Upon 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 Department of Law of such transfer.

Before the funds are transferred to a new escrow account, or if 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.

Nothing contained herein shall diminish or impair the Sponsor's statutory obligation to each Purchaser pursuant to Section 352-h of the General Business Law of the State of New York 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 Section 352-h of the General Business Law of the State of New York. 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 Sponsor or the Escrow Agent upon any bankruptcy, incapacity or death.

3. <u>Compliance with Section of 71-a(3) of the Lien Law of the State of New York.</u>

The Plan and the Purchase Agreement comply with Section of 71-a(3) of the Lien Law of the State of New York and any other applicable provisions of law, which require that the Purchaser's deposit under the Purchase Agreement, at Purchaser's option, be deposited within five (5) business days thereafter by Escrow Agent in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in the New York State. The deposit, together with the interest accumulated thereon, shall remain the property of the Purchaser, except as otherwise provided herein. Escrow Agent is obligated to advise the Purchaser in writing of the name of the depository where the funds have been placed within ten (10) business days after the deposit has been made.

The deposit shall be retained in the Escrow Account until (i) the Sponsor's performance of the terms of the Purchase Agreement, or (ii) default of the Purchaser excusing the Sponsor's performance of the terms of the Purchase Agreement, or (iii) release or discharge of the Sponsor's liability to refund the deposit to the Purchaser, or (iv) upon transfer of title of the Unit to the Purchaser.

4. Default of Purchaser.

TIME IS OF THE ESSENCE with respect to Purchaser's obligations to pay the balance of the purchase price and to pay, perform or comply with Purchaser's other obligations under the Purchase Agreement. Upon the occurrence of an Event of Default defined in the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to cancel the Purchase Agreement. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the written notice of cancellation to cure the specified default.

If the default is not cured within such thirty (30) days, **TIME BEING OF THE ESSENCE**, then the Purchase Agreement will be deemed cancelled, and Sponsor will have the right to retain the deposit and actual costs incurred by Sponsor for any upgrades, extras, special or custom work in the Unit ordered by Purchaser, as and for liquidated damages. Upon the cancellation of the Purchase Agreement, 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 the Purchase Agreement and the Plan, and the Unit may be sold to another as though the Purchase Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

Sponsor shall not seek the remedy of specific performance in connection with the Purchase Agreement.

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

TIME IS OF THE ESSENCE means that Purchasers must perform their obligations under the Purchase Agreement at the time certain regardless of whether they are sick, disabled, or cannot attend the closing for any other reason.

After the Plan has been declared effective, Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving notice to each Purchaser stating the date of the first closing and setting such Purchaser's closing date no less than thirty (30) days before the date set for the closing of the Units. The notice will comply with 13 NYCRR §20.1(d)(1).

Provided Sponsor is ready, willing and able to close title in accordance with the Purchaser Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled closing:

(a) the closing apportionments described in the Purchase Agreement will be made as of the midnight of the day preceding the originally scheduled closing, regardless of when the actual closing occurs, and

(b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.03% of the purchase price

for each day starting from and including the originally scheduled closing to and including the day before the actual closing. The interest rate charged will not exceed maximum legal usury limits.

Purchaser shall also be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or, in the event Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in canceling the Purchase Agreement or otherwise enforcing Purchaser's obligations hereunder if Sponsor prevails in any such dispute or successfully defends itself.

5. Financing Contingency.

Purchaser's obligation to purchase a Unit is contingent upon issuance, on or before forty five (45) days after a fully executed copy of the Purchase Agreement is given to Purchaser or Purchaser's attorney, (hereinafter called the "Commitment Date"), of a written commitment through

Valley National Bank
350 Park Avenue
New York, NY 10022
Attn.: Dave DeBonis
Tel: (973) 207-6500
Fax: (973) 807-3466
Email: Ddebonis@valley.com

(hereinafter called the "Preferred Lender").

Under New York law, when a mortgage commitment is not fulfilled through no fault of a purchaser, performance is excused. Sponsor may not condition purchaser's obligations upon obtaining a commitment. Therefore, if the purchaser acts in good faith and the lender revokes the loan commitment after the contingency period expires, performance is excused, and the sponsor must grant to such purchaser a right of rescission and a reasonable period of time to exercise such right.

PURCHASER UNDERSTANDS THAT PURCHASER IS FREE TO SEEK FINANCING DIRECTLY FROM OTHER LENDERS, EITHER SOLELY OR PARALLEL WITH THE APPLICATION TO THE PREFERRED LENDER, BUT THE CONTINGENCY CONTAINED IN THIS SECTION 29 SHALL ONLY APPLY IF AN APPLICATION ON THE ABOVE-SPECIFIED TERMS IS MADE IN GOOD FAITH TO THE PREFERRED LENDER AND IS DILIGENTLY PURSUED. THEREFORE, REFUSAL BY ANY LENDER TO MAKE A COMMITMENT TO PURCHASER WILL NOT ENTITLE PURCHASER TO CANCEL THIS AGREEMENT OR RECEIVE A REFUND OF THE DEPOSIT.

Purchaser shall (i) make prompt application to the Preferred Lender, for such mortgage loan within five (5) days after the fully executed copy of the Purchase Agreement is given to

Purchaser or Purchaser's attorney, (ii) furnish to the Preferred Lender accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (iii) pay all fees, points and charges required in connection with such application and loan, (iv) pursue such application with diligence, and (v) cooperate in good faith with the Preferred Lender. **IF PURCHASER FAILS TO COMPLY WITH THESE OBLIGATIONS, PURCHASER SHALL BE DEEMED TO HAVE WAIVED PURCHASER'S RIGHT TO CANCEL THE PURCHASE AGREEMENT AND TO RECEIVE A REFUND OF THE DEPOSIT BY REASON OF THE CONTINGENCY.**

If the Preferred Lender denies Purchaser's application in writing prior to the Commitment Date or if no Commitment is issued by the Preferred Lender on or before the Commitment Date, then, provided that Purchaser has complied with all his obligations set forth in the preceding paragraph, Purchaser will have a right of rescission until the midnight of the fifteenth day following the Commitment Date. Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day.

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

However, if a Commitment was issued but it lapsed or expired prior to the closing, and Purchaser has made a good faith effort to extend the Commitment, but the Preferred Lender nevertheless refused or failed to extend the Commitment, Purchaser will have a right of rescission until the midnight of the fifteenth day following notice from the Preferred Lender of its failure or refusal to extend the Commitment. Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day. If Purchaser fails to give timely notice of cancellation, then Purchaser will be deemed to have waived Purchaser's right to cancel the Purchase Agreement and to receive a refund of the deposit by reason of the contingency.

If Purchaser acts in good faith and the Preferred Lender revokes a Commitment after the Commitment Date, Purchaser will have a right of rescission until the midnight of the fifteenth day following notice from the Preferred Lender of its revocation of the Commitment. Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is

post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day. If Purchaser fails to give timely notice of cancellation, then Purchaser will be deemed to have waived Purchaser's right to cancel the Purchase Agreement and to receive a refund of the deposit by reason of the contingency.

If a Commitment was issued but its terms were not materially and adversely changed prior to the closing, Purchaser shall nevertheless be required to purchase a Unit.

Purchasers are directed to Section 29 of the Purchase Agreement for a detailed explanation of the terms of the contingency.

If Purchaser does not want financing contingency, Purchaser may delete Section 29 of the Purchase Agreement at the time of its execution. If Purchaser deletes the financing contingency, any prospective Purchaser who executes a Purchase Agreement may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price.

The condominium complies with the Preferred Lender's requirements applicable to condominiums, including, without limitation, the amount of the reserve fund and the by-laws. The Preferred Lender requires that at least 15% of the Residential Units be sold and 51% of the Residential Units be owner-occupied before it will close a loan. As the closing of the Purchaser's loan is contingent upon the satisfaction of this condition, it is a special risk that even if a Purchaser obtains and satisfies all conditions of the financing commitment applicable to the Purchaser, the closing of the loan may be delayed or may not occur if the minimum sales and owner-occupancy requirements are not satisfied. If the Preferred Lender does not close a Purchaser's loan for this reason, Sponsor shall grant to such Purchaser a right of rescission and a reasonable period of time to exercise such right.

6. <u>Closing of Title.</u>

After the Plan has been declared effective 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. The closing date will be no earlier than thirty (30) days after the giving of the notice. The notice will comply with 13 NYCRR §20.1(d)(1). However, Purchaser may waive this thirty (30) day requirement in the Purchase Agreement if a firm closing date is set forth in the Purchase Agreement, and such date is within thirty (30) days of the execution of the Purchase Agreement.

Sponsor anticipates that the first closing of a Residential Unit will occur by July 1, 2024. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Residential Unit; or (ii) the projected date of closing of title to the first Residential Unit occurs later than June 30, 2025, twelve (12) months after the projected date for the first Residential Unit closing. If the Plan is amended to provide for a later projected date for the first Residential Unit closing, Purchasers will be entitled to an offer of rescission if the first Residential Unit closing occurs more than twelve (12) months beyond that amended, later day. Purchasers who enter into a Purchase Agreement after the Plan has been amended to provide for a later date would be

entitled to an offer of rescission if the first Unit closing occurs more than twelve (12) months beyond that amended, later day.

However, if the first Residential Unit closing occurs before June 30, 2025, Sponsor may schedule the closings of title to other Units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain.

Purchasers should note that even if the first Residential Unit closing occurs on or before July 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 (12) 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 pursuing 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 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.**

7. <u>Rescission of the Purchase Agreement.</u>

If (i) the actual date of closing of title to the first Residential Unit, or (ii) the projected date of closing of title to the first Residential Unit occurs later than June 30, 2025, twelve (12) months after the projected date for the first Residential Unit closing, Sponsor will offer all Purchasers a right of rescission until the midnight of the fifteenth day following receipt of Sponsor’s offer to rescind. If the Plan is amended to provide for a later projected date for the first closing, and the first Residential Unit closing occurs more than twelve (12) months beyond that amended, later date, Sponsor will also offer all Purchasers a right of rescission until the midnight of the fifteenth day following receipt of Sponsor’s offer to rescind. Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day.

If the actual or projected date of the commencement of the first year condominium operations is delayed by more than six (6) months from the budget year projected in the Plan, Sponsor will amend the Plan to include a revised budget disclosing amended projections. If such amended projections exceed the original projections by 25% or more, Sponsor will offer all Purchasers a right of rescission until the midnight of the fifteenth day following receipt of Sponsor’s offer to rescind. Purchaser or Purchaser's attorney must either [i] personally deliver a

written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day.

Purchaser have also a right to rescind the Purchase Agreement if financing contingency contained in Section 29 thereof is not satisfied. Purchasers are directed to Section 29 of the Purchase Agreement for a detailed explanation of the terms of the contingency.

Purchaser shall have also a right to rescind the Purchase Agreement if a mortgage commitment is not fulfilled through no fault of Purchaser. Purchasers are directed to Paragraph 9 "Financing Contingency" below and Section 29 of the Purchase Agreement for a detailed explanation of the terms of the contingency.

8. Power of Attorney.

At the closing of his or her Unit, Purchaser will execute and deliver to the Selling Agent or Sponsor a power of attorney to the Board of Managers in the form set forth in Part II of the Plan. The power of attorney will be executed and acknowledged by Purchaser in proper statutory form for recording. If Purchaser refuses to execute the power of attorney to the Board of Managers and deliver it to the Selling Agent or Sponsor at the closing of his or her Unit, Purchaser will be in a default under the Purchase Agreement and Sponsor will have the right to retain the deposit and actual costs incurred by Sponsor for any upgrades, extras, special or custom work in the Unit ordered by Purchaser, as and for liquidated damages.

9. Risk of Loss.

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. A person who takes possession prior to the closing pursuant to the Interim Lease assumes the risk of losses not covered by insurance.

Risk of loss from fire or other casualty remains with Sponsor until legal title to the Unit has been conveyed to Purchaser, unless Purchaser, with the prior written consent of Sponsor, takes possession of the Unit before the closing pursuant to an interim lease, if any. In such a case, Purchaser will assume risk of loss not covered by insurance.

Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, Sponsor shall notify Purchaser within sixty (60) days of the damage to the Unit and repair the damage within ninety (90) days of the notice. In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within sixty (60) days of the damage to the Unit), or, if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs or restoration

pursuant to the By-Laws, the Purchase Agreement shall be deemed cancelled and all monies paid on account of the purchase price, including any deposits made for upgrades, extras, special or custom work ordered by Purchaser, shall be returned to Purchaser within ten (10) days of Sponsor's notification to Purchaser that it does not elect to repair or restore the Unit or Unit Owners' notification that they do not intend to repair or restore the Unit pursuant to the By-Laws, whichever is sooner. Upon such return, 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 the Purchase Agreement and the Plan.

An interim lessee should confer with an insurance adviser regarding property and liability insurance.

10. Conflicts.

In the event of any inconsistency or conflict between the provisions of the Purchase Agreement and the Plan, the provisions of the Plan will govern and be binding.

11. Modification of the Purchase Agreement.

Neither the Purchase Agreement nor the Plan may contain or be modified to contain a provision waiving Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the General Business Law of the State of New York.

12. Broker.

The Purchase Agreement contains a provision that Purchase represents that Purchaser has not dealt with any broker in connection with this transaction other than the broker, if any, named in the Purchase Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this provision shall survive the Closing.

Please see Section 22 of the Purchase Agreement in Part II of the Plan.

13. Force Majeure.

The Purchase Agreement contains a provision that Sponsor shall be excused from performing any obligation or undertaking provided for in the Purchase Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the

reasonable control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

The Purchase Agreement contains a provision that Purchaser's time to perform any obligation or undertaking provided for in the Purchase Agreement shall be tolled for the length of the period during which such performance was prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Purchaser. Sponsor cannot limit any rights which Purchaser may have pursuant to Article 23A of the General Business Law, N.Y.C.R.R. regulations, and the Plan, except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency or by executive order.

Please see Section 27 of the Purchase Agreement in Part II of the Plan.

14. Waiver of Jury Trial.

The Purchase Agreement contains a provision that except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, the Purchase Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

Please see Section 34 of the Purchase Agreement in Part II of the Plan.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which consent may be withheld for any reason. Any purported assignment by Purchaser in violation of the Purchase Agreement will be voidable at the option of Sponsor and be deemed a default of Purchaser. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. Sponsor will not charge a fee from Purchaser if it consents to an assignment.

Sponsor may not withhold permission for the assignment of the Purchase Agreement based upon race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

EFFECTIVE DATE

Sponsor's offer to sell the Units is contingent upon the Plan being declared effective and upon compliance with the relevant conditions and time periods described in the Plan. In declaring the Plan effective, the following will govern:

1. The Plan may be declared effective by:

   (i) an amendment to the Plan or by
   (ii) personal service of notice on every Purchaser or by commencement of service by mail in the manner required by 13 NYCRR §20.1(d) of a notice on every Purchaser stating that the Plan was declared effective on a particular date, the percentage used to declare the Plan effective and a list of the Units being counted to meet the minimum percentage under the terms of the Plan to declare it effective. Sponsor shall then submit an amendment to the Department of Law within five (5) days confirming that the Plan was declared effective on a specified date.

The closing of the first Unit will not occur until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

2. The Plan may not be declared effective unless bona fide Purchasers, including investors, have signed Purchase Agreements for at least 15% of the Residential Units offered under the Plan, which is equal to five (5) Residential Units. Five (5) Residential Units meet the 15% threshold but constitute 17.86% of the Residential Units.

The Commercial Unit may not be counted toward effectiveness.

3. The Plan will not be declared effective based on the Purchase Agreements:

   (a) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or
   (b) if Purchaser was not afforded at least three (3) business days to review the Plan and all filed amendments prior to executing the Purchase Agreement; or
   (c) with any Purchaser who is Sponsor, the Selling Agent, or the managing agent or is a principal of Sponsor, the Selling Agent or the managing agent or is related to Sponsor, the Selling Agent, or the managing agent or to any principal of 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 Purchaser other than Sponsor or a principal of Sponsor may be included if Sponsor has submitted proof satisfactory to the Department of Law establishing that Purchaser is bona fide.

The first Unit closing for purposes of tolling a 12-month period for commencement of the condominium operations must be for a Residential Unit.

4. The Plan must be declared effective when Purchase Agreements have been accepted by Sponsor for 80% or more of the Residential Units offered under the Plan, which is equal to twenty three (23) Residential Units. Twenty three (23) Residential Units meet the 80% threshold but constitute 82.14% of the Residential Units.

5. If Sponsor, at its option, abandons the Plan before the Plan is declared effective, within five (5) days of the acceptance of the abandonment amendment, all monies paid by Purchasers will be refunded to them in full. Sponsor will promptly file an amendment together with the form RS-3 as promulgated by the Department of Law.

6. Sponsor may not abandon the Plan after effectiveness for any reason other than:

(a) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of 1% of the total offering amount;
(b) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half of 1% of the total offering amount;
(c) the taking of any material portion of the Property by condemnation or eminent domain.

Said sum will exclude any attorneys' 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 Sponsor or are a matter of public record.

7. Sponsor will re-declare the Plan effective if all Purchase Agreements counted towards effectiveness are either rescinded or terminated prior to the date of the first unit closing, regardless of whether the Condominium Declaration has been recorded.

TERMS OF SALE

The term “closing of title”, "closing date", "closing" or words of similar import, whenever used herein, is intended to signify the passage of title to a particular Unit or Units from Sponsor to Purchasers thereof.

1. At the closing, Sponsor will deliver to Purchaser a bargain and sale deed with covenants against grantor's acts substantially in the form set forth in Part II of the Plan conveying to Purchaser title to the Unit free and clear of liens, encumbrances and title exceptions other than those described in the proposed Unit deed and set forth below. The deed will be executed and acknowledged by Sponsor and Purchaser in proper statutory form for recording.

2. 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. A person who takes possession prior to the closing pursuant to the Interim Lease assumes the risk of losses not covered by insurance.

If between the date of the Purchase Agreement and the closing of title the Unit is damaged by fire or other casualty, the following will apply.

Risk of loss from fire or other casualty remains with Sponsor until legal title to the Unit has been conveyed to Purchaser, unless Purchaser, with the prior written consent of Sponsor, takes possession of the Unit before the closing pursuant to an interim lease, if any. In such a case, Purchaser will assume risk of loss not covered by insurance.

Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election will be in its sole discretion and made within sixty (60) days of the damage to the Unit), the Purchase Agreement will continue in full force and effect, Purchaser will not have the right to reject title or receive a credit against, or abatement in, the purchase price, and Sponsor will repair the damage within ninety (90) days of the notice that Sponsor elects to repair or restore the Unit. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss will, subject to the rights of the Board of Managers and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser will promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence will survive the closing of title.

In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within sixty (60) days of the damage to the Unit), or, if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, the Purchase Agreement shall be deemed cancelled and all monies paid on account of the purchase price, including any deposits made for upgrades, extras, special or custom work ordered by Purchaser, shall be returned to Purchaser within ten (10) days of Sponsor's notification to Purchaser that it does not elect to repair or

restore the Unit or Unit Owners' notification that they do not intend to repair or restore the Unit pursuant to the By-Laws, whichever is sooner. Upon such return, 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 the Purchase Agreement and the Plan.

3. A closing will take place only concurrently with the issuance of a temporary or final certificate of occupancy for the entire project or, issuance of a partial, temporary or final certificate of occupancy for the Unit closed or the Building in which the Unit is located.

4. Title to each Unit and its Appurtenant Interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other those described in the proposed Unit deed and set forth below:

(a) Zoning laws and regulations and landmark, historic or wetlands designations which are not violated by the Unit and which are not violated by the Common Elements to the extent that access to or use of the Unit would be materially and adversely affected.

(b) Consents for the erection of any structure or structures on, under or above any street or streets on which the Building may abut.

(c) The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations set forth in the Declaration, By-Laws and rules and regulations of the Condominium, the Power of Attorney to the Board of Managers of the Condominium and the Floor Plans of the Condominium, all as may be amended from time to time.

(d) Rights of utility companies to lay, maintain, install and repair pipes, lines, poles, conduits, cable boxes and related equipment on, over and under the Building and Common Elements, provided that none of such rights imposes any monetary obligation on the owner of the Unit or materially interferes with the use of or access to the Unit.

(e) Encroachments of stoops, areas, cellar steps, trim, cornices, lintels, window sills, awnings, canopies, ledges, fences, hedges, copings and retaining walls projecting from the Building over any street or highway or over any adjoining property and encroachments of similar elements projecting from adjoining property over the Common Elements.

(f) Any state of facts which an accurate survey or personal inspection of the Building, Common Elements or Unit would disclose, provided that such facts do not render title unmarketable.

(g) The lien of any unpaid common charge, real estate tax, water charge, sewer rent or vault charge, provided the same are paid or apportioned at the Closing.

(h) The lien of any unpaid assessments to the extent of installments thereof payable after the closing.

(i) Liens, encumbrances and title conditions affecting the Common Elements, which do not materially and adversely affect the rights of the Unit Owner to use and enjoy the Common Elements.

(j) Notes or notices of violations of law or governmental orders, ordinances or requirements affecting the Building or the Common Elements (other than the Unit), which the other Unit Owner or the Board of Managers of the Condominium are obligated to correct.

(k) Standard exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring the Owner's title to the Unit.

(l) Lot Line Window Restrictive Declaration as recorded in 2021000343469.

(m) Zoning Lot Certificate as recorded in CRFN 2020000354144.

(n) Zoning Lot Description as recorded in CRFN 2020000351734.

(o) Light and Air Easement Agreement as recorded in CRFN 2020000348194.

(p) Zoning Lot and Development Agreement as recorded in CRFN 2020000348193.

(q) Waiver of Declaration of Zoning Lot Restrictions as recorded in CRFN 2020000348192.

(r) Declaration of Zoning Lot Restrictions as recorded in CRFN 2020000348191.

(s) Zoning Lot Certificate as recorded in CRFN 2020000348190.

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 Sponsor is included in the conveyance unless specifically excepted in the Plan.

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

7. At the time of conveyance of the first Unit, each mortgagee will either:

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

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

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

8. The United States Financial Crimes Enforcement Network ("FinCEN") issued the Geographic Targeting Order ("GTO"), which requires title insurance companies to collect and report to FinCEN the personal identity of purchasers in residential real estate transactions in which:

(1) the purchaser is a legal entity as defined in the GTO, or through a trust;

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

(3) the purchase price is $300,000.00 or more;

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

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

The GTO defines "legal entity" as a corporation, limited liability company, partnership or other similar business entity, whether formed under the laws of a state or of the United States or a foreign jurisdiction.

As long as the GTO remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria and occurring on or after November 6, 2020.

UNIT CLOSING COSTS AND ADJUSTMENTS

1. Closing Costs

At the closing of title, each Purchaser of a Unit will be required to pay certain closing costs in addition to the legal fees of such Purchaser's counsel and the amount of any net credit in favor of Sponsor resulting from the closing adjustments described below. Such closing costs will include the following, the amounts of which are based on rates in effect on the date of the Plan and are subject to change without prior notice or amendment.

i. Owner's title insurance. If Purchaser elects to obtain owner's title insurance, Purchaser will be required to pay a premium therefor to a title insurance company. According to Title Insurance Rate Service Association, (hereinafter "TIRSA"), the owner's policy rates, after deducting 15% of the standard rates, are:

First $35,000 or less		$402.00
Each Additional $1,000.00 (or fraction thereof)		
From	To	
$35,001.00	$50,000.00	$6.67
$50,001.00	$100,000.00	$5.43
$100,001.00	$500,000.00	$4.36
$500,001.00	$1,000,000.00	$3.98

Purchasers are free to use title insurance companies of their own choice without incurring a penalty or additional fees.

ii. Loan title insurance. If Purchaser elects to obtain financing secured by his or her Unit, Purchaser will be required to pay a premium for loan title insurance to a title insurance company. According to TIRSA, the loan policy rates are:

First $35,000 or less		$344.00
Each Additional $1,000.00 (or fraction thereof)		
From	To	
$35,001.00	$50,000.00	$5.55
$50,001.00	$100,000.00	$4.54
$100,001.00	$500,000.00	$3.64
$500,001.00	$1,000,000.00	$3.31

If Purchaser elects to obtain an owner's title insurance and financing secured by his or her Unit, the loan policy rate will be calculated at 30% of the standard loan rate.

Purchaser will also pay for various title insurance endorsements, including without limitation, TIRSA Condominium (Endorsement 4), TIRSA Residential Mortgage Endorsement, TIRSA Waiver of Arbitration Endorsement, ALTA Endorsement 6 (Variable Rate Mortgage). The endorsements will vary depending upon a lender. A fee for each endorsement is $25.00.

iii. Abstract search. If Purchaser elects to obtain owner's title insurance or financing secured by his or her Unit, Purchaser will be required to pay a fee to a title insurance company for conducting an abstract search of the Property and the Unit, which fee will vary depending upon a title insurance company. The fee may be between $400.00 and $600.00.

Purchasers may utilize the title insurance company of their choice without incurring any additional fees from Sponsor.

iv. Recording. Purchaser will be required to pay a fee to the title insurance company for recording the deed, power of attorney and mortgage, which fee will vary depending upon a title insurance company. The fee may be between $300.00 and $400.00.

v. Financing. If Purchaser elects to obtain financing secured by his or her Unit, Purchaser will be required to pay the mortgage recording tax to the Department of Finance of the City of New York. The tax is 1.80% of the loan amount of less than $500,000.00 and 1.925% of the loan amount of $500,000.00 or more for the Residential Unit. The tax is 2.05% of the loan amount of less than $500,000.00 and 2.80% of the loan amount of $500,000.00 or more for the Commercial Unit.

In addition, Purchaser will be required to pay lender's closing costs, including without limitation, loan origination fees, commitment fees, application fees, appraisal fees, credit reports fees, lender attorney fees, tax service fees, underwriting fees, messenger fees, bank document preparation fees and escrow reserve for the payment of annual real estate taxes and PMI premiums. The costs will vary depending upon a lender. **SPONSOR MAKES NO REPRESENTATION OR WARRANTY AS TO SUCH LENDER'S CLOSING COSTS OR AS TO THE AVAILABILITY OF SUCH FINANCING.**

vi. Transfer taxes. Although Sponsor has a statutory obligation to pay the New York City and New York State real property transfer taxes, Sponsor is transferring said obligation to Purchasers. Purchasers will be required to pay the New York City real property transfer tax to the Department of Finance of the City of New York. The tax is 1.00% of the consideration for the Residential Unit of $500,000.00 or less and 1.425% of the consideration for the Residential Unit of more than $500,000.00. The tax is 1.425% of the consideration for the Commercial Unit of $500,000.00 or less and 2.625% of the consideration for the Commercial Unit of more than $500,000.00.

Purchasers will also be required pay the New York State real property transfer tax to the Department of Finance of the City of New York. The tax is 0.4% of the consideration for the Residential Unit of less than $3,000,000.00 and 0.65% of the consideration for the Residential Unit of $3,000,000.00 or more. The tax is 0.4% of the consideration for the Commercial Unit of

less than $2,000,000.00 and 0.65% of the consideration for the Commercial Unit of $2,000,000.00 or more.

If the consideration for the Residential Unit is equal to or more than $1,000,000.00, Purchaser will also be required to pay "Mansion" and new supplemental tax New York State real property transfer taxes to the Department of Finance of the City of New York. The tax rates are as follows:

Consideration	Total Tax Rate ("Mansion" and New Supplemental)
$1,000,000.00 to $1,999,999.99	1.00%
$2,000,000.00 to $2,999,999.99	1.25%
$3,000,000.00 to $4,999,999.99	1.50%
$5,000,000.00 to $9,999,999.99	2.25%
$10,000,000.00 to $19,999,999.99	3.25%
$20,000,000.00 to $24,999,999.99	3.75%
$25,000,000.00 or more	3.9%

As of July 1, 2021, the amount of the New York State real property transfer tax is excluded from the calculation of consideration for the transfer tax purposes.

Accordingly, the consideration for the transfer tax purposes is the purchase price of the Unit plus the New York City transfer tax calculated on the amount of the purchase price.

vii. Document preparation fee. Purchaser will be required to pay the fee of $4,500.00 to TSYNGAUZ & ASSOCIATES, P.C. for services rendered in connection with the preparation of the closing documents and the conduct of the closing. Purchaser will also be required to pay an additional fee $250.00 to TSYNGAUZ & ASSOCIATES, P.C. if the closing takes place outside the office of Sponsor's counsel at Purchaser's request. Purchaser will also be required to pay an additional $250.00 to TSYNGAUZ & ASSOCIATES, P.C. if Purchaser fails to close on the date set forth in the notice of closing. Purchaser will also be required to pay an additional $300.00 to TSYNGAUZ & ASSOCIATES, P.C. if Purchaser buys the Unit with financing.

viii. Reimbursement fee. Purchaser will be required to pay the fee of $2,500.00 to Sponsor as partial reimbursement for the cost of preparing the Plan.

ix. Working capital fund contribution. Purchaser will be required to deposit the sum equal to two (2) months' Common Charges then applicable to each Unit being purchased with the Board of Managers for the initial contribution to the working capital fund.

The above closing costs are cumulative to the extent applicable to an individual Unit.

2. Mortgage Tax Credit

Section 339-ee(2) of the Real Property Law of the State of New York provides as follows:

> "In the event the proceeds of a construction mortgage were applied to construction of a unit of 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 recording taxes that would otherwise be payable on a purchase money mortgage, said credit to be in the amount resulting from the product of Purchaser's pro rata percentage of interest in the common elements and the mortgage tax already paid on the construction or blanket mortgage."

In the event that a mortgage tax credit becomes available, pursuant to the above section, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at the closing of title, each Purchaser obtaining financing secured by his or her Unit will be required to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount.

3. <u>Example of Closing Costs for One of the Units of the Condominium</u>

Residential Unit 18A

$7,950,000.00 - Purchase Price
$6,360,000.00 - Loan Amount, if applicable

Owner's title insurance		$27,317.00
Loan title insurance, if applicable		$5,601.00
Additional endorsements, if applicable		$100.00
Abstract search		$550.00
Recording of deed and power of attorney		$500.00
Recording of mortgage, if applicable		$250.00
Mortgage recording tax, if applicable		$122,400.00
New York City transfer tax		$115,639.00
New York State transfer tax		$52,748.00
"Mansion" transfer tax		$182,587.00
Document preparation fee		$4,500.00
Reimbursement fee		$2,500.00
Working capital fund contribution		$5,254.00
	Total:	**$519,946.00**

4. <u>Closing Adjustments</u>

At the closing of title to each Unit, the following adjustments shall be made as of the midnight of the day preceding the closing date with respect to the Unit:

(a) real estate taxes and assessments, if any, on the basis of the period for which assessed;
(b) Common Charges and assessments for the month in which title closes; and
(c) if Purchaser is allowed to occupy the Unit prior to the closing, accrued occupancy fees and any other charges pursuant to an interim lease, if any, covering the Unit.

In the event that the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor will place in escrow in the name of the Board of Managers an amount equal to the real estate taxes attributable to the Unsold Units, which will be levied against them for the six (6) month period following the first closing, or until the Units are separately assessed, whichever is sooner, and will collect at each Unit closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and Sponsor will be entitled to reimbursement from Unit Owners to the extent of the actual assessment. If the Unit has not been separately assessed for real estate taxes as of the closing date for the then current tax period, the adjustment will be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit. Installments for tax assessments due after delivery of the deed, if any, will be paid by Purchaser and will not be considered a defect in title.

Sponsor, in its initial post-closing amendment, will disclose whether or not Sponsor pre-paid the real estate taxes and the amount of the funds deposited in escrow for the payment of the real estate taxes.

THE ENTIRE CONTENTS OF THIS SECTION, AS SAME MAY BE REVISED OR AMENDED, WILL BE DEEMED TO BE INCORPORATED IN THE PURCHASE AGREEMENT FOR EACH UNIT.

RIGHTS AND OBLIGATIONS OF SPONSOR

1. Sponsor will endeavor, in good faith, to sell in a reasonably timely manner, all Residential Units to Purchasers. However, in the event that offers to buy the Residential Units are decreased by at least 25% from the offering prices listed in Schedule A, Sponsor reserves the right to rent, rather than sell, the Residential Units, after filing the Declaration of Condominium and the first transfer of title to a Residential Unit to at least one Purchaser under the Plan following a declaration of effectiveness by Sponsor and acceptance of the amendment by the Department of Law confirming or declaring the Plan effective, until there is an improvement of the market. Sponsor's good faith effort to sell to Purchasers will include listing Unsold Units with brokers, showing Unsold Units to brokers and prospective Purchasers or their representatives, filing update amendments to the Plan and otherwise engaging in customary sales activities. Sponsor will disclose in an amendment to the Plan if it opts to rent, rather than sell the Residential Units. In the event Sponsor decides to rent Residential Units in accordance with the terms of the Plan, Sponsor is obligated to attempt to sell the remaining Residential Units once there is an improvement of the market. Sponsor will resume sales where offers to buy the Residential Units increase so that they are within 25% of the offering prices listed in Schedule A.

If Sponsor opts to rent, rather than sell, the Residential Units, the Plan may not result in the creation of a condominium in which a majority of the Residential Units are owned by owner-occupants or investors unrelated to Sponsor. Under such circumstances, Sponsor will be under no obligation to sell more than 15% of the Residential Units necessary to declare the Plan effective, i.e. five (5) Residential Units.

Because Sponsor is reserving the right to rent Residential Units, Purchasers for their own occupancy may never gain control of the board of managers under the terms of the Plan, and owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on management of the Condominium.

Sponsor cannot rent Residential Units prior to filing the Declaration of Condominium and the first transfer of title to a Residential Unit to at least one Purchaser under the Plan following a declaration of effectiveness by Sponsor and acceptance of the amendment by the Department of Law confirming or declaring the Plan effective.

Sponsor may rent Residential Units to Purchasers for their contracted Units in accordance with the terms set forth in "Interim Lease" Section of the Plan.

There are no obligations imposed on Sponsor by Valley National Bank with regard to selling or renting the Units except for a required payment per sale set forth in Paragraph 9 below.

2. Sponsor will defend any suits or proceedings arising out of Sponsor's acts, omissions or representations and indemnify the Board of Managers and the Unit Owners.

All obligations pertaining to the Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners and not by the individual Unit Owners. However, nothing herein shall prevent an individual Unit Owner from bringing an action in the

nature of a derivative action. During the time Sponsor controls the Board of Managers, it is within its sole power to enforce the obligations of Sponsor pertaining to the Common Elements, and therefore, Sponsor agrees that during such period it will in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purposes. Sponsor has a fiduciary duty to act in the best interest of the Condominium, even during the time it controls the Board of Managers.

3. All representations under the Plan, all obligations pursuant to the New York General Business Law and such additional obligations under the Plan, which are to be performed by Sponsor subsequent to the closing date, will survive delivery of any Unit deed.

4. Sponsor will pay all Common Charges, special assessments and real estate taxes with respect to Unsold Units. Sponsor represents that Sponsor has the financial resources to meet its obligations with respect to Unsold Units. Sponsor will fund its financial obligations to the Condominium from its own existing capital. No bond or other security has been posted to secure Sponsor's obligations under the Plan.

5. Sponsor shall have no obligation or liability to repair or restore the Unit damaged by fire or other casualty that occurs before closing of a Purchaser's Unit.

If Sponsor elects to repair or restore the Unit (which election will be in its sole discretion and made within sixty (60) days of the damage to the Unit), the Purchase Agreement will continue in full force and effect, Purchaser will not have the right to reject title or receive a credit against, or abatement in, the purchase price, and Sponsor will be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss will, subject to the rights of the Board of Managers and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser will promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence will survive the closing of title.

In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within sixty (60) days of the damage to the Unit), or, if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, the Purchase Agreement shall be deemed cancelled and all monies paid on account of the purchase price, including any deposits made for upgrades, extras, special or custom work ordered by Purchaser, shall be returned to Purchaser within ten (10) days of Sponsor's notification to Purchaser that it does not elect to repair or restore the Unit or Unit Owners' notification that they do not intend to repair or restore the Unit pursuant to the By-Laws, whichever is sooner. Upon such return, 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 the Purchase Agreement and the Plan.

6. Sponsor will procure fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance, as reflected in Schedule B.

7. In the event of the dissolution or liquidation of Sponsor or the transfer of 10 or more Residential Units or 20% or more of the total number of the Residential Units, whichever is less, the principal of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under the Plan, applicable law or regulations.

8. Sponsor does not intend to make a bulk sale of all or some of its Unsold Units. However, if Sponsor does make a bulk sale of all or some of its Unsold Units, the transferee will be bound by Sponsor's representations regarding its commitment to sell Units.

If Sponsor makes a bulk sale, the transferee will not only be bound by Sponsor's representation to regarding its commitment to sell Units, but also the obligations under this Plan with respect to those Units.

For purposes of this Paragraph, "bulk sale" shall mean a sale of at least six (6) Residential Units to one Purchaser, which are not purchased for occupancy by the owner or one or more members of his or her immediate family.

9. Sponsor has obtained the construction loan in the amount of $50,750,000.00 (the "Loan") from Valley National Bank, having an address at 1455 Valley Road, Wayne, NJ 07470, (hereinafter called "Valley").

Upon the sale of a Unit, Sponsor shall be entitled to a release of the Unit from the lien of Valley's mortgage immediately upon receipt of payment equal to the greater of (A) ninety percent (90.00%) of the actual gross selling price for such Unit, or (B) $1,430.00 per square foot for such Unit.

Except for a required payment per sale stated above, Valley did not establish any terms pertaining to Sponsor's obligation to market the Units for sale, including any minimum number or percentage of Units which must be under contract before the Plan can be declared effective. Nor did Valley impose limits or requirements for Sponsor to rent rather than sell the Units under specified market conditions.

The Loan may only be paid down to the extent Sponsor sells the Units and thus, Sponsor's decision to rent rather than sell the Units will delay the discharge of the Loan. Please see "Introduction" and "Rights and Obligations of Sponsor" Sections of the Plan.

10. Sponsor will complete construction of the Building in accordance with the building plans and specifications identified in the Plan. Sponsor has the right to substitute equipment or materials and make modifications of layout or design of the Units, provided however, that Sponsor may not:

(a) substitute equipment or materials of lesser quality or design; or
(b) change the size or location of the Building or the Units other improvements or Common Elements if such changes affect the percentage of Common Interests or adversely affect the value of any Unit to which

title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners consent in writing to such change and all affected contract vendees are given the right to rescind their Purchase Agreements and receive a refund of any deposit or downpayment thereunder.

Substitutions will be made as long as such substitutions are for "equal or better quality", which shall be defined here and in "Definition" Section of the Plan:

"Equal to or Better Quality" shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

11. Prior to the closing the first Unit, Sponsor will obtain a final certificate of occupancy for the Building or, alternatively, obtain a temporary or partial certificate of occupancy for the Building. Sponsor and its principals will obtain a final certificate of occupancy for the Building within two (2) years of closing the first Unit, and in any event, before expiration of applicable temporary or partial certificate, as same may be renewed, replaced or extended.

If the first closing takes place prior to the issuance of a final certificate of occupancy for the Property, Sponsor will continue to hold all Purchasers' deposits in escrow account required by Section 352-e(2-b) of the General Business Law of the State of New York, or a lesser amount if so certified by Sponsor's architect or engineer as sufficient to complete the work necessary to obtain the final certificate of occupancy, in which case the sum exceeding the amount so certified by Sponsor's architect or engineer may be released from the escrow account. The amount retained in escrow pending the delivery of the final certificate of occupancy and the architect's or engineer's certification certifying such amount will be included in each post-closing amendments to the Plan until the final certificate of occupancy is obtained.

12. Sponsor is not obligated to obtain a final certificate of occupancy before the first closing.

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, (hereinafter called "FCO"), covering the entire building but with only a temporary certificate of occupancy, (hereinafter called "TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are general governed by Section 301 of the Multiple Dwelling Law of the State of New York and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings, (hereinafter called "DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirement 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 comment unit closings when some or all units are

covered by a TCO rather than a FCO. Sponsor anticipates this scenario to 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 OBLIGATE 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 CURRRENT. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO.

Purchasers 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:

https://www1.nyc.gov/site/buildings/homeowner/certificate-of-occupancy.page

As required under Section 28-104.8.4 of the New York City Building Code (the "New Code" as enacted in 2008), since the Building is expected to be occupied by Unit Owners and/or tenants prior to the time when a FCO can be obtained, a tenant protection plan will be distributed to each occupant who will be occupying any Residential Units of the Building during construction. The Post-Closing Amendment to the Plan will state whether the tenant protection plan has been distributed to the Unit Owners.

13. The Housing Merchant Implied Warranty (Article 36-B of the General Business Law of the State of New York), does not apply to this offering because the Building consists of more than five (5) stories. Thus, Sponsor will not provide the warranty required by that Article.

NO DISCLAIMER OR LIMITATION OF LIABILITY ON SPONSOR'S PART SHALL APPLY TO SPONSOR'S OBLIGATIONS UNDER ALL APPLICABLE STATUTES, LAWS AND REGULATIONS AND SPONSOR'S OBLIGATIONS UNDER THE PLAN.

The Sponsor's obligation, regardless of any limitations in the warranty, is to construct the Building and the Unit in accordance with all applicable laws, codes, plans and specifications, and in accordance with all representations and obligations set forth in the Plan. Any conflict between the disclaimers and the Sponsor's obligation to construct the Building and the Units in accordance with all applicable laws, codes, plans and specifications shall be resolved in favor of the latter.

At or prior to the closing of the Unit, Sponsor will assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit Owner and assign any warranties with respect to roof, equipment and appliances installed in the Common Elements to the Board of Managers. Soprema, Inc. will provide a roofing warranty that roof waterproofing will remain watertight for ten (10) years from the roof installation, i.e. March 31, 2024. At the closing of the first Residential Unit, Sponsor will assign the warranty to the Board of Managers of the Condominium. For the duration of the warranty period, the Board of Managers of the Condominium shall be obligated to comply with the terms and conditions of the warranty, and implement the care and maintenance program set forth in the warranty. A sample warranty is in included in Part II.

Sponsor is not providing “No Dollar Limit Manufactures Warrantee” (NDL) for new roof. The absence of NDL manufacturer’s warrantee may indicate that the roof membrane and appurtenance were not inspected for compliance with the manufacturer’s specifications for installation. As such, a premature deterioration and replacement of the roof membrane may be anticipated and therefore should be budgeted for. The approximate costs and expenses to repair the roof membrane are $5.00 per square foot.

Neither Sponsor nor its principals, managers, members, agents, designees or affiliates make any representation as to which, if any, of the manufacturer's warranties will continue to remain in force upon the closing. If any warrantor is unable to perform under its warranty due to inability, unwillingness or any other reason, neither Sponsor nor its principals, managers, members, agents, designees or affiliates shall under any circumstances be considered a successor warrantor. Neither Sponsor nor its principals, managers, members, agents, designees or affiliates shall have any obligations or responsibilities with respect to such warranties, or the work or item warranted, even if the warrantor goes out of business, declares bankruptcy or simply fails to fulfill the conditions of the warranty. Recourse is only to the warrantor and not to Sponsor, its principals, managers, members, agents, designees or affiliates. Sponsor is not providing representations regarding manufacturers’ warranties.

Sponsor will construct the Building in accordance with all plans and specifications identified in the Plan.

14. The Building will have a spa and sauna, gym, dog spa, lounge, indoor recreation room, outdoor recreation room, music room, and bicycle storage room. They will be fully operational as of the date of the commencement of condominium operation. It is not expected that the budget and common charges will increase in the second year of the operations due to availability of amenities.

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

16. Sponsor will deliver a set of “as-built” plans to the Board of Managers.

17. No bond or other security has been furnished to secure Sponsor's obligations including Sponsor's obligations to complete construction of the Condominium.

18. Sponsor's Rights of Access, Alterations, Repairs.

Sponsor, Sponsor-designees, successors, assigns, invitees, licensees, contractors, employees and tenants will have an easement in, on, over and across the Property for:

(a) 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 for the benefit of the Property, and

(b) 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

(c) 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.

Sponsor, Sponsor-designees, successors, assigns, invitees, licensees, contractors, employees and tenants:

(a) will have an easement to erect, maintain, repair and replace from time to time one or more signs on the Building and elsewhere 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 and access to Units and Common Elements consistent with the purposes of the Plan, 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

(b) 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 Sponsor, Sponsor-designees, successors, assigns, invitees, licensees, contractors, employees and tenants shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or for the general health or welfare of any Unit Owner, or the residents of any property adjacent to the Property, or users of any recreation facilities, if any, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere

with the use of the Units for its intended purpose. 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 of access to any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right of access is exercised in such a manner as not unreasonably to interfere with the use of the Units, and provided that affected Purchasers are given at least seven (7) day prior written notice of such access.

All Purchasers, affected by Sponsor's right to access any Unit, will be given at least seven (7) day prior written notice of such access.

Sponsor, Sponsor-designees, successors, assigns, invitees, licensees, contractors, employees and tenants will have the responsibility of repairing any damage resulting therefrom.

Moreover, Purchasers will be required to provide Sponsor with reasonable access to their Unit subsequent to the closing in order to complete punch-list work.

19. Disclaimers or limitations of liability on the part of Sponsor or its principals for failure to perform any obligations imposed by applicable statute or regulation may not be included.

20. This Plan does not include any financial limitation on the Sponsor's liability for failure to perform its obligations under the Plan.

CONTROL BY SPONSOR

Title to all Units, which have not been sold, will remain with Sponsor or Sponsor-designee until such Units will thereafter be sold to bona fide Purchasers.

Sponsor or Sponsor-designee will retain voting control of the Board of Managers for one (1) year after the closing of title to the first Unit or whenever the Unsold Units constitute less than 50% of the Common Interests, whichever is sooner.

Sponsor or Sponsor-designee, during the time there are Unsold Units, will have the right to, and intends to, vote the percentage of Common Interests allocated to such Units, but subsequent to its relinquishing voting control of the Board of Managers Sponsor will not use such vote to elect a particular individual to the Board of Managers, which would, by the election of such individual, give Sponsor voting control of the Board. So long as Sponsor or Sponsor-designee will continue to own Unsold Units Sponsor or Sponsor-designee will have the right to collectively elect one (1) member of the Board of Managers.

The Owners of the Residential Units and the Commercial Unit shall have the right to nominate members of the Board of Managers, cast votes to elect the Board of Managers, and if elected, serve and cast votes on the Board of Managers. The Commercial Unit Owners may nominate one (1) member to the Board of Managers.

A special meeting of the Unit Owners will be held to elect new members of the Board of Managers unrelated to Sponsor subject to the Sponsor’s right to elect one member of the Board, as stated above, within thirty (30) days of the expiration of the control period. Sponsor will call the meeting by mailing a notice of the meeting, at least ten (10) days but not more than thirty (30) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the Building or at such other address as such Unit Owner shall have designated by notice in writing to Sponsor.

[i] For a period of five (5) years following the closing date of the first Unit, or [ii] so long as Sponsor or any Sponsor-designee, separately, will continue to own Units, the percentage Common Interest of which, in the aggregate, equals more than 25%, whichever is earlier, the Board of Managers may not, without Sponsor's or Sponsor-designee's prior written consent, as the case may be:

(a) increase the number, or change the type, of employees provided for in Schedule B,

(b) make any addition, alteration or improvement to the Common Elements or to any Unit,

(c) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B of the Plan for the Property to the extent that the aggregate amount of such fund does not exceed 10% of the budgeted expenses of the Condominium,

(d) borrow money on behalf of the Condominium (except where necessary to perform work required by applicable law or regulations, or remedy violations or a mortgagee's work order(s) to the extent that existing reserves are insufficient).

Sponsor and Sponsor-designee are entitled to the rights described herein collectively. If both Sponsor and Sponsor-designee, collectively, continue to own Units, the percentage Common Interest of which, in the aggregate, equals more than 25%, they are both entitled to veto power. Sponsor or Sponsor-designee will not retain veto power for a period greater than five (5) years after the closing of the first Unit.

As long as Sponsor or any Sponsor-designee will continue to own a Unit, the Board of Managers may not, without the prior written consent of Sponsor or Sponsor-designee:

(a) amend the Declaration, the By-Laws or the Rules and Regulations attached hereto so as to limit in any way or eliminate rights of Sponsor or Sponsor-designee under the Declaration, the By-Laws or the Rules and Regulations attached hereto; or
(b) interfere with the offer and sale or leasing of Units or the operation of general, sales or leasing offices at the Property or interfere with actions necessary for construction, renovation, repair or correction at the Property, as required by Sponsor or Sponsor-designee.

Sponsor or Sponsor-designee will have the right to withhold its consent to any of the foregoing actions.

However, notwithstanding the above restrictions, Sponsor or Sponsor-designee may not exercise veto power over expenses described in Schedule B, or over expenses required:

(a) to comply with applicable laws or regulations;
(b) to remedy any notice of violation;
(c) to remedy any work order by an insurer; or
(d) to preserve the safety of the Building or the safety and health of its occupants.

The By-Laws of the Condominium contain a provision that after the expiration of 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 Sponsor and its principals.

Because Sponsor is reserving the right to rent Residential Units, Purchasers for their own occupancy may never gain control of the board of managers under the terms of the Plan, and owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on management of the Condominium.

BOARD OF MANAGERS

The affairs of the Condominium will be governed by the Board of Managers in accordance with the By-Laws set forth in Part II of the Plan.

After the first meeting of Unit Owners, the number of Managers, which will constitute the whole Board of Managers, will be three (3). Until succeeded by the Managers elected at the first meeting of Unit Owners called for such purpose, Managers need not be Unit Owners. Thereafter, all Managers, other than representatives of Sponsor, will be individuals over 18 years of age who are either a Unit Owner or his or her spouse or a domestic partner residing in the Unit, or a partner in a partnership, if the partnership is a Unit Owner, or a principal of a corporation, association, trust or other legal entity that may legally own real property in the State of New York, if such entity is a Unit Owner.

The Owners of the Residential Units and the Commercial Unit shall have the right to nominate members of the Board of Managers, cast votes to elect the Board of Managers, and if elected, serve and cast votes on the Board of Managers. The Commercial Unit Owners may nominate one (1) member to the Board of Managers.

The Managers will be elected by the Unit Owners at their annual meetings. There will always be an odd number of Managers.

Managers designated by Sponsor will serve until the election and qualification of Managers elected at the first meeting of Unit Owners. Managers elected at the first meeting of Unit Owners, and at meetings subsequent thereto, will serve until the next annual meeting of Unit Owners and until the election and qualification of their respective successors.

Until the first meeting of Unit Owners, the Board of Managers will consist of two (2) members designated by Sponsor. The members will be Sergey Rybak and Jason Reznik. They all are principals of Sponsor.

After the expiration of 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 Sponsor and its principals.

Within thirty (30) days after the closing of title to the Units whose aggregate Common Interest equals more than 50%, or one (1) year after the first closing, whichever is sooner, Sponsor will call the first meeting of Unit Owners for the purpose of electing a Board of Managers pursuant to Section 1 of Article III of the By-Laws. At such meeting, the first Board of Managers will resign and a new Board will be elected by the Unit Owners. Thereafter, annual meetings will be held on or about the anniversary of such date each succeeding year. At such meetings, there will be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article II of the By-Laws.

No member of the Board of Managers will receive any salary or compensation from the Condominium for his or her services as Manager.

The Board of Managers may not be prohibited from removing members for cause. Any one or more of the members of the Board Members may be removed for cause by the affirmative vote of the remaining members of the Board of Managers at any regular or special meeting of the Board of Managers, pursuant to Section 5 of Article II of the By-Laws. Any member of the Board of Managers whose removal has been proposed shall be given an opportunity to be heard at the meeting.

Any one or more of the members of the Board Members may be removed without cause by the affirmative vote of Unit Owners whose aggregate Common Interest exceed 50% of the Common Interest of the Condominium at any regular or special meeting of Unit Owners, pursuant to Section 5 of Article II of the By-Laws.

If a member of the Board of Managers ceases to be a Unit Owner, the principal or officer of a Unit Owner or the spouse of a Unit Owner, unless such member is Sponsor or Sponsor-designee, he or she shall be deemed to have resigned, effective as of the date such ownership interest ceased.

If a member of the Board of Managers designated by Sponsor or Sponsor-designee is removed by either the Board of Managers or Unit Owners, then only Sponsor or Sponsor-designee shall have the right to designate a replacement.

The Owner or Owners of each Unit, or some person designated by such Owner or Owners to act as proxy on their behalf, who need not be an Owner, will be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy will be made in writing but need not be acknowledged or witnessed and will be filed with the Secretary at or previous to the time of the meeting and will be revocable at any time by written notice to the Secretary by the Owner or Owners so designating. Any or all of such Owners may be present at any meeting of Unit Owners. The Owners of each Unit (including Sponsor or Sponsor-designee, if Sponsor or Sponsor-designee will then own one or more Units) will be entitled to cast one vote for each 1% of interest in the Common Elements attributable to the Unit or Units owned by them on all matters put to a 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) will be entitled to one vote for each 1% of Common Interest attributable to his or her Unit per member to be elected, and (ii) will not have the right to cumulate his or her votes in favor of any one or more members to be elected. If one or more Units are owned by more than one person as joint tenants, tenants-in-common, tenants by the entirety or in the name of a corporation or partnership or other entity permitted for herein, the persons owning said Unit will agree among themselves and cast the votes for their Unit. A fiduciary will 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, corporate or otherwise will not be entitled to vote.

The members of the Board of Managers will 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 will severally indemnify and hold harmless each of the members of the Board of Managers against any liability or claims except those arising out of the bad faith or willful misconduct of the members of the Board of Managers. A Unit Owner's

liability is limited to such proportionate share of the total liability as the Common Interests of such Unit Owner bear to the aggregate Common Interest of all Unit Owners and such Unit Owner's interest in his or her Unit's and its appurtenant Common Interest, unless otherwise provided by law. It is intended that the members of the Board of Managers will 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 possible that the original Board of Managers may contract with Sponsor and affiliated corporations, however the Board shall at all times uphold its fiduciary duty to the Unit Owners, notwithstanding anything to the contrary. 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 will be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by the manager, on behalf of the Condominium, will 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 will have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder will be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

The principal officers of the Condominium will be the President, the Vice President, the Secretary and the Treasurer, all of whom will be elected by the Board of Managers. The Board of Managers may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, each must be both a member of the Board of Managers and either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner.

The officers of the Condominium will be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and will hold office at the pleasure of the Board of Managers and until their successors are elected.

The President will be the chief executive officer of the Condominium. He will preside at all meetings of the Unit Owners and of the Board of Managers. He will 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 members of committees created by the Board of Managers 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.

The Vice President will take the place of the President and perform his duties whenever the President will be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Managers will appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice President will also perform such other duties as will from time to time be imposed upon him by the Board of Managers or by the President.

The Secretary will keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he will have charge of such books and papers as the Board of Managers may direct; and he will 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.

The Treasurer will have the responsibility for Condominium funds and securities and will 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 will 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 will, 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.

The officers of the Condominium will have the same rights and liabilities as the members of the Board of Managers.

No officer or member of the Board of Managers will receive any salary or compensation from the Condominium for his or her services as Officer and Manager.

Special meetings of the Board of Managers may be called by the President on three (3) business days' notice to each member of the Board of Managers. Notice of special meetings will be given by mail or personal delivery to each member of the Board of Managers and will state the time, place and purpose of the meeting. Special meetings of the Board of Managers will be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Board of Managers.

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 or her 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.

It will be the duty of the President to call a special meeting of the Unit Owners as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owners as defined in Section 9 of Article III of the By-Laws having been presented to the Secretary.

It will be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners, at least ten (10) but not more than thirty (30) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the building or at such other address as such Unit Owner will have designated by notice in writing to the Secretary.

At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers may be removed without cause by the affirmative vote of Unit Owners whose aggregate Common Interest exceeds 50% of the Common Interest of the Condominium, and a successor may then and there or thereafter be elected to fill the vacancy thus created. If a

member of the Board of Managers ceases to be a Unit Owner, the principal or officer of a Unit Owner or the spouse of a Unit Owner, unless such member is Sponsor or Sponsor-designee, he or she will be deemed to have resigned, effective as of the date such ownership interest ceased.

The By-Laws may be modified or amended by the vote of 66 2/3% in number and in Common Interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose. No amendment of a material adverse nature to mortgagees will be made unless agreed to by mortgagees that represent at least 51% of the votes of units that are subject to mortgages. A mortgagee will be deemed to have consented to any amendment, which requires the consent of such mortgagee when the mortgagee fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided that the notice was delivered by certified or registered mail, with a “return receipt” requested. However, for as long as Sponsor or Sponsor-designee remains the Owner of one or more Units, the By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be amended or modified in any way so as to adversely affect Sponsor or Sponsor-designee, in Sponsor's sole discretion, without Sponsor's prior written consent.

This Declaration may be amended, modified, added to or deleted from by the affirmative vote of at least 66 2/3% in number and in 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 66 2/3% in number and in Common Interest of all Unit Owners, provided, however:

(a) no amendment which will change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of such Owner(s); no amendment which will increase the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of the mortgagees of such Unit, or Units, if any;

(b) no amendment, modification, addition or deletion of or to the Declaration will be effective in any respect against Sponsor, Sponsor-designee, or any Unsold Unit until Sponsor or such designee will consent thereto in writing;

(c) no amendment of a material adverse nature to mortgagees will be made unless agreed to by mortgagees that represent at least 51% of the votes of Units that are subject to mortgages.

A mortgagee will be deemed to have consented to any amendment, which requires the consent of such mortgagee when the mortgagee fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided that the notice was delivered by certified or registered mail, with a “return receipt” requested.

Sponsor hereby reserves to itself and Sponsor-designees the right to amend the Declaration at any time without the requirement 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 Section 339-p of the Real Property Law of the State of New York for any portion or portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded and the

filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p. No such amendment will be effective until recorded in the Office of the Register of the City of New York. Any changes to the Floor Plans will necessitate an amendment to the Plan.

Any provisions that give Sponsor control of the enforcement of Sponsor's obligations are not lawful. If there are non-Sponsor members of the Board of Managers, and there is a vote on whether to sue Sponsor, the Sponsor's board representative cannot lawfully vote on that issue.

The By-Laws of the Condominium contain a provision that after the expiration of 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 Sponsor and its principals.

RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD OF MANAGERS

Sale or lease of Units by Unit Owners

Each Unit Owner has the right to sell or lease his or her Unit, subject to the following restriction. No Unit Owner will be permitted to sell or lease his or her Unit unless and until the Unit Owner will have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by the Board of Managers against the Unit and until he or she will have satisfied all unpaid liens against the Unit. The restrictions on resale listed in this paragraph apply to Sponsor and its designees. The terms of any Unit Owner's lease, including the rent, will be subject to the laws of the State of New York and the City of New York.

Mortgaging of Units by Unit Owners

Each Unit Owner has the right to mortgage his or her Unit subject to the following restriction. No Unit Owner will be permitted to mortgage his or her Unit unless and until the Unit Owner will have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by the Board of Managers against the Unit and until he or she will have satisfied all unpaid liens against the Unit.

Common Charges and Assessments

The Board of Managers will from time to time, at least annually, prepare a budget for the Condominium, determine the amount of Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such Common Charges among the Unit Owners according to their respective Shared Percentages of Common Interests, except as otherwise indicated.

Notwithstanding anything to the contrary stated anywhere in the By-Laws or the Declaration of the Condominium, the expenses of the Condominium operation allocated to the Residential Units shall be apportioned among them based on the Residential Percentages of Common Interests a allocated to each as set forth in Schedule A.

Notwithstanding anything to the contrary stated anywhere in the By-Laws or the Declaration of the Condominium, the Commercial Unit will only be responsible for 4.33% of the Common Expenses, except for the costs of labor, common water charges and sewer rents, and gas.

The Commercial Unit will be billed separately by the Board of Managers for water charges and sewer rents based on actual amount used. The Commercial Unit Owners will be required to install and maintain a water sub-meter and shall be responsible for the payment of all water charges and sewer rents actually used as per sub-meter reading. The Board of Managers shall bill and collect payment from the Commercial Unit for all water charges and sewer rents as levied by the Department of Environmental Protection.

The Common Expenses will 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 Section 2 of Article VI of the By-Laws and the fees and disbursements of the Insurance Trustee, if any.

The Common Expenses will also include such amounts as the Board of Managers may deem proper for the Reserve Fund for capital expenditures, the amount of which will be equal to 10% of the projected annual budget of the Condominium.

The Common Expenses may also include such amounts as may be required for the purchase by the Board of Managers or its designee, corporate or otherwise on behalf of all Unit Owners, of any Unit, which is to be sold at a foreclosure or other judicial sale, together with such amounts as may be necessary to maintain such Units.

The Board of Managers will also, where necessary, impose an assessment or additional Common Charge in order to meet any unanticipated Common Expense.

The Board of Managers will advise all Unit Owners, promptly, in writing, of the amount of Common Charges payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and will furnish copies of each budget on which such charges are based, to all Unit Owners and to their mortgagees, if so required.

Sponsor or Sponsor-designee will 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.

All Unit Owners will be obligated to pay the Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of Article VI of the By-Laws at such time or times as the Board of Managers shall determine.

No Unit Owner will be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VIII of the By-Laws) of such Unit, together with the Appurtenant Interests, as defined in Section 1 of Article VIII of the By-Laws. In addition, any Unit Owner may, subject to the terms and conditions specified in the By-Laws, provided that his or her Unit is free and clear of liens and encumbrances, other than permissible mortgages and the statutory lien for unpaid Common Charges, convey his or her Unit, together with the "Appurtenant Interests" to the Board of Managers or its designee, corporate or otherwise on behalf of all other Unit Owners, and in such event be exempt from Common Charges thereafter assessed. A purchaser of a Unit shall be liable for the payment of Common Charges assessed and unpaid against such Unit prior to the acquisition by him of such Unit.

The Board of Managers will assess Common Charges against the Unit Owners from time to time at least annually and will take prompt action to collect any Common Charges 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 will 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. Common Charges and assessments will be paid by the 5th day of the month in which they are due or they will be deemed to be late. The Board of Managers will have the right to place a lien against a Unit whose Owner fails to pay common charges for the Unit within fifteen (15) days of same becoming due and payable.

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 Owner will 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 late fees charged by the Board of Managers and attorneys' fees incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers will 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 attorneys' 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 the payment of Common Charges or assessments will not be permitted to vote at any regular or special meeting of Unit Owners.

In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner will be required to pay a reasonable rental for the use of his or her Unit and the plaintiff in such foreclosure action will be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, will have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same (but not to vote the votes appurtenant to). A suit to recover a money judgment for unpaid Common Charges will be maintainable without foreclosing or waiving the lien securing the same.

Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges while it is in control of the Board of Managers.

Repairs

All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except the painting of the exterior side of Unit entrance door), windows (except the painting and cleaning of the exterior side of windows), electrical (except the Common Elements), plumbing (except the Common Elements) and heating fixtures, air conditioning units and appliances, if any, within the Unit or belonging to the Unit Owner will be at the Unit Owner's expense, except as otherwise specifically provided in the By-Laws.

All maintenance, repairs and replacements to the Common Elements as defined in the Declaration, and the painting, decorating, maintenance and repairs of the exterior side of Unit entrance doors and windows, and the cleaning of the exterior side of windows and the replacements of the windows and Unit entrance doors will be made by the Board of Managers

and be 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 will 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:

(a) by the Board of Managers as a Common Expense, if such Limited Common Element involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, all necessary waterproofing of the Limited Common Elements except as set forth below, and the repair of any leaks that are not caused by the acts or omissions of the Unit Owner, having direct and exclusive access thereto), or

(b) the Unit Owner having direct and exclusive access thereto at his or her sole cost and expense, if involving non-structural ordinary maintenance, repairs or replacements, including but not limited to painting, decorating and/or maintenance, waterproofing, repair and/or replacement of decking, tile or railings and/or means of terrace or balcony access constructed or installed by or at the request of the Unit Owner, or as a result of the Unit Owner's negligence, misuse or neglect.

A Unit Owner must grant a right of access to his or her Unit, to the manager and/or the managing agent 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 or her 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 or her Unit or elsewhere in the Building, or remedying any condition which would violate the provisions of any mortgage encumbering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purposes permitted by the By-Laws, 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 for in Section 15 of the By-Laws, any costs for repairs shall be borne in accordance with the provisions of Section 10 of Article VI of the By-Laws.

Additions, Alterations and Improvements

Subject to the provisions of Section 2 of Article II of the By-Laws, whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements (but not maintenance) costing in excess of $50,000.00, and the making of such additions, alterations or improvements will have been approved by a majority of the Unit Owners, the Board of Managers will proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense. Any additions,

alterations or improvements costing $50,000.00 or less may be made by the Board of Managers without approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses.

Except as provided below, no Unit Owner shall make any addition, alteration or improvement in or to his or her Unit which is structural or which affects the exterior of the Building or the value of other Units, without the prior written consent thereto of the Board of Managers which consent shall not be unreasonably withheld. Any requests for consent to make additions, alterations or improvement in a unit which is structural in nature, or affects the exterior of the Building of the value of other unit, must be made via certified mail with return receipt. The Board of Managers must grant or deny such consent within thirty (30) days of receiving a request for such consent. If such request is neither granted nor denied within forty five (45) days of receipt of the notice, such request shall be deemed granted. In connection with the approval of any addition, alteration or improvement by a Unit Owner as required herein, the Board of Managers may require that such Unit Owner enter into a written agreement, reasonably satisfactory to the Board of Managers, regarding such work. Such agreement may include, but shall not be limited to, provisions for adequate insurance, indemnification of the Condominium and the Board of Managers, submission of all plans and specifications to the Board of Managers, and restrictions on the hours during which the work may be done. Any 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 materialman 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 to any addition, alteration or improvement to be made by a Unit Owner in accordance with the provisions of Section 13 of Article VI of the By-Laws, such consent shall be deemed to 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 insurance (certificates of 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 such addition, alteration, or improvement, or due to improper design or construction of such addition, alteration, or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and for any services provided in connection with such addition, alteration, 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 Section 13 of Article VI of the By-Laws which require the consent of the Board of Managers in connection with an addition, alteration or improvement in or to a Unit, which is structural or which affects the exterior of the Building or the value of other Units shall not apply to Units owned by Sponsor or Sponsor-designee or a Commercial Unit Owner. Sponsor or Sponsor-designee or a Commercial Unit Owner shall not need such consent. All other provisions of this Section 13 shall apply to all Units. For example, with respect to such addition, alteration or improvement to a Sponsor-owned Unit or a Commercial Unit Owner, such work shall be at the sole cost and expense of Sponsor or Sponsor-designee or a Commercial Unit Owner, and shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances. All work must be done by reputable contractors with adequate liability, property damage and Workers Compensation insurance (certificates of which shall be delivered to the Board of Managers prior to the commencement of construction). Any such additions, alterations or improvements, shall be maintained in their entirety by Sponsor or Sponsor-designee or a Commercial Unit Owner, as the case may be, 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 any addition, alteration, or improvement, or due to improper design or construction of the structural addition, alteration, or improvement. Additionally, Sponsor or Sponsor-designee or a Commercial Unit Owner, as the case may be, shall reimburse the Board of Managers any reasonable out-of-pocket expenses incurred by the Board of Managers for any services provided in connection with such addition, alteration, or improvement.

Non-structural additions, alterations or improvements to Units that do not affect the exterior of the Building or the value of other Units may be made without the prior approval of the Board of Managers except that the Board of Managers may require that the Unit Owner enter into a written agreement, reasonably satisfactory to the Board of Managers, regarding such work as required for additions, alterations or improvements which require the consent of the Board of Managers, prior to commencing such work.

The Board of Managers shall:

(i) cause the façade of the Building to be inspected annually by either a registered architect or professional engineer, and keep a log of each inspection and issue a directive to make all required repairs;

(ii) cause all outdoor drains to be inspected semi-annually by either a licensed plumber or professional engineer, and keep a log of each inspection and issue a directive to make all required repairs in order to ensure that no further damage or deterioration occurs;

(iii) cause the roof to be inspected semi-annually by either a licensed plumber or professional engineer, and keep a log of each inspection and issue a directive to make all required repairs in order to ensure that no further damage or deterioration occurs.

Insurance

The Board of Managers will be required to obtain and maintain, to the extent obtainable, the following insurance:

(a) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Building containing the Units (including all of the Units and the fixtures initially installed therein by Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including improvements, 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 as their interests may appear, in an amount to be determined by the Board of Managers but in no event to be less than eighty 80% of the full replacement cost of the Building, including the above noted items, but exclusive of footings and foundations, as approved by a fire insurance company or a qualified insurance broker; each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee, if any, as herein provided;

(b) directors and officers liability insurance;

(c) worker's compensation insurance if the Condominium has employees; and

(d) such other insurance as the Board of Managers may determine.

All policies of physical damage insurance will provide that adjustment of loss will be made by the Board of Managers (with the approval of the Insurance Trustee, if any, if more than $50,000.00), and that the total proceeds thereof, if $50,000.00 or less, will be payable to the Board of Managers, and if more than $50,000.00, will be payable to the Insurance Trustee, if any.

All policies of physical damage insurance will contain waivers of subrogation and of any reduction of pro-rata liability of the insured as a result of any insurance carried by Unit Owners or of invalidity arising from any acts of the insured or any Unit Owners, and the individual Unit Owners as well as the Condominium will be primary insureds to the extent as their interests will also appear. Such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, will be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies if so requested in writing by them. Please see Schedule B for details of the Condominium’s insurance coverage.

The Board of Managers will also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager and each Unit Owner. Such public liability coverage will also cover cross-liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of at least $1,000,000.00 covering all claims for bodily injury with respect to any one occurrence. Please see Schedule B for details of the Condominium's insurance coverage.

The Property is located in Flood Zone X on FEMA Map Number 3604970089F, effective on September 5, 2007. The Property is designated as an area of minimal flood hazard on the currently effective FEMA's Flood Insurance Rate Map. There is no mandatory flood insurance requirement for Flood Zone X. However, the Board may wish to consider purchasing flood insurance.

The insurance provided by the Board of Managers will not cover improvements, furniture, furnishings or other personal property supplied or installed by Unit Owners. Nor will it cover personal injury claims occurred inside individual Units. Please see Schedule B for details of the Condominium's insurance coverage. Unit Owners are advised to acquire insurance that will cover furniture, furnishings or other personal property supplied or installed by Unit Owners, and cover personal injury claims occurred inside individual Units.

Unit Owners will not be prohibited from carrying other insurance for their own benefit, provided that all such policies will contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers will not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Such policies will be so endorsed so as to state that they will in no way conflict with any insurance carried by the Board of Managers.

If, by reason of the occupancy or use of a Unit, the rate of fire or liability insurance for the Property will be increased, such Unit Owner will (if such occupancy or use continues for more than thirty (30) days after written notice from the Board of Managers specifying the occupancy or use) become liable for the additional insurance premiums incurred by the Condominium as if such additional premium constituted an assessment.

During the time in which Sponsor is in control of the Board of Managers, the insurance coverage will not be less than that required by the Department of Law.

In the event of a fire or other casualty which damages or destroys less than 75% of the Building containing the Units, the Board of Managers will arrange for the prompt repair and restoration of the Building containing the Units (including any damaged Units, and any kitchen and bathroom fixtures and floor coverings initially installed therein by Sponsor, but not including any wall, ceiling or floor decorations or coverings or other improvements, furniture, furnishings, fixtures, appliances or equipment installed in the Units by the Unit Owners), and the Board of Managers or the Insurance Trustee, as the case may be, will disburse the proceeds of all insurance policies in appropriate progress payments for distribution to the contractors engaged in

such repairs and restoration. Any cost of such repair and restoration in excess of the insurance proceeds will constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If 75% or more of the Building containing the Units is destroyed or substantially damaged and Unit Owners whose percentage of Common Interest totals 75% in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration, the Property will be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there will have been a repair or restoration pursuant to the first paragraph of Section 3 of Article VI of the By-Laws, and the amount of insurance proceeds will have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) will be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his or her Unit, in the order of the priority of such liens.

Whenever in Section 3 of Article VI of the By-Laws the words “promptly repair” are used it will mean repairs are to begin not more than sixty (60) days from the date the Insurance Trustee notified the Board of Managers and the Unit Owner or Unit Owners that it will hold proceeds of insurance funds sufficient to pay the estimated costs of such work; or not more than ninety (90) days after the Insurance Trustee notified said Board of Managers and Unit Owner or Unit Owners that such funds are insufficient to pay said estimated costs and advising them of the amount of the required completion bond, if necessary. If there is no Insurance Trustee, then the aforementioned sixty (60) and ninety (90) day periods will be from the date of notification by an insurance adjuster retained by the Board of Managers. Wherever the words, “promptly resolve” are used it will mean not more than sixty (60) days from the date of receipt of said insurance funds.

Restrictions on Occupancy and Use

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 will be restricted to and will be in accordance with the following provisions:

A. Each Residential Unit may be used as a residence only.

The Commercial Unit may be used for any legal use permitted by the certificate of occupancy of the Building, the Zoning Resolution of the City of New York or other applicable laws, such as such as a bank, antique store, commercial art gallery, artists' supply store, automobile store, bicycle shop, book store, candy and ice cream shop. The Commercial Unit shall not be used for: (1) conduct or maintenance of any gambling or gaming activities; (2) homeless shelter; (3) any fire, auction, going-out-of-business or bankruptcy sales, (4) massage parlor, (5) any obscene performances in violation of Article 235 of the Penal Law of the State of New York or any obscene or pornographic purposes or activities including, without limitation, the sale, or distribution of any obscene or pornographic material. The terms “obscene”,

"material" and "performances" shall be defined for purposes of this covenant as they are defined in Section 235.00 of the Penal Law of the State of New York.

Notwithstanding the foregoing, Sponsor or Sponsor-designee shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages:

(a) to maintain general, sales or leasing offices in one or more 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;
(b) to have its employees, contractors and sales agents present on the Property;
(c) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction of the Building or Units and to comply with its obligations.

Sponsor or Sponsor-designee are entitled to the rights enumerated herein for so long as Sponsor or Sponsor-designee, as applicable, continues to own at least one (1) Unsold Unit in the Condominium.

B. The Common Elements and the Limited Common Elements may only be used for the furnishing of the services and facilities for which they are reasonably suited and which are incidental to the use and occupancy of Units. However, the Common Elements and the Limited Common Elements may not be used as a dwelling space, and for kindling, building, maintaining or using an open fire, including, without limitation, charcoal, piped natural gas or LPG fired barbeques. The use of roof terraces as contemplated in the Plan will comply with the requirements set forth in the New York City Department of Building's Buildings Bulletin 2018-002.

C. The storage spaces may only be used for the storage of personal effects of Unit Owners. In no event shall any (a) valuable items, (b) animals, (c) food or other perishable items, (d) hazardous substances, (e) flammable, combustible, explosive or other dangerous items, (f) items which have an objectionable odor or which may spoil or decay, or (g) items which may impose a health or safety threat or cause dirt or other sanitary problems or create a nuisance, be stored therein. A storage space may not be legally used for any residential uses including bedroom, dining room, or any other use considered to be a habitable space as defined by the New York City Building Code. The use of a storage space as a living or sleeping space may result in a building code violation being issued against the Building and the imposition of fines against the Building. The Unit Owner, who caused the violation, will be obligated to remove it and pay all fines associated with the violation.

D. No nuisances will be allowed on the Property nor will 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.

E. No immoral, improper, offensive, or unlawful use will be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof will be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, will be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever will have the obligation to maintain or repair such portion of the Property.

F. With the exception of the Commercial Unit, no portion of a Unit other than the entire Unit, including any Limited Common Elements appurtenant thereto, may be rented. The Commercial Unit may be rented in parts to different tenants. Any material changes to the Commercial Unit (while it is owned by Sponsor) will be disclosed in an amendment to the Plan.

G. No exterior of any Unit or the windows or doors thereof or any other portions of the Common Elements or the Limited Common Elements shall be painted or decorated by any Owner or in any manner without the prior written consent of the Board of Managers. No furniture, equipment, or other personal articles shall be placed in entrances, hallways, stairways, or other Common Elements. No Unit Owner shall make or permit any noise or objectionable odor that will disturb or annoy the occupants of any of the Units in the Building or do or permit anything to be done therein which will interfere with the rights, comfort, or convenience of other Unit Owners. Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness. Nothing shall be hung or shaken from any doors or windows and no Unit Owner shall sweep or throw or permit to be swept or thrown, any dirt or other substances therefrom. No exterior shades, awnings, window guards, ventilators, fans or air-conditioning devices shall be used on or about the Building or Common Elements except such as shall have been approved by the Board of Managers, or as required by law.

H. There are no pets, animals or birds restrictions in the Building.

I. [A] Inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designed for people to use to inhale smoke, and [B] use of battery-operated devices that heat a liquid, gel, herb or other substance and produces vapor for people to inhale are not permitted:

[i] inside of the Units;
[ii] anywhere in the Limited Common Elements of the Units;
[iii] anywhere inside of the Building;
[iv] outdoor Common Elements, including play areas, rooftops, courtyards, patios, porches or yards; and
[v] outdoors within 15 feet of entrances, exits, windows, and air intake units in the Building.

This prohibition is included in Rule 28 of the Rules and Regulations of the Condominium.

General

1. The Condominium will not have a right of first refusal in connection with sales and leases of Units.

2. Pursuant to the By-Laws of the Condominium, any matter arising out of the Condominium Documents, except for an action to foreclose a lien for unpaid common charges by the Board of Managers or an action seeking injunctive relief, shall be submitted for resolution by a panel of three (3) arbitrators in a proceeding held in the City of New York, which arbitrators shall be appointed as follows: One arbitrator shall be chosen by the Board of Managers, one arbitrator shall be chosen by the Unit Owner and the third arbitrator shall be chosen by the two aforementioned arbitrators. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction. There is no right of appeal from the arbitrator's decision. The decision, however, may be vacated if the court finds that the rights of the party were prejudiced by:

(i) corruption, fraud or misconduct in procuring the decision; or
(ii) partiality of the arbitrator appointed as a neutral; or
(iii) the arbitrator exceeded his power or so imperfectly executed it that a final and definite decision upon the subject matter submitted was not made.

The fees, costs and expenses of the arbitrators shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses. All costs and expenses paid or incurred by the Board of Managers in connection with any arbitration held, including, without limitation, the fees and expenses of counsel and expert witnesses shall constitute Common Expenses. Please see Article XIV of the By-Laws in Part II of the Plan.

Options for appeal are limited for matters submitted to arbitration.

The arbitration provision does not relate to Purchase Agreements.

3. Each Unit Owner shall notify the Board of Managers or Managing Agent of the Condominium, if any, in writing when a child, or children, under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install, at such Unit Owner’s expense, the required window guards (or safety “stops” in lieu of window guards, designated specifically to prevent a child from falling out of a window) in all windows of the Unit in compliance with all applicable New York City Administrative Code requirements. The Unit Owner should maintain all window guards (or stops) installed in the Unit and shall not remove same until permitted by applicable law and in any event, without prior written notice to the Managing Agent. Please see “Rules and Regulations” Section of Part II of the Plan.

4. Refuse should not be placed on the sidewalk except on days of collection. Placing refuse on the sidewalk on days other than days of collection may result in a fine or penalty being levied against the Building. In turn, the Board of Managers will seek

compensation for said fine or penalty from the Unit Owner, who caused said fine or penalty. Please see “Rules and Regulations” Section of Part II of the Plan.

5. The Limited Common Elements of the Units such as the storage spaces, balconies and terraces are uninhabitable spaces. They may not be legally used for any residential uses including bedroom, dining room, or any other use considered to be a habitable space as defined by the New York City Building Code. The use of a parking garage as a living or sleeping space may result in a building code violation being issued against the Building and the imposition of fines against the Building. The Unit Owner, who caused the violation, will be obligated to remove it and pay all fines associated with the violation. Please see “Rules and Regulations” Section of Part II of the Plan.

REAL ESTATE TAXES

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. The Units may not be separately assessed for the first year of Condominium operation.

In the event that the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor will place in escrow in the name of the Board of Managers an amount equal to the real estate taxes attributable to the Unsold Units, which will be levied against them for the six (6) month period following the first closing, or until the Units are separately assessed, whichever is sooner, and will collect at each Unit closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and Sponsor will be entitled to reimbursement from Unit Owners to the extent of the actual assessment. It is anticipated that Units will be separately assessed for the 2025/2026 tax year, and that individual Unit Owners (whether Purchasers or Sponsor) will pay the taxes thereof. The amount of real estate tax escrow will be disclosed in the initial post-closing amendment to the Plan.

The Property is taxed by the City of New York through the Department of Finance, which through the Department of Finance, has assessed the Property at a pre-construction value of $877,500.00.

Section 581 of Real Property Tax Law provides that a condominium unit shall be assessed at a sum not exceeding the assessment which would be placed upon such parcel not owned as a condominium. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual Units in determining the assessed valuation.

Section 1805 of Real Property Tax Law provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between the first year and the next is phased in over a five year period in equal installments. This five year phase in does not apply new construction or other increases due to physical improvement of the property. Increases due to such physical improvements are added in full to the next year's assessment. Pursuant to that Section, the taxable assessment is determined by the lesser of the actual assessed valuation or the transition assessed valuation. The five year phase in does not apply to the Property because of the physical improvement to the Building.

Sponsor anticipates that the construction will be completed by March 31, 2024.

It is anticipated that Units will be separately assessed for the 2025/2026 tax year. The anticipated date of reassessment after the construction is complete is January 15, 2025.

No real estate tax abatement benefits will be available to the Units.

Properties in New York City are divided into different classes, each treated differently under the law. The type of property one owns determines class and how property value is accessed. Tax classes each pay a different share of property tax in New York City. Tax Class 2 includes residential properties with more than three (3) units, including cooperatives and condominiums. Tax Class 4 includes commercial properties.

Upon the estimate provided by MGNY Consulting Corp., in the post-completion year of 2025/2026, the Property will be assessed at $10,906,671.00. $9,900,460.00 out of said $10,906,671.00 will be attributable to the Residential Units and $1,008,211.00 to the Commercial Unit.

The projected real estate taxes in Schedule A for the Residential Units are calculated based on these Units being in Tax Class 2, the estimated tax rate of 12.235% of their assessed value, and the post-completion assessed value of the Residential Units estimated by MGNY Consulting Corp. to be $9,900,460.00 for the post-completion year of 2025/2026. Based on this information, the projected real estate taxes in Schedule A for the Residential Units are expected to be $1,211,311.00.

The real estate taxes payable in Schedule A by the Residential Units are determined by applying said data to calculate real estate taxes against the Residential Units and then allocating the amount due in conformity with the allocation of the Residential Percentages of Common Interests as set forth in Schedule A.

The projected real estate taxes in Schedule A for the Commercial Unit are calculated based on the Commercial Unit being in Tax Class 4, the estimated tax rate of 10.755% of the assessed value of the Commercial Unit, and the post-completion assessed value of the Commercial Unit estimated by MGNY Consulting Corp. to be $1,008,211.00 for the post-completion year of 2025/2026. Based on this information, the projected real estate taxes in Schedule A for the Commercial Unit are expected to be $108,433.00.

The letter of MGNY Consulting Corp., dated May 13, 2022, is located on pages 130-132 of Part I of the Plan.

IN THE EVENT THERE ARE INCREASES IN THE REAL ESTATE TAX RATE OR THE UNIT'S ASSESSED VALUATION, REAL ESTATE TAXES MAY BE HIGHER THAN SET FORTH IN THE PLAN FOR THE FIRST YEAR OF OPERATION OF THE CONDOMINIUM AND IN FUTURE YEARS. HENCE, INDIVIDUAL CARRYING COSTS FOR ALL UNITS WILL ALSO BE HIGHER.

There are no tax certiorari proceedings currently pending. Individual Unit Owners may challenge the assessment of their units by filing a tax protest in accordance with the rules of the New York City Tax Commission. The Board of Managers may also file a protest on behalf of all Unit Owners. While there is no specific section of the By-Laws dealing with review of real estate tax assessments, the general grant of power in the Board of Managers to operate the Property in the best interests of all Unit Owners is sufficient to delegate to the Board of Managers a right to file tax protests on behalf of all Unit Owners. The Building benefits from

the limitations imposed by Sections 581 and 1805 of the Real Property Tax Law of the State of New York.

The projections set forth herein are based on the current City of New York 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 Unit will not rise due to changes in assessment practices and policies or increases in market value which are reflected in the assessed value.

The City of New York is not bound by the allocation of the Common Interests, and may allocate on a different basis. Nor is the City bound by the estimate of the market value of the Property. All figures are estimates.

Under Section 528 of the Internal Revenue Code, homeowners associations are eligible for a limited exemption from income taxation.

An organization can be classified, for tax purposes, as a homeowners association if it satisfies the following six conditions:

1. The organization must be a condominium management association.
2. The organization must be organized and operated to provide for the management, maintenance, and care of association property.
3. Sixty (60%) percent or more of the organization's gross income for the taxable year must consist solely of amounts received as membership dues, fees, or assessments from owners of residential units.
4. Ninety (90%) percent or more of the organization's expenditures for the taxable year must be for the management, maintenance, and care of association property.
5. No part of the organization's net earnings may inure to the benefit of any private shareholder or individual, other than by providing management, maintenance and care of association property, or by a rebate or excess membership dues, fees, or assessments.
6. The organization must elect for the taxable year to be subject to the tax regime of Section 528 of the Internal Revenue Code. (See Section 528(c)(1))

Under Section 528 of the Internal Revenue Code, associations are taxed at a rate of 30% on the homeowners association taxable income. Association taxable income consists of all of the organization's income except exempt function income.

Exempt function income includes any amount received as membership dues, fees, or assessments from owners of condominium housing units of a condominium management association.

Section 528(c)(2) defines condominium management association as any organization organized and operated to provide for the management, maintenance, and care of association property with respect to a condominium project substantially all of the units of which are used by individuals for residences.

Section 1.528-4(b) of the Treasure Regulations stipulates that "substantially all of the units of a condominium management association will be considered as used by individuals for residences if at least 85% of the total square footage of all units within the project is used by individuals for residential purposes."

The square footage of the Residential Units in the Condominium is above a 85% threshold.

Accordingly, the Condominium will be eligible to qualify as an exempt homeowner's association under Section 528 of the Internal Revenue Code if the Condominium elects to do so. As a result, the Condominium will not be subject to Federal corporate income tax.

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May 13, 2022

Tax Opinion Letter for Condominium Project
126 East 86th Street, NY 10028 Block: 1514 Lot: 59

Mr. Sergey Rybak,

126 East 86 Street Development LLC

1817 Emmons Avenue, 2nd Floor

Brooklyn, NY 11235

Dear Mr. Rybak,

THIS LETTER IS BEING SENT TO YOU WITH THE EXPRESS UNDERSTANDING THAT OUR FIRM ASSUMES NO LIABILITY FOR OUR OPINIONS PRESENTED HEREIN. THESE OPINIONS ARE PRESENTED ONLY FOR YOUR ASSISTANCE IN CONNECTION WITH CREATION OF THE NEW CONDOMINIUM.

The following estimates are provided in response to your request for an opinion and projection of the real estate assessments and taxes.

This opinion is based ***solely*** on the representations made to us by you and your architect.

I. Project Details

You have informed us that you intend to build a multi-family building on the above tax lot ("property"), and that this building will be constructed pursuant to Department of Buildings job number **121-208-861** for job type "NB – New Building".

You have requested an opinion concerning the real property assessment to be levied upon the above property for the first full tax year after completion of construction, which corresponds to the tax year 2025/2026. In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. You have informed us that the date of commencement of construction was **October 12, 2021**; and that the anticipated completion date is **March 31, 2024**. You have advised us of your acquisition costs and the anticipated construction costs.

You have also supplied us with architectural drawings of the proposed building prepared by ZProekt Architecture Planning Consulting. The data contained in the architectural drawings indicates that the building will have will have 20 (twenty) main levels plus cellar.

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In total, there will be 28 (twenty-eight) residential units, located on 2 (second) floor through 20 (twentieth) floor and 1 commercial unit located on the cellar level through 1 (first) floor.

II. Estimated Assessed Value

We have considered the following factors in formulating our opinion: (a) the recent tax assessment history on the property; (b) the potential income for the new structure (if operated as a rental); (c) comparable new construction properties in Manhattan (specifically, in Upper East Side, Yorkville and Carnegie Hill neighborhoods); (d) market conditions in the general area; and (e) estimate of the cost of construction.

Assessments in New York City are made on a fiscal year basis, beginning on July 1st of each year and ending on June 30th the following year. The status of the building on January 5th of each year is the basis of the assessment for the fiscal year beginning that July 1st.

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore, the prices that you set in your offering plan and any subsequent sales or re-sales are not relevant in determining the assessed value of the property or of the individual condominium units. The residential units will be designated as tax class 2 property and will pay taxes based upon the class 2 tax rate. The current 2021/22 class 2 tax rate is 12.235%. The commercial unit will be designated as tax class 4 property and will pay taxes based upon the class 4 tax rate. The current 2021/22 class 4 tax rate is 10.755%

We believe that the subject property will be classified as Tax Class 2 upon completion of construction. Once the apportionment of value between condo units occurs, the individual units will be classified as Tax Class 2. Increases due to such physical improvements or new construction are added in full to the next year's assessment.

We believe there will be a substantial increase in value for 2025/26 as a result of the new construction, and that such increase will be placed on the assessment roll immediately

However, in future years increases in assessed value will likely result in the taxable assessment being based on a phased-in transition assessment.

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May 13, 2022

Tax Opinion Letter for Condominium Project
126 East 86th Street, NY 10028 Block: 1514 Lot: 59

2025/26 Projected Assessed Value and Tax Liability

For the post construction tax year of 2025/26, we project that the actual assessed value and the tax liability for the entire property will be as follows:

Estimated Assessed Value of Residential Component: $ 9,900,460
Estimated Tax Liability of Residential Component: $ 1,211,321

Estimated Assessed Value of Commercial Component: $ 1,008,211
Estimated Tax Liability of Commercial Component: $ 108,433

Total Estimated Assessed Value: $ 10,908,671
Total Tax Liability: $ 1,319,754

THE WRITER OF THIS LETTER SHALL NOT BE LIABLE, IF BECAUSE OF CHANGES IN LAWS AND/OR REGULATIONS, OR THE INTERPRETATIONS OF LAWS AND/OR REGULATIONS
NO WARRANTY IS OR CAN BE MADE BY THIS FIRM THAT THE ASSESSED VALUATION WILL BE AS ESTIMATED HEREIN, AND THE WRITER OF THIS LETTER SHALL NOT BE LIABLE, IF BECAUSE OF CHANGES IN LAWS AND/OR REGULATIONS, OR THE INTERPRETATIONS OF LAWS AND/OR REGULATIONS, OR IF THE FACTS REPRESENTED BY SPONSOR, ARCHITECT OR APPRAISER PROVE INCORRECT, THE PROPERTY'S TAX LIABILITY TURNS OUT TO BE DIFFERENT. WE MAKE NO REPRESENTATIONS OR GUARANTEES THAT THE ASSESSED VALUES WILL BE FIXED AT ANY AMOUNT. NEITHER WE NOR ANY PERSON CAN GUARANTEE WHAT THE REAL ESTATE TAXES WILL BE AT ANY FUTURE DATE.

We consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

MGNY Consulting Corp.

M. Geylik

Michael Geylik

INCOME TAXES DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the purchaser's taxes.

Unit Owners who itemize their deductions should, for Federal income tax purposes, be entitled to a deduction for mortgage interest on a principal of up to $750,000.00 and real estate taxes up to $10,000.00 in the year paid, or accrued, under Section 11043 and 11042 of the Internal Revenue Code. The $10,000.00 limit includes other state and local taxes besides real estate taxes. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the Tax Opinion of Counsel, attached hereto and made a part hereof.

The affairs of the Condominium will be governed by the Board of Managers. The Board of Managers will assess and collect Common Charges from the Unit Owners, and will have certain discretionary powers over the operating expenses and the application of the assessments. Sponsor's counsel is of the opinion that the Condominium will be eligible to qualify as an exempt homeowner's association under Section 528 of the Internal Revenue Code if the Condominium elects to do so. As a result, the Condominium will not be subject to Federal corporate income tax.

The statements set forth herein are based upon an analysis of the Internal Revenue Code of 1986, as amended, the New York State tax law, the Administrative Code of the City of New York, the applicable regulations promulgated or proposed thereunder, the current position of applicable administrative agency, in particular, the position of the IRS stated in published Revenue Rulings and Procedures, and judicial decisions. It is emphasized, however, that legislative, judicial or administrative changes may be made which would require modifications of such statements, or that, the IRS or other applicable administrative agency may disagree with counsel's interpretations and conclusions.

A more detailed statement of the tax factors involved may be found in the Tax Opinion of Counsel.

No warranty or guaranty is made that the United States Treasury Department or the New York State Department of Taxation and Finance or the New York City Department of Finance will allow the aforementioned deductions, and no representation or warranty is made that the tax law or the regulations or rulings issued thereunder, or any judicial interpretation thereof, may not change so as to disallow the deductions in whole or in part. Neither Sponsor nor Sponsor's attorney shall be liable if, for any such reason, it is held that the Unit Owners are not entitled to such income tax deductions or to special exemptions as aforesaid.

Each Purchaser should consult with his or her own attorney or tax adviser with regard to tax consequences of this purchase.

TSYNGAUZ & ASSOCIATES, P.C.
225 Broadway, Suite 2640
New York, NY 10007
(212) 337-9770

OPINION OF COUNSEL

May 15, 2023

Sergey Rybak
126 East 86 Street Development LLC
227 Sea Breeze Avenue, 4th fl., Suite C-403
Brooklyn, NY 11224

Re: Arloparc Condominium
124 East 86th Street & 126 East 86th Street
New York, NY 10028

Dear Mr. Rybak:

You have requested my opinion concerning (i) the availability of certain deductions for Federal, New York State, and New York City income tax purposes to persons who purchase units for residential use, (hereinafter called the "Unit Owners"), under a Condominium Offering Plan, (hereinafter called the "Plan"), for Arloparc Condominium, (hereinafter called the "Condominium"), (ii) the Federal income tax treatment of the common charges received by the board of managers of the Condominium, (hereinafter called the "Board"), and (iii) the availability of real estate tax abatement and exemption benefits for this project.

In connection with rendering this opinion, I have prepared the Plan and the Schedules and Exhibits thereto, the Declaration of the Condominium, (hereinafter called the "Declaration"), the By Laws of the Condominium, (hereinafter called the "By-Laws"), and reviewed the relevant sections of the Internal Revenue Code of 1986, as amended, (hereinafter called the "Code"), the Regulations promulgated thereunder by the Treasury Department, (hereinafter called the "Treas. Regs."), the New York State Tax Law, the Administrative Code of the City of New York, revenue rulings, relevant case law and such other materials as I have deemed relevant.

Facts

The sponsor will apply to the Department of Law of the State of New York to convert the premises, located at 124 East 86th Street & 126 East 86th Street, New York, NY 10028 to a condominium ownership pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York, (hereinafter called the "New York Condominium Act"). The Condominium will consist of twenty eight (28) Residential Units and one (1) Commercial Unit. Each Unit Owner will own his or her Unit and an interest in the elements common to all Units, (hereinafter called the "Common Elements"). Each Unit Owner will be entitled to the exclusive ownership and possession of his or her Unit and will receive a separate deed to the Unit.

The affair of the Condominium will be governed by the Board which, pursuant to the By-Laws, will act only as an agent of all Unit Owners. The Board will be comprised of at least three (3) members, who shall each be elected by the Unit Owners. The primary function of the Board will be to supervise the maintenance and operation of the Common Elements, and collect charges necessary to maintain and operate the Common Elements, (hereinafter called the "Common Charges").

Discussion

Deductibility of mortgage interest and real estate taxes

Under the New York Condominium Act, each Unit Owner will own his or her Unit and its appurtenant interest in the Common Elements in fee simple, and each Unit will be taxed as a separate tax lot for real estate tax purposes. Each Unit Owner may mortgage his or her 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 having a lien on the Unit for the unpaid Common Charges.

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.

The deductibility of the mortgage interest and real estate taxes paid or accrued by the Unit Owner during his or her taxable year will be governed by Sections 11043 and 11042 of the Code. Section 11043 of the Code allows a taxpayer to deduct all interest on a principal of up to $750,000.00 paid or accrued during the taxable year on bona fide indebtedness. Section 11042 of the Code allows a taxpayer to deduct real estate taxes up to $10,000.00 paid or incurred on his or her Unit during the taxable year. The $10,000.00 limit includes other state and local taxes besides real estate taxes.

In my opinion, under Sections 11043 and 11042 of the Code, a Unit Owner should, for Federal income tax purposes, be entitled to a deduction for interest on a principal of up to $750,000.00 paid or accrued with respect to mortgage indebtedness and for real estate taxes up to $10,000.00 paid or accrued with respect to his or her method of accounting. The $10,000.00 limit includes other state and local taxes besides real estate taxes.

It is also my opinion that each Unit Owner should, for New York State and New York City income tax purposes, be entitled to the same deduction which is allowed for Federal income tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year. See Section 615 of the Tax Law of the State of New York.

It should be noted, however, that for New York City income tax purposes, the benefit of such deduction may be reduced if the Unit Owner has more than the specified amount of tax preference items. See Sections 615, 622 and 623 of the Tax Law of the State of New York.

Common Charges - Federal income taxation of the Condominium

Section 528 of the Code provides a tax exemption for an organization that qualifies as a "homeowners association" which term includes a "condominium management association". A "condominium management association" is defined as an organization organized and operated to provide for the acquisition, construction, management, maintenance, and care of a condominium, provided substantially all of the units are used by individuals for residence. See Sections 528 (c)(1)(A) and 528 (c)(2) of the Code. "Substantially all" the units will be considered used by individuals for residences if at least 85% of the total square footage of all units within the project is used, or is intended to be used, by individuals for residential purposes or purposed auxiliary to residential use, such as storage rooms, laundry and maintenance areas. See Section 1.528-4(b) of Treas. Regs. The organization itself will be considered "organized and operated" for the acquisition, construction, management, maintenance, and care of such condominium, if the facts and circumstances indicate such to be the case. See Section 1.528-2 of Treas. Regs.

However if the articles of the Condominium reflect that it is the purpose of the association, then the condominium management association will be presumed to be operated for such purpose. See Section 1.528-2(a) of Treas. Regs.

In addition to the organization and operation test, the tests set forth below must be satisfied under Section 528 (c)(1) of the Code in order for a condominium to qualify as a "homeowner's association".

(1) 60% or more of the gross income of the organization must be "exempt function income," that is, income derived from the payment of dues or fees from the residential unit owners in their capacity as owner-members rather than in the capacity as customers for services. See Section 528 (c)(1)(A) of the Code and Sections 1.528-5 and 1.528.9 of Treas. Regs. "Exempt function income" includes income which is attributable to assessments that arise as a result of the members' ownership interest, either based on value or size of their units, and used for the purpose of enhancing or maintaining the value of the residence. See Section 1.528-9(a) of Treas. Regs. For example, the regulations indicate that assessments for the purpose of paying real estate taxes, removing garbage, or removing snow are "exempt function income". See Section 1.528-9(b) of Treas. Regs. Income attributable to the use of laundry machines and interest earned on sinking funds is not exempt function income. See Section 1.528-9(c) of Treas. Regs. Any assessments attributed to special capital improvements, which are treated as capital contributions, are not included in gross income, and therefore, are not part of the calculation of the gross income test. See Section 1.528-9(a) of Treas. Regs.;

(2) 90% or more of the expenditures of the organization for the taxable year must be used for the acquisition, construction, management, maintenance and care of the organization's property. See Section 528(cc)(1)(c) of the Code. These expenditures include operating and capital expenditures during the taxable year. Investments in reserve funds for future expenditures are not included in this calculation;

(3) No part of the net earnings of the organization may inure to the benefit of any individual. See Section 528(c)(1)(D) of the Code. The Code expressly excludes benefits received by a unit owner attributable to the homeowners association performing its exempt function, such as the benefit from the homeowners association acquiring, constructing, managing and taking care of the associating property;

(4) The organization must properly and timely elect to have Section 528 of the Code apply for the taxable year. See Section 528(c)(1)(E) of the Code.

It is my opinion that the Condominium should be eligible to qualify as a homeowners association within the meaning of Section 528(c)(1) of the Code and that, to the extent the Condominium has income in excess of its expenses, that income should not be subject to federal income taxation.

Real Estate Tax Benefits

I have reviewed the letter, heretofore set forth in the Plan, from the Sponsor's expert that no real estate tax abatement benefits are currently available to the Units. Based on existing statutes and practices, the opinion expressed therein that no real estate tax abatement benefits are currently available to the Units appear to be correct, and I hereby adopt said opinion as my own. This adoption is, of course, subject to the accuracy of the facts supplied to said expert in rendering his determination.

Compliance With Real Property Law Section 339-i

I have reviewed the pertinent data with respect to the fair value of the units and other pertinent information with respect to the units. Based on these factors, and the annexed letter of Yana Izmaylov, the allocation of common interest is being made pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York, which provides that such interest shall be:

> "(iv) upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit."

Conclusion

In my opinion, the Condominium will be eligible for tax-exempt status, if it elects such status, and Unit Owners will be entitled to income tax deductions described above. However, this opinion is not a guarantee. It is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which I base this opinion will not change. In no event the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium, the Selling Agent or any other person be liable if there are changes in the facts on which I relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which I relied which cause the

Condominium to cease to meet the requirements of Section 528 of the Internal Revenue Code of 1986, as amended, or the New York State tax law, as amended, cause Unit Owners not to be entitled to income tax deductions.

Very truly yours,

Yevgeny Tsyngauz

Yevgeny Tsyngauz

WORKING CAPITAL FUND

The Condominium will have a fund for working capital, (hereinafter called the "Working Capital Fund"). At the time of the closing of title to the Units from Sponsor or Sponsor-designee to a bona fide Purchaser, Purchaser will be required to pay into the Working Capital Fund the sum equal to two (2) months' Common Charges then applicable to each Unit being purchased. Sponsor will not contribute to the Working Capital Fund.

Upon the sale of all Units, it is anticipated that the Working Capital Fund will be equal to $100,022.85 for the first year of the condominium operation.

The Working Capital Fund will be used only for payment by the Board of Managers of expenses authorized by the Declaration and the By-Laws of the Condominium, and for payment by the Board of Managers of any net adjustments for prepaid expenses owed to Sponsor at the closing of title to the first Unit. Sponsor will produce a proof of payment for prepaid expenses made by Sponsor for the benefit of the Condominium, such as an insurance premium, to be entitled to the net adjustments. All net closing adjustments in favor of Sponsor will be disclosed in a post-closing amendment.

There will not be a minimum Working Capital Fund regardless of the amount of adjustments.

While Sponsor is in control of the Board of Managers, the Working Capital Fund will not be used to reduce the Common Charges.

The Working Capital Fund will be available for the Condominium after the closing of title to the first Unit.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND.

RESERVE FUND

The Condominium will have a fund as a reserve for capital expenditures, (hereinafter called the "Reserve Fund").

The Reserve Fund will be used only for capital expenditures. The Condominium's By-Laws contain a provision authorizing the establishment of the Reserve Fund. Please see Article II, Section 2 of the By-Laws.

When established, the Reserve Fund will not have any funds. During the first year and subsequent years of Condominium operations, the Unit Owners, with their common charges, will make contributions to the Reserve Fund, the amount of which will be equal to 10% of the projected annual budget of the Condominium. The Reserve Fund will be sufficient to pay for capital expenditures likely to be needed within the first five years of operation following the first closing under the Plan.

Sponsor will not make an initial contribution to the Reserve Fund, and the Reserve Fund will be funded by common charges.

If additional funds are required, common charges may be increased or special assessments imposed.

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

Should monies be required by the Condominium for capital expenditures such as renewal or replacement of Building components or systems or to remedy major Building defects, the Board of Managers will be able to borrow the moneys as provided in Section 339-jj of the Real Property Law of the State of New York, which states, in pertinent parts, as follows:

> "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-1 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."

The Condominium's By-Laws contain a provision authorizing the Board of Managers to incur debt on behalf of the Condominium. Please see Article II, Section 2 of the By-Laws.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND.

MANAGEMENT AGREEMENT

The Board of Managers will enter into a management agreement with FIDY Management Inc., having an address at 254 36th Street, C-303, Unit 1, Brooklyn, NY 11232, as Managing Agent, with respect to the Building at or prior to the first closing. The principal of Managing Agent is Yana Izmaylov. She is not affiliated with Sponsor or its principals.

Managing Agent has managed seventeen (17) residential and mixed-use buildings since its formation in 2015.

The management agreement provides for a term of one (1) year commencing on the first closing and thereafter, if not otherwise terminated by the either Board of Managers or the Managing Agent on sixty (60) day written notice. The Board of Managers has a right to cancel the management agreement if Managing Agent defaults under the management agreement.

During the first year, Managing Agent will receive an annual fee of $36,000.00, paid in installments of $3,000.00 due and payable on the first day of each month.

The management fee of $36,000.00 is the prevailing rate for comparable buildings.

The Board of Managers will also be required to reimburse Managing Agent for its reasonable and customary out-of-pocket expenses incurred in managing the Building.

The duties and services to be rendered by the Managing Agent include, among others:

(a) billing and collecting Common Charges payable by Unit Owners;
(b) causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Board of Managers;
(c) contracting for necessary services and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements subject to the approval of the Board of Managers;
(d) checking all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid;
(e) supervising, hiring and discharging employees necessary for the proper maintenance and operation of the Building;
(f) rendering monthly statements of receipts and disbursements to the Board of Managers or other designated entity, upon request;
(g) maintaining payroll records and filing withholding tax statements for employees;
(h) maintaining accurate sets of books for the Board of Managers;
(i) cooperating with the Board of Managers' accountants in preparing and submitting annually to the Board of Managers an operating budget of the anticipated income and expenses for the ensuing year;
(j) attending meetings of the Board and Unit Owners, and preparing agendas and sending notices relating to such meetings; and

(k) generally, doing all things deemed reasonably necessary or desirable by the Boards for the proper management of the Building.

According to the management agreement, the Board of Managers shall indemnify and pay for defense (as duty to defend versus reimbursement) on behalf of the Managing Agent, and hold the Managing Agent harmless from and against all claims, damages, and costs (including counsel) arising out of or in connection with the management of the Building and the operation thereof including, but limited to, all actions taken by the Managing Agent pursuant to the instructions of the Board of Managers, and by virtue of the Managing Agent's status of a managing agent of the Building, except for acts of negligence or other misconduct of the Managing Agent.

There will be no other agreements that will be binding on the Condominium.

The management agreement is not assignable by the Managing Agent.

After the first year of condominium operations, the Condominium may choose to enter into a contract with another managing agent. If so, the Common Charges may need to be increased.

IDENTITY OF PARTIES

Sponsor

Sponsor is 126 East 86 Street Development LLC, having an address at 227 Sea Breeze Avenue, 4th fl., Suite C-403, Brooklyn, NY 11224. Sponsor is a New York limited liability company.

Its principals are Sergey Rybak, having an address at [redacted], and Jason Reznik, having an address at [redacted].

All principals are the managers of Sponsor. They have been actively involved in a real estate business for over eight (8) years. They have interests in entities which own commercial real estate, manage commercial real estate and build and sell condominium units.

Sergey Rybak and Jason Reznik,

i. as principals of 2008 Ocean Avenue Development, LLC, took part in a public offering of condominium units in The Ocean Condominium, located at 2008 Ocean Avenue, Brooklyn, NY 11230. The offering plan, having file number CD120121, was filed on July 18, 2013. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

ii. as the principals of 2070 East 13th Street Partners LLC, took part in a public offering of condominium units in The 2070 E. 13th Street Condominium, located at 2070 East 13th Street, Brooklyn, NY 11229. The offering plan, having file number CD130048, was filed on September 27, 2013. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

iii. as principals of 3435 Guider Ave. Development, LLC, took part in a public offering of condominium units in The Gateway Condominium, located at 3435 Guider Street, Brooklyn, NY 11235. The offering plan, having file number CD130197, was filed on January 23, 2014. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

iv. as principals of 3041 Ocean Avenue Development LLC, took part in a public offering of condominium units in The 3041 Ocean Avenue Condominium, located at 3041 Ocean Avenue, Brooklyn, NY 11235. The offering plan, having file number CD140172, was filed on October 24, 2014. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

v. as principals of 102 West End Ave Development LLC, took part in a public offering of condominium units in The 104 West End Avenue Condominium, located at 104 West End Avenue, Brooklyn, NY 11235. The offering plan, having file number CD140373, was filed on May 20, 2015. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

vi. as principals of 1809 Emmons Avenue Development LLC, took part in a public offering of condominium units in The Vue Condominium, located at 1809 Emmons Avenue, Brooklyn, NY 11235. The offering plan, having file number CD160026, was filed on May 31, 2016. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

vii. as principals of Names Realty LLC, took part in a public offering of condominium units in The Edge Condominium on 12th, located at 1753 East 12th Street, Brooklyn, NY 11229. The offering plan, having file number CD160245, was filed on December 22, 2016. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

viii. as principals of 1414 West 4th Partners, LLC, submitted an offering plan for a public offering of condominium units in The Jade Condominium, located at 1418 West 4th Street, Brooklyn, NY 11204. The offering plan, having file number CD170256, was filed on April 19, 2018. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

ix. as principals of 88 Corner Development LLC, took part in a public offering of condominium units in Element 88 Condominium, located at 88 Withers Street, Brooklyn, NY 11211. The offering plan, having file number CD170250, was filed on November 22, 2017. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

x. as principals of 11-12 44th Drive Development LLC, took part in a public offering of condominium units in QNS 44 Condominium, located at 11-12 44th Drive, Long Island City, NY 11101. The offering plan, having file number CD170269, was filed on December 11, 2017. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

xi. as principals of 24 1st Avenue Project LLC, submitted an offering plan for a public offering of condominium units in The 101 Condominium, located at 101 East 2nd Street, New York, NY 10009. The offering plan, having file number CD190281, was filed on February 13, 2020. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

xii. as principals of 333 East 82nd Street Development LLC, submitted an offering plan for a public offering of condominium units in Manor82 Condominium, located at 333 East 82nd Street, New York, NY 10028. The offering plan, having file number CD190394, was filed on May 26, 2020. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

Sergey Rybak,

i. as a principal of ABK Seabreese LLC, took part in a public offering of condominium units in The Art House Condominium, located at 1502 West 1st Street, Brooklyn, NY 11204. The offering plan, having file number CD170146, was filed on May 12, 2017. The sponsor and principals of sponsor of this condominium are current in their financial obligations under this offering.

ii. as the principal of Sit Wesrel LLC, took part in a public offering of condominium units in The Residence, located at 1976 Ocean Avenue, Brooklyn, NY 11230. The offering plan, having file number CD110214, was filed on August 24, 2012. The sponsor and principal of sponsor of this condominium are current in their financial obligations under this offering.

The properties referenced above comprise all properties offered for sale by the Sponsor's principals as condominiums which were first offered within the past five years.

Sponsor has no prior experience in real estate.

Sponsor has not taken part in real estate syndications of securities consisting of participation interests or investments in real estate, including limited partnership interests or private or public offerings of cooperative interests in realty, including condominiums, in or from New York, which were initially offered during the preceding five (5) years

There are no prior felony convictions of Sponsor, Sergey Rybak and Jason Reznik.

There are no prior bankruptcies, convictions, injunctions, judgments or liens against Sponsor, Sergey Rybak and Jason Reznik or entities in which they were principals that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of the Plan.

333 East 82nd Street Development LLC, where Sergey Rybak and Jason Reznik are the principals, own more than ten (10) percent of the unsold units in Manor82 Condominium, located at 333 East 82nd Street, New York, NY 10028. 333 East 82nd Street Development LLC, Sergey Rybak and Jason Reznik, are current in their financial obligations.

The property listed above is the only property in which the Sponsor’s principals own ten (10) percent or more shares/units.

Selling Agent

The Selling Agent for the Property is Sponsor, having an address at 227 Sea Breeze Avenue, 4th fl., Suite C-403, Brooklyn, NY 11224. Sponsor is a New York limited liability company.

The principals of Selling Agent are Sergey Rybak and Jason Reznik.

Sponsor has no prior experience as a selling agent. The principals have no prior any prior experience as a selling agent.

Sponsor’s Attorney

TSYNGAUZ & ASSOCIATES, P.C., having an address at 225 Broadway, Suite 2640, New York, NY 10007, represents Sponsor in connection with this Plan. Yevgeny Tsyngauz, Esq.

of TSYNGAUZ & ASSOCIATES, P.C. prepared the Plan. It has no beneficial interest in Sponsor.

Managing Agent

Managing Agent for the Property is FIDY Management Inc., having an address at 254 36th Street, C-303, Unit 1, Brooklyn, NY 11232. It is not affiliated with Sponsor.

Managing Agent has managed seventeen (17) residential and mixed-use buildings since its formation in 2015.

Managing Agent and any of its principals has no prior felony convictions.

Below is a list of some of the condominium buildings, Managing Agent has managed:

2008 Ocean Avenue
Brooklyn, NY 11230

3041 Ocean Avenue
Brooklyn, NY 11224

104 West End Avenue
Brooklyn, NY 11235

1809 Emmons Avenue
Brooklyn, NY 11235

1753 East 12th Street
Brooklyn, NY 11229

101 East 2nd Street
New York, NY 10001

There are no prior bankruptcies, convictions, injunctions or judgments against Managing Agent or any of its principals that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Sponsor's Architect

Igor Zaslavskiy, R.A., having an address at 1817 Emmons Avenue, Brooklyn, NY 11235, prepared the report included in Part II of the Plan. He is not affiliated with Sponsor.

Mr. Zaslavskiy has been a registered architect since 2005. He is not affiliated with Sponsor.

Below is a list of some of the condominium projects, Mr. Zaslavskiy was an architect of record for:

220 Withers Street
Brooklyn, NY 11211

222 Withers Street
Brooklyn, NY 11211

88 Withers Street
Brooklyn, NY 11211

11-12 44th Drive
Long Island City, NY 11101

47-28 11th Street
Long Island City, NY 11101

21-10 44th Drive
Long Island City, NY 11101

1809 Emmons Avenue
Brooklyn, NY 11235

104 West End Avenue
Brooklyn, NY 11235

101 East 2nd Street
New York, NY 10001

333 East 82nd Street
New York, NY 10028

REPORTS TO UNIT OWNERS

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

(a) a financial statement of the Condominium prepared by a certified public accountant or public accountant by March 1 of each year; such statement shall be certified while Sponsor is in control of the Board of Managers;

(b) prior notice of the annual Unit Owners' meeting at least ten (10) days but not more than thirty (30) days prior to such meeting; and

(c) a copy of the proposed annual budget of the Condominium at least thirty (30) days prior to the date set forth for adoption hereof by the Board of Managers; while Sponsor is control of the Board of Managers such budget shall be certified by an expert in compliance with Section 20.4(d) of Part 20 of Title 13 NYCRR.

DOCUMENTS ON FILE

Sponsor will keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at 25 cents per page at the office of Sponsor's attorney, TSYNGAUZ & ASSOCIATES, P.C., having an address at 225 Broadway, Suite 2640, New York, NY 10007 for six (6) years from the date of first closing.

Sponsor will deliver to the Board of Managers a copy of all documents filed with the Office of the Register of the City of New York at the time of the closing of the first Unit.

GENERAL

There are no lawsuits, administrative or other proceedings pending the outcome of which could materially affect this offering, the Property, the Condominium, the operation of the Condominium or Sponsor's capacity to perform all of its obligations under the Plan.

The Property was not, to Sponsor's knowledge, the subject of any prior cooperative or condominium offerings. Sponsor has not entered into any preliminary binding agreements. Sponsor has not collected money from prospective purchasers.

In accordance with the provisions of the laws of the United States and the State of New York, Sponsor represents that Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law in the sale of Units offered by the Plan or in the leasing of any Unit.

If there is a material amendment to the Plan that adversely affects Purchasers, Sponsor will offer Purchasers a right of rescission until the midnight of the fifteenth day following service of the amendment. If Purchaser rescinds, Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt

requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day. If the Purchase Agreement is rescinded by Purchaser, all monies paid on account of the purchase price shall be refunded to Purchaser within ten (10) days after receipt of written notice of rescission.

Neither Sponsor nor anyone acting on its behalf has entered into any contracts or agreements, written or oral, for the sale or transfer of any of the Units offered in the Plan, as of the date the Plan is accepted for filing.

Neither Sponsor nor anyone acting on its behalf has taken any deposits or advances of funds in connection with the reservation, sale or transfer of such Units, as of the date the Plan is accepted for filing.

All of the Units offered in the Plan are newly built and will be delivered vacant.

SPONSOR'S STATEMENT OF SPECIFICATIONS

Sponsor adopts the Description of Property and Specifications set forth in Part II of the Plan. Sponsor represents that it 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.

The number of Units offered is identical to the number of units that will be stated in the certificate of occupancy of the Property.

The proposed use of the Units is the same as the use that will be indicated in the certificate of occupancy of the Property.

The property interests that are offered, such as cellar facilities, will be provided for in the certificate of occupancy of the Property.

PART II

ZPROEKT
Architecture, Planning & Consulting
1817 Emmons Avenue, Brooklyn, New York 11235 Phone: 718-934-2322 Email: office@zproekt.com

ARCHITECT'S REPORT

PREMISES KNOWN AS ARLOPARC CONDOMINIUM

124 East 86th Street & 126 East 86th Street
New York, New York Tax
Block Number 1514
Tax Lot Number 59

Prepared By:
Igor Zaslavskiy R.A.
1817 Emmons Ave
Brooklyn, N.Y. 11235
(718) 934-2322

April 26, 2023

This "Report" describes the building known as "ARLOPARC Condominium", located in the Yorkville section the Upper East Side section of the Borough of Manhattan, County of New York, City and State of New York; and located in Tax Block 1514 and designated as Tax Lot 59. This tax lot is a portion of the zoning lot that includes both Tax Lot 58 and 59.

(A) LOCATION AND USE OF PROPERTY

The site is located in Zone C5-1A (Residential Equivalent R-10A), as designated on Map 9A of the 1961 Zoning Resolution (ZR). This lot is an interior lot located along East 86th Street, a wide, two way street. The proposed residential building will contain residential and commercial uses, permissible as per New York City Zoning Resolution, developed under the Quality Housing Program. The Proposed uses will comply with New York City Zoning Resolution

1. 126 East 86th Street
2. Block 1514; Lot 59
3. Zoning requirements:

Proposed Occupancy Groups R2, M; Proposed

Use Groups 2, 6

Quality Housing Program

Total Zoning Lot Area: 8,488.28 SF (The combined areas of tax lots 58 and 59.)

ZR 35-011, 35-23(B), 23-153 Residential Floor Area

Air Rights Purchased from Adjacent Lot 58

Area of Lot 58: 32 X 102.17 =	3,269.44 SF
Permitted Floor Area on Lot 58: 3269.44 X 10 =	32,694.4 SF
Total Existing Floor Area on Lot 58:	
Residential	7,836.9 SF
Commercial	4,914.4 SF
TOTAL	12,751.3 SF
Remaining Floor Area: 32694.4 - 12751.3 =	19,943.1 SF
Floor Area Purchased =	12,000 SF
Remaining Floor Area on Lot 58 After Purchase =	7,943.1 SF

Quality Housing - Residential

ZR 35-011, 35-23(B), 23-153 Max. FAR =	10.0
Max Floor Area at Lot 58: 10.0 X 3269.44 =	32,694.4 SF
Max Floor Area at Lot 59: 10.0 X 5218.84 =	52,188.4 SF
Total Lot Area (Lot58+Lot59): 3269.44+5218.84 =	8,488.28 SF
Total Permitted Floor Area Minus Existing Floor Area:	
10.0 X 8,488.28 = 84,882.8 - 12751.3 =	72,131.5 SF
However 64,188.4 Sf Available for Development	
as per Air Rights Purchase Agreement:	
Max Permitted Residential Floor Area =	
52,188.4 (Lot 59) + 12,000 (Lot 58) =	64,188.4 SF
Proposed Residential Area =	62,382.9 < 64,188.4
TOTAL proposed + existing =	70,186.1 SF
TOTAL FAR = 70,186.1 / 8,488.28 =	8.27

Commercial

ZR 35-311, 33-122

Max Permitted Commercial Floor Area =	
C5-1A FAR = 4.0	
8,488.28 X 4 =	33,953.12 SF
Proposed Commercial Floor Area =	1,659.4 SF
TOTAL proposed + existing =	6,573.8 SF
TOTAL FAR = 6,573.8 / 8,488.28 =	0.77 < 4.0
TOTAL PROPOSED FLOOR AREA =	76,759.9 SF
TOTAL PROPOSED FAR = 76,759.9 / 8,488.28 =	9.04

ZR 23-47 Yard Requirements

No Side Yards, No Front Yards

ZR 23-47 Rear Yard Requirements as per Residential District

Interior Lot	30'

ZR 23-156 (B)(1) Lot Coverage

Lot Coverage for Portion of Lot Within 100' Of Corner =	100%
Lot Area Within 100' of Corner =	6,623.68 SF
ZR 23-153, R10A Lot Coverage =	70%,
Portion of Lot Beyond 100' =	1,864.6 SF
MAXIMUM PERMITTED:	
70% X 1,864.6 = 1305.22 SF + 6,623.68 =	7928.9 SF
Percentage Of Proposed Lot Coverage For Zoning Lot	
(5,797.36 + 1,286.79) = 7,084.15 / 8,488.28 =	**83.5%**
Percentage Of Proposed Lot Coverage For Tax Lot 59 =	
(3,310.45 + 1,286.79) = 4,597.24 / 5,218.84 =	**88%**

ZR 23-22 Density

Maximum Number of Dwelling Units	
R10A Unit Factor 680 per Unit;	
84,882.8 – 6,583.8 = 78,309 / 680 =	115
Proposed Number of Dwelling Units =	28

ZR 23-662 Height and Setback Requirements

R10A			
Minimum Base Height =	125’		
Maximum Base Height =	150,	Proposed =	143’-4”
Maximum Bldg. Height =	210,	Proposed =	210’
Setback Narrow Street =	10’,	Proposed =	10’

ZR 13-11 (B) Parking within Manhattan Core, CD 8 – RESIDENTIAL

Maximum # of Spaces = 35% of dwelling units
NO PARKING PROPOSED

ZR 13-12 (D) Parking within Manhattan Core, CD 8 – NON-RESIDENTIAL

Maximum # of Spaces = 1 per 4,000 SF
NO PARKING PROPOSED

ZR 25-811 Bicycle Parking

Bicycle Parking Requirements: 1 Space per 2 Dwelling Units
DU Proposed = 28 X 0.5 = 14 Required. 14 Proposed at First Floor

ZR 26-41 Street Tree Planting

Street Trees Required:
1 Tree per 25' Of Street Frontage = 83.11 / 25 = 3 Trees Required
One (1) Existing Tree preserved on site at Lot 58.
One (1) New Tree to be planted on site at Lot 59
One (1) Tree to be paid for into tree fund Planting Strips, See QH

ZR 28-00 Quality Housing Program

ZR 28-12 Refuse Storage and Disposal, 12 SF Area Permitted as Exclusion

Refuse Storage Provided on Each Floor, Min 12 Sf Refuse Storage and Chute Room Provided

ZR 28-21 Recreation Space and Planting Areas

R10A = 2.8% of Floor Area for Recreation Space Proposed Floor Area = 62,3492 X 2.8% = 1,745.8 SF Proposed Indoor Recreation Space = 846.7 SF at 1st Fl, 716.3 SF at 2nd Fl
Outdoor Recreation Space = 1149 SF at 2nd Floor
TOTAL: 2712 > 1745.8, OK

ZR 28-31 Density per Corridor, 50% Permitted as FA Exclusion

R10A Max Number of DU per Corridor =	8
Proposed Max Number of DU =	2

4. Permissible Use:

Residential Uses, Zoning Use Group 2, 6 Proposed Use group 2, 6

(B) STATUS OF CONSTRUCTION

The New Building will be constructed in accordance to the Plans which have been filed and approved with the Manhattan Office of the New York City, Department of Buildings under 2014 NYC Construction Code. The proposed building plans have been assigned Department of Buildings, application number NB 121208861.

The proposed Class of Construction will be non-combustible Construction Class IB, as described under the 2014 Administrative Building Code: Two-Hour Fire-Rated structural cast in place reinforced concrete superstructure including concrete floor slabs, concrete bearing exterior walls, and concrete bearing columns; Two-Hour Fire-Rated interior and exterior nonbearing walls. Non-rated nonbearing interior walls and partitions; Two-Hour Fire-Rated roof construction including supporting concrete roof slab.

The building will be issued a Final Certificate of Occupancy within two (2) years after the work has been completed Remaining ECB violations will be resolved within 90 days following the a Certificate of Occupancy issuance.

Prospective Buyers will have closing based upon issuance of a Certificate of Occupancy. If a Closing takes place with a Temporary Certificate of Occupancy (TCO), TCO indicates that the property is safe for occupancy but it has an expiration date. TCO typically expires within 90 days after it is issued. When TCO expires and is not reviewed, it may be difficult or impossible to buy insurance, or sell, or refinance the property. If the property has a TCO, consult with a New York State license professional engineer or registered architect to determine the outstanding issue, and speak with attorney regarding the TCO status.

The Project commenced construction on 10/12/2021 as per New York City Department of Buildings Initial Permit for construction of New Building # 121208861.

The Anticipated date of substantial completion is 03/31/2024. There is no further development to be anticipated after building completion.

(C) SITE SURVEYOR to CONFIRM

1. A) The development site of **Lot 59** has an area of approximately 5,128.84 square feet. The lot description is as follows:

   BEGINNING at a point on the Southerly side of East Eighty Sixth Street distant Two hundred and eighty-six Feet eight inches easterly from the corner formed by the intersection of the southerly side of East Eighty Sixth Street of Park (Formerly Fourth) Avenue;

   RUNNING THENCE Southerly parallel with said Park Avenue, one hundred and two feet two inches to the center line of the Block;

   THENCE easterly along said center line of the Block, Fifty one feet one and one third inches;

   THENCE northerly again parallel with said Park Avenue, One hundred and two feet two

inches to the southerly side of East Eighty Sixth Street, and

THENCE westerly along said Southerly side of East Eighty Sixth Street, Fifty one feet one and one third Inches to the point or place of BEGINNING.

B) **Lot 58** has an area of approximately 3269.44 square feet.

BEGINNING at a point on the southerly side of 86th Street distant 35 feet 2-2/3 inches westerly from the comer formed by the intersection of the southerly side of 86th Street with the westerly side of Lexington Avenue; RUNNING THENCE southerly parallel with the westerly side of Lexington Avenue and part of the distance through a party wall 102 feet 2 inches; THENCE westerly and parallel with the southerly side of 86th Street 32 feet; THENCE northerly and again parallel with the westerly side of Lexington Avenue 102 feet 2 inches lo the southerly side of 86th Street; and THENCE easterly along the southerly side of 86th Street 32 feet to the point or place of BEGINNING.

2. There will be one new mixed-use building built on the site with residential and commercial purposes on Lot 59. The existing mixed-use building on Lot 58 with residential and commercial uses shall remain.
3. The site faces one Public City Street maintained by the Department of Transportation of the City of New York.
    i. The asphalt paving is in good condition
    ii. The steel faced concrete curb is in good condition.
    iii. There is a catch basin along East 86th Street fronting Lot 58. Gutters are sloped to drain to catch basin.
    iv. There is street lighting on both sides of both streets at the site that is in good condition. Lighting consists of vertical stanchions mounted with HPS lamps at East 86nd Street.
    v. These items are in conformity with local fire district, town and municipal building codes.

<u>4.Drives, Sidewalks & Ramps</u>

The streets and waterway beyond the lot lines of the property are New York City sidewalks, curbs, roadways and waterways. East 86th Street is a one hundred foot (100’-0”) wide, two-way street.

i. The existing roadways are asphalt paved. The existing roadway fronting the property will be repaired as directed by the New York City Department of Transportation when construction is near completion.

ii. There are existing steel faced concrete curbs and concrete paved sidewalks fronting the property. The existing curb and sidewalk will be replaced, as is required for all new buildings, when construction is near completion. New curb and sidewalk will be free of tripping hazards and

ponding. The steel faced curb will be constructed to DOT Standard H-1010 R79. New sidewalk will be constructed to DOT Standards of H- 1045 Type I. All sidewalks, curb cuts, ramps/aprons will be compliant with ADA requirements. There will not be any sidewalk vaults. The condominium will be responsible for maintaining the sidewalk in accordance with the requirements of Department of Transportation or authority having jurisdiction.

iii. Street lighting is provided by NYC DOT as listed in (C) (3)(iv).

iv. A Builder's Pavement Plan has been filed with the Department of Buildings under application number 140998133.

Right of Egress: The proposed condominium shall not be requiring any obtainment of "Right of Egress" from adjacent neighbors. The subject condominium is a stand-alone building with the parcel having no deed restrictions to the present zoning lot.

(D) UTILITIES

Electricity will be provided by the Consolidated Edison Company for lighting and heating. Each residential unit and community facility and public areas will be separately metered and billed directly.

There will be gas service at this building provided by the Consolidated Edison Company for the residential portion of the building. Gas meters will be provided individually to each residential units. Gas meters to be located at Meter gas room located at cellar floor. No gas service shall be provided to the commercial unit The building shall have 2 Gas meters. 1 Gas meter shall serve the emergency generator and 1 Gas meter shall serve the building and all residential units. All meters shall be paid for by the home owners association and shall be a common charge to unit owners.

Water, will be provided by the City of New York, and water consumption will be a common charge and will be metered collectively.

Telephone/Internet cable service will be provided by the Verizon Company or Spectrum. Each unit will be billed directly.

The entire sanitary waste, will be carried from the building into the existing New York City Sewer System. Roof detention will be implemented, as per DEP regulations, to manage storm water and runoff. Drain will be connected to the storm system within the building which will be released to the existing New York City Sewer System. Sanitary waste and storm water will be joined after exiting the house and storm traps to a single pipe on site in the cellar which will then be connected to the combined sewer located beneath 86th Street. Sewer connections have been filed and certified by the Department of Environmental Protection

and the Department of Buildings under REF # SCP-18484.

(E) SUB-SOIL CONDITIONS

Soil test borings have been performed by a New York State licensed professional engineer to determine the bearing capacity of the soil. A soil test report has been prepared and submitted to the New York City Department of Buildings, with approval granted for the building plans, as is required for all new buildings. Based on the boring data provided, the sub-soil bearing capacity is adequate to support the proposed building. There will be no sub-grade drainage system to be provided for the foundation of the building. No ground water level was encountered in the boreholes as per the boring report. There is no little E designation on the property. The property is not located in a flood zone according to local, state and federal agencies.

Borings indicate that the foundation of the building will be located on bedrock encountered at 13'. The soil is determined to be adequate to support the building.

1. The foundation walls will be placed below frost line (five feet below grade) of the soil. There has not been any uneven foundation movement or settlement.
2. No evidence of moisture or seepage or ground water infiltration have been observed.
3. No unusual water conditions such as flooding, ponding, or wetness were observed in the area, and no water was apparent on the surface. No potential mudslides or erosion have been observed.
4. No hazardous materials are present on site.
5. No further monitoring, remediation, or inspections are required or will be performed.

(F) LANDSCAPING AND ENCLOSURES

1. No grass cover, plantings, trees, fencing, gates, retaining walls, garden walls, or display pools and fountains are proposed on the property.

2. Street Trees are required as per the zoning resolution and are located along the sidewalk. A total of 3 trees are required on site as per ZR 26-41. One existing tree shall be protected during construction and 5' x 10' pits shall be rebuilt as per Department of Parks and Recreation. Tree pit shall be covered with mulch on the city sidewalk located at the front of the building. One new tree shall be planted on site and a 5' x 10' tree pit shall be built as per Department of Parks and Recreation. One new tree shall be paid for into the tree fund for off-site planting. Street Tree plans have been reviewed and approved by the Department of Parks and Recreation under Plan Review #

33165.

(G) BUILDING SIZE

The proposed building height will be 210'-0" to the top of the twentieth (20th) story, as measured from base plane elevation, which is at grade. The building has 20 stories and one cellar.

Water heating equipment will be located at the roof level. Heating and cooling outdoor air condition equipment for each unit will be located at the bulkhead and the roof level.

For marketing purposes, there will be no 13th Floor. Floors are named as follows. This report will refer to marketing floors unless otherwise noted.

Construction Floor	**Marketing Floor**
Cellar	Cellar
First Floor	Lobby
Second Floor	Second Floor
Third Floor	Third Floor
Fourth Floor	Fourth Floor
Fifth Floor	Fifth Floor
Sixth Floor	Sixth Floor
Seventh Floor	Seventh Floor
Eighth Floor	Eighth Floor
Ninth Floor	Ninth Floor
Tenth Floor	Tenth Floor
Eleventh Floor	Eleventh Floor
Twelfth Floor	Twelfth Floor
Thirteenth Floor	Fourteenth Floor
Fourteenth Floor	Fifteenth Floor
Fifteenth Floor	Sixteenth Floor
Sixteenth Floor	Seventeenth Floor

Seventeenth Floor	Eighteenth Floor
Eighteenth Floor	Nineteenth Floor
Nineteenth Floor	PH Lower
Twentieth Floor	PH Upper
Roof	Roof

1. Cellar: Use Group: 2B, 6B; Occupancy Group R-2, S-2; Ceiling Height: 9' –8"

   a. Storage Room Accessory to Commercial Unit with direct Access to Commercial Unit at 1st Floor

   b. Utility Rooms: Electric Room, ARCS Room, Fire Pump Room, Water Service Room, Gas Meter Room, Low Voltage Closet, Trash Compactor Room

   c. Accessory Residential Amenities: Storage Room, Spa and Sauna, Gym,

2. First Floor: Occupancy Group R-2, M; Ceiling Height: 11' – 2"

   a. Residential Lobby

   b. Stroller Parking

   c. Cold Storage and Package Room

   d. Mail Room

   e. Recreation Spaces (Indoor)

   f. Music Room (Indoor)

   g. Commercial Unit, Use Group 6.

3. Second Floor: Occupancy Group R-2; Ceiling Height: 9' –6" (Dropped Ceiling 8'-4")

   a. One (1) single-family residential unit.

   b. Indoor Recreation Space.

   c. Outdoor Recreation Space (Terrace at Rear Yard)

4. Third Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

   a. One (1) single-family residential units.

5. Fourth Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

   a. One (1) single-family residential units.

6. Fifth Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

   a. Two (2) single-family residential units.

7. Sixth Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

a. Two (2) single-family residential units.

8. Seventh Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

a. Two (2) single-family residential units.

9. Eighth Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

a. Two (2) single-family residential units.

10. Ninth Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

a. Two (2) single-family residential units.

11. Tenth Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

a. Two (2) single-family residential units.

12. Eleventh Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

a. Two (2) single-family residential units.

13. Twelfth Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

a. Two (2) single-family residential units.

14. Fourteenth Floor: Occupancy Group R-2; Ceiling Height: 9' –4" (Dropped Ceiling 8'-2")

a. Two (2) single-family residential units.

15. Fifteenth Floor: Occupancy Group R-2; Ceiling Height: 9' -11"" (Dropped Ceiling 8'-9")

a. Two (2) single-family residential units.

16. Sixteenth Floor: Occupancy Group R-2; Ceiling Height: 9' –6" (Dropped Ceiling 9'-2")

a. One (1) single-family residential unit.

17. Seventeenth Floor: Occupancy Group R-2; Ceiling Height: 10' –3" (Dropped Ceiling 9'-1")

a. One (1) single-family residential unit.

18. Eighteenth Floor: Occupancy Group R-2; Ceiling Height: 10' –4" (Dropped Ceiling 9'-2")

a. One (1) single-family residential unit.

19. Nineteenth Floor: Occupancy Group R-2; Ceiling Height: 10' –4" (Dropped Ceiling 9'-2")

a. One (1) single-family residential unit.

20. PH Lower: Occupancy Group R-2; Ceiling Height: 11' –0" (Dropped Ceiling 9'-10")

a. Lower portion of one (1) single-family residential unit duplex.

21. PH Upper: Occupancy Group R-2; Ceiling Height: 10' –5" (Dropped Ceiling 9'-3")

a. Upper portion of one (1) single-family residential unit duplex.

22. Roof: Occupancy Group R-2; Ceiling Height: 8' – 4", Parapet height:3' – 8" above roof, decorative stone cornice at building street wall.

a. Bulkhead

b. Elevator Bulkhead, Elevator Machine Control room.
c. Water Heater Room. Domestic Water Heaters.
d. LCE to residential units.

The façade of the building is subject to Local Law 11/98. As per Department of Buildings rules and regulations; Owners of buildings greater than 6 stories must have their buildings' exterior walls and appurtenances inspected once every 5 years and file a technical report to the Department of Buildings.

(H) STRUCTURAL SYSTEM

(1) EXTERIOR OF BUILDINGS:

1. Walls

a. The structural system will consist of a cast-in-place reinforced concrete frame including concrete structural columns, concrete bearing exterior walls, structural slabs, and beams. Structural columns will support cast in place concrete floor slab which will be spanned between the columns. Concrete floor slabs will support interior partitions and exterior nonstructural walls. The construction class of the building shall be noncombustible Construction Class IB as per Table 601 of the NYC Building Code 2014.

b. The foundations will consist of reinforced concrete mat slab underground footing to support the concrete columns and foundation walls. The foundation walls, footing, and columns shall be of reinforced concrete. The proposed waterproofing for the foundation wall is bituminous based membrane applied from outside the foundation. Floor slabs waterproofing will be provided with aluminum flashing.

c. Exterior bearing walls located at front and rear, shall be 10" cast-in-place reinforced concrete walls, furred out with 3-5/8" metal studs at 16" OC. Wall type is to be insulated with R-15 continuous insulation and R-15 batt insulation between studs. Finish on interior side of wall shall be one layer of 5/8" GWB. At the front façade finish on exterior side of wall shall be clad in variegated limestone on the first and second floors, lightweight stone veneer on third and fourth floors, and brick on 5th floor and above, At the rear façade, the first floor adjoining rear lot line shall be sealed, and finished with brick on 2nd floor and up. Thermal insulation values of exterior walls

shall comply with NYCECC 2020. Exterior walls have a two hour fire rating.

d. Exterior bearing walls located along side lot lines shall be 10" cast-in-place reinforced concrete walls, furred out with 3-5/8" metal studs at 16" OC. Wall type is to be insulated with R-15 continuous insulation and R-12.4 mineral wool insulation between studs. Finish on interior side of wall shall be one layer of 5/8" GWB. On side lot walls, that are not abutting adjacent lot line walls shall be finished with lightweight stone veneer. Where such walls abut an existing building, no finish will be applied. Thermal insulation values of exterior walls shall comply with NYCECC 2020. Exterior walls have a two hour fire rating.

e. Local Law 11/98 applies to this building. Inspections and reports complying with the law are required every five years. Owners of property must file a technical façade report with the Department of Buildings to comply. The initial examination for any new building shall be conducted in the fifth year following the erection or installation of any exterior wall and/or enclosures. The Board of Managers shall cause the façade to be inspected annually by either a registered architect or professional engineer, and keep a log of each inspection and issue a directive to make all required or notices minor repairs

f. No underpinning proposed at this building. Foundation walls shall align with adjacent buildings' foundation wall or be stepped from adjacent building to the depth of the proposed cellar as required.

g. The proposed thickness of all floors is 9 inches. The floor assembly shall be covered with one layer of engineering wood flooring glued to the 8" concrete slab water based sound absorbing adhesive by Bostik Wood-Grip Urethane Wood Flooring Adhesive for an IIC rating of 50. STC of 6" normal weight concrete slab is rated at 53. Proposed slab is a minimum 8", therefore exceeding STC 50 required rating. Sponsor reserves the right to provide equal or better product. The total sound transmission class of the floor/ceiling assembly is compliant with BC 1207.2 that requires a minimum STC 50 and BC 1207.3 that requires a minimum IIC 50. All vertical metal framing between dwelling units to be infill with sound absorbing attenuation insulation manufactured by Owens Corning- Thermafiber Mineral Wool.

h.

2. Windows/Doors

   a. Windows and swing doors are thermally broken aluminum, tilt and turn windows Slim Line series CS 77 Functional by REYNAERS ALUMINIUM. Windows will have a powder coated finish inside to AAMA 2603 (RAL9003) and out (RAL 140-M MATTE). The glazing will be insulated, laminated and tempered glass unit with additional sound attenuation properties. All glass is fully tempered. All Fixed windows will have a U- factor of .30 with SHGC of .31 and VT of 0.55. Operable Windows will have U-factor of 0.28 with SHGC of 0.26 VT:0.44. Doors will have U-factor of 0.33 with SHGC of 0.24 VT:0.40, Sliding Doors will have U-factor of 0.36 with SHGC of 0.27 VT:0.47.Air infiltration of windows and non-entrance glazed swing doors are not to exceed 0.2 cfm/ft^2. Aluminum Windows frame to be installed within openings of building's superstructure. Windows' Outside sills and lintels to be lightweight stone extruded veneer. Inside window sill to be finished with gypsum wall panels. All windows to be double glazed. Weatherproof caulking will be provided around windows**. Window manufacture's Reyners Aluminum- United States provides Limited Warranty of three (3) years against corrosion, defective glass.**

   b. Sliding doors will be thermally broken aluminum, series REYNAERS ALUMINIUM and will have a powder coated finish inside RAL9003) and out (RAL 140-M MATTE).. The glazing will be insulated, laminated and tempered glass unit with additional sound attenuation properties. All glass is fully tempered. All sliding doors will have a U- factor of 0.36 with SHGC of 0.27 and VT of 47% . Air infiltration of sliding doors are not to exceed 0.2 cfm/ft2.

   c. Ground floor exterior glazing for commercial fenestration and swing doors are thermally broken aluminum, Concept Wall 50 series by REYNAERS ALUMINIUM. Fenestration will have a powder coated finish inside (RAL 140-M MATTE) and out (RAL 140-M MATTE). The glazing will be insulated, laminated and tempered glass unit with additional sound attenuation properties. All glass is fully tempered. CW50 System will have U-factor of 0.28 with SHGC of 0.20 VT:38%

The Sponsor reserves the right to provide windows by different manufacturers, which are equal

to or better than those specified above.

Lot line windows are proposed at the 15th through 20th Floors at Units 16A,17A, 18A,19A, and PH. There are five lot line windows in Units 16A,17A located along at East and West Side Lot Line Wall. There are three lot line windows in Units 18A,19A located along Wes side Lot line Wall. There are Six lot line windows in PH (2 levels) located along Wes side Lot line Wall .Lot line windows shall have tempered glass and protected by automatic sprinkler overhead to cover the window. Such windows are not counted towards legal natural light and ventilation requirements as per the NYC Building Code. Because the lot line windows are located on the side walls, such windows might be obstructed by any adjacent property's developments that may arise in the future. In case of any future window closings, a unit shall bear the cost of approximately $1,500 per window closing.

Special Risk:

Windows are not provided with child safety window guards.

The condominium shall maintain reserve funds for window cleaning means and methods on an as-need basis.

At the first closing of a Residential Unit, Sponsor will assign to the Board of Managers provide all warranties issued by manufacturers, not the Sponsor. The duration of each warranty will start upon issuance of a certificate of occupancy.

3. Landmark status

   Not Applicable, Building is not designated as a landmark building.

(2) PARAPETS AND COPING

There will be concrete parapet wall 3'-8" over concrete roof slab. The parapet will be structurally tied to the concrete roof deck with metal non-corrosive anchors that provide structural integrity to the composition. Coping of the parapet will be of aluminum. Parapet finishes shall continue at the parapet from walls below.

(3) CHIMNEYS AND CAPS NEED FLEW TYPE FOR PH UNIT

There will be a polypropylene pipe that serves exhaust system of the heating and ventilation for the entire building. Manufactured by "Harvel Plastic, Inc.", Model G0004040 conforms to ASTM D 1784, Type 1 (Normal Impact, Grade 1). Exhaust shafts are located at the roof level. There will be fireplaces in the PH unit and on the 2nd floor terrace. There will be no wood burning fires within the building. Sponsor reserves the right to provide a different manufacturer, which is equal to or better than listed above.

(4) BALCONIES AND TERRACES

Terraces are located at the 2nd and 15th floor levels and the main roof of the building. On the 2nd floor the terraces are located at the rear façade, and are accessible to all residents of the building. Terrace at the 15th floors is located at the front façade. Terraces are limited common elements to the units to which they are adjacent, unless otherwise noted. Roof terraces are assigned to units as per drawings. The main roof is an LCE to the duplex unit on the 20TH and PH. Terraces are the roof over the floor below and shall be of reinforced concrete deck construction, the same composition as roof.

Drains out to the exterior, There will be no drain out to the exterior of the façade.[YT1]. This may cause the future stone or façade discoloration. The Board of Managers shall implement the regular maintenance of the drains.

The Board of Managers shall cause all outdoor drains to be inspected semi-annually by either a licensed plumber or professional engineer, and keep a log of each inspection. Board shall direct the qualified professional to make any minor required repairs, in accordance to warranty requirements, in order to ensure that no further damage or deterioration occurs.

Balconies are located at 5th through 14th floors and 16th through 20th floors at the front façade. Balconies are limited common elements to the units to which they are adjacent. Balconies shall be composed of cast-in-place reinforced.

Balustrades shall be located along the perimeter of balconies and terraces. Balustrades shall consist of 3/8" laminated glass and galvanized railing posts attached to the cast-in-place concrete deck with corrosion resistant metal fittings. The minimum height of the balustrade shall be three

feet, six inches (3'-6") above the finished terrace level. Glass railing to comply with the NYC Building Code. Proposed balustrades are designed without horizontal spindles between top horizontal bottom elements and top horizontal rail. Such a design prevents creating a ladder effect that poses a serious safety risk.

All balconies and terraces shall have slip resistant surfaces. Deck coating of balconies shall be Suprema primer and coating. Sponsor reserves the right to provide equal or better product. Terrace coping shall be 0.04 aluminum. Balconies shall have no soffits or coping. The underside of balconies, which is cast-in-place concrete, is exposed to the elements.

LCE terraces and outdoor recreation spaces at roofs shall have fire-retardant slip resistance flooring system manufactured by Hanover Pavers designed to withstand daily foot traffic.

Sponsor reserves the right to provide a different manufacturer, which is equal to or better than listed above.

All balconies and terraces shall have slip resistant surfaces. The drainage for terraces at all levels will be provided with roof drains connected to storm sewer discharge.

Parapets and decorative metal railings shall be located along the perimeter of the terraces.

Railings to comply with the NYC Building Code. Proposed railings are designed without horizontal spindles between top horizontal bottom elements and top horizontal rail. Such a design prevents creating a ladder effect that poses a serious safety risk.

Glazed doors provide access to balconies and terraces as shown on plans. All doors to be aluminum clad with a thermal break and self-flashing made by REYNAERS ALUMINIUM Weatherproof caulking will be provided around doors. All exterior metals, including fasteners, shall be corrosion resistant. Thermal qualities of doors as per section **(H) Structural System, (1) Exterior of Buildings, 2. Windows/Doors** above.

Terraces and balconies must remain open as-built. If the owner wants to install an enclosure and the condominium by-laws would allow it, the enclosure must be built via the proper approvals and in strict compliance with the requirements of DOB or Local Authority Having Jurisdiction. Outdoor Recreation Area is intended to be shared by all unit owners.

A maintenance easement at the residential LCE shall provide access to the Emergency Generator and the Water Heater Room located on the roof and the mechanical equipment located at the bulkhead roof.

(5) EXTERIOR ENTRANCES

All entrances to the building shall be built free of tripping hazards. All exterior entrances comply with ADA requirements. Exterior doors and frames, manufactured by REYNAERS ALUMINIUM will be of aluminum frame construction with thermal break, with aluminum handles and corrosion resistance self-closing locks. There are no exterior stairs or railings at the building entrances.

1. Residential

The main residential entrance shall be located at grade along East 86th Street. This entrance shall provide building access to the lobby, elevators, and interior egress stairs. Exterior doors shall be self-closing.

2. Commercial

The commercial unit shall have one entrances at grade, along East 86th Street. Exterior doors shall be self-closing and manual key locking by tenants.

There will be exterior lighting fixtures at the entrance doors providing adequate lighting at the entrances to the building. Fixtures manufactured by Murano Glass. Sponsor reserves the right to substitute or provide equal or better quality.

U.S. Approved type mailboxes will be provided for the residential units at a central location at the first floor lobby area. Mailboxes Manufactured by "Sasbury Industries" Model #3716D-20 made of non-ferrous aluminum, with Aluminum exterior Finish. There will be Exterior Lighting fixtures at the entrance doors providing adequate lighting at the entrances to the building.

(6) SERVICE ENTRANCE

A secondary residential entrance into the building is provided along East 86th Street. This entrance shall provide secondary means of egress for the building. Exterior doors and frames, manufactured by REYNAERS ALUMINIUM will be of aluminum frame construction with thermal break, with aluminum handles and corrosion resistance self-closing locks. There are no exterior stairs or railings at the building entrances. There are no exterior stairs, gates, or railings at the building entrances.

(7) ROOF AND ROOF STRUCTURES

(i) TYPE OF ROOFS FOR ALL AREAS:

All roof areas of the building shall be flat, insulated with rigid board insulation, with a roof membrane manufactured by Soprema System: installation of Alsan RS 276, Alsan RS 260 and Alsan RS Fleece reinforcement, installation of R35 insulation and filter fabric.,. The Sponsor reserves the right to provide roof covering by a different manufacturer, which is equal to or better than listed above. Penetration of ducts, pipes, skylights, etc. shall be properly flashed and waterproofed Rigid insulation minimum R value of 35, shall be provided over the roof, as per NYCECC 2020. The expected life span of the roof type is ten (10) years. No bond or guarantee shall be furnished by Sponsor, applicable to all roof types. KEEP.

The main roof shall have one LCE for Unit PH. The 2nd floor roof shall have an outdoor recreation space accessible to all residential unit owners as described in the Certificate of Occupancy. Occupiable portions of roof shall have fire-retardant slip resistance composite decking flooring system, manufactured as boards, manufactured by Hanover Pavers, appropriate for daily foot traffic. Sponsor reserves the right to provide a different manufacturer, which is equal to or better than listed above.

. A maintenance easement at the residential LCE shall provide access to the Emergency Generator and the Water Heater Room located on the roof and the mechanical equipment located at the bulkhead roof. The roof flashing, counter-flashing and coping shall be constructed from 25-gauge aluminum cold-formed plate with a drip edge at the perimeter of all flashing.

SUSTAINABLE ROOFING ZONE

AS PER BB 2019-010 FOR APPLICABILITY OF LOCAL LAW 92 AND LOCAL LAW 94, PROPOSED ROOF IS EXEMPTED FROM SUSTAINABLE ROOFING ZONE (C) UNDER THE FOLLOWING CONDITIONS AS LISTED IN THE BULLETIN:

2. AREAS OCCUPIED BY ROOF TOP STRUCTURES. SEE LOCATIONS FOR EMERGENCY GENERATOR ON MAIN ROOF AND CONDENSING UNITS ON BULKHEAD.

5. MAIN ROOF ACCESSORY PASSIVE IS OCCUPIED BY A TERRACE ACCESSIBLE TO UNIT ON 20TH FLOOR. BOTH ARE ACCESSORY R-2 USES FOR THE RESIDENTIAL BUILDING. TO BE DEMONSTRATED ON SCHEDULE A AND FINAL C OF O.

THERE ARE NO OTHER CONTIGUOUS AREAS AVAILABLE ON WHICH A SUSTIANABLE ROOFING ZONE CAN BE PROVIDED.

STRUCTURES.
SEE LOCATIONS FOR EMERGENCY GENERATOR ON ACCESSORY PASSIVE ROOF **STATED ON SCHEDULE A AND FINAL C OF O.**

SPECIAL RISK DISCLOSURE:

Please be advised the Sponsor is not providing "No Dollar Limit Manufactures Warrantee" (NDL) for new roof. The absence of NDL manufacturer's warrantee may indicate that the roof membrane and appurtenance were not inspected for compliance with the manufacturer's specifications for installation. As such, a premature deterioration and replacement of the roof membrane may be anticipated and therefore should be budgeted for. The Board of Managers shall cause the roof to be inspected semi-annually by either a licensed plumber or professional engineer, and keep a log of each inspection. Board shall direct the qualified professional to make any minor required repairs, in accordance to warranty requirements, in order to ensure that no further damage or deterioration occurs.

(ii) DRAINS:

Flat roof areas, shall be pitched at a minimum slope of approximately 1/8" per foot. Roof areas shall be sloped to flow to control flow cast iron roof drains. Storm water run-off from the roof areas will be transported via the drains with cast iron piping through the storm trap in the cellar. All drains to be cast iron control flow roof drains equipped with overflow roof drain After leaving the storm trap it will connect to the line leaving the house trap after which it will exit the building to connect with an existing combined sewer located in the roadway beneath East 86th Street. Secondary drainage is provided by overflow drains located adjacent to control flow drains

The Board of Managers shall cause all drains to be inspected semi-annually by either a licensed plumber or professional engineer, and keep a log of each inspection.

(iii) SKYLIGHTS

Two skylights are located at the 2nd floor terrace, providing light to the indoor recreation areas below. Skylights shall be installed on a curb insulated to value R-5 or higher and shall have a thermally

broken metal frame with a maximum assembly U-factor of 0.48, an SHGC of 0.38, and a maximum rate of air infiltration of 0.20 cfm/ft^2 to meet NYCECC 2020 requirements. Skylight shall be manufactured by REYNAERS ALUMINIUM. The Sponsor reserves the right to provide skylight by a different manufacturer, which is equal to or better than noted above.

Skylights glazing shall meet the following NYC BC requirements:

1. For monolithic glazing systems, the glazing material of the single light or layer shall be laminated glass with a minimum 30-mil (0.76 mm) polyvinyl butyral (or equivalent) interlayer, wired glass, light-transmitting plastic materials meeting the requirements of Section 2607, heat-strengthened glass or fully tempered glass.
2. For multiple-layer glazing systems, each light or layer shall consist of any of the glazing materials specified in Item 1 above. For additional requirements for plastic skylights, see Section 2610.

(iv) BULKHEAD

There will be staircase and elevator bulkheads. The exterior walls at the bulkhead will be constructed of two-hour rated, non-combustible assemblies. Staircase bulkhead shall be constructed of insulated concrete walls and insulated CMU walls with concrete slab roof. The staircase will serve as access to the roof for maintenance and to the limited common elements of the units with which they are associated. Elevator bulkhead shall be constructed of concrete walls with concrete slab roof. Bulkhead for the elevator will be dedicated for elevator machine room that shall have exterior corrosion resistant access metal staircase.

(v) METAL WORK AT ROOF LEVEL

All exterior stairs, guard railing, vertical ladders including gooseneck, dunnage, and fasteners located at the roof level shall be corrosion resistance materials. Compressors, condensers & fans located at the roof above dwelling units will be mounted on vibration isolators over the structural dunnage steel frame attached to concrete roof structure.

(vi) ROOFTOP FACILITES

Elevator machine room and Mechanical Equipment rooms shall be located on the roof. The exterior

walls will be constructed of two-hour rated, noncombustible assemblies.

There are no rooftop antennae, cell phone towers, satellite dishes or lightening protection equipment located on the roof.

Recreation areas on the 2nd floor rooftop with the area of 1092 sf and occupancy of six(6) persons are permitted as per Zoning and Building Code and approved by the building department under Job # 121208861. Sponsor will not provide any furniture equipment for roof recreation area.

FDNY rooftop access is not required under 2014 NYC Fire Code due to the height of the building exceeding 100 feet. Sponsor will provide movable outdoor furniture, tables and chairs to accommodate maximum allowable occupancy of the outdoor space

(8) FIRE ESCAPES

There are no exterior fire escapes at the building.

(9) YARDS AND COURTS

The building will have a rear yard a portion of which is located at the first floor, 12' – 4" above grade. The composition of the second-floor roof shall be cast-in- place reinforced concrete slab. There will be a 3' – 8" concrete parapet wall around the perimeter of the roof. The second-floor roof shall be an outdoor recreation space for all residents of the building.

(i) Paving shall be fire-retardant slip resistance composite deck flooring system, manufactured as boards, manufactured by Hanover Pavers, appropriate for daily foot traffic. Sponsor reserves the right to provide a different manufacturer, which is equal to or better than listed above.

(ii) Drainage shall be provided by control flow roof drains, with secondary drainage provided by overflow roof drains, to adequately accommodate storm water run-off in areas open to the sky. shall be responsible for maintaining the drains. In case of any drains deficiency, the Board of Managers shall hire a third party consultant to determine the cause of any leakage and a course of action to be taken to remedy the leakage. Board shall direct the qualified professional to make any minor required repairs, in accordance to warranty requirements, in order to ensure that no further damage or deterioration occurs. If the leakage was caused by a

conduct of a unit owner or his/her guests or invitees, the owner shall be responsible to fix any damage caused by the leakage at his/her sole cost and expense.

(iii) Corrosion-resistant metal railings shall be provided around the skylights, 44" in height.

(iv) A 44" non-combustible concrete parapet wall shall surround the perimeter of the 2nd floor roof terrace at the rear and side lot lines.

(v) Walls and parapets at rear yard are two hour rated noncombustible concrete block walls.

(vi) Grass cover not proposed. Plantings not proposed. Trees no proposed.

(10) INTERIOR STAIRS

i. Two (2) Common interior stairs, from the first floor to the roof, serve as the primary means of egress for the building. A separate stair leads from cellar to first floor. Stairs are separated by two hour rated noncombustible walls, which are either cast-in-place concrete or concrete block.

ii. One interior stair from cellar to first floor are provided within Unit C-1, as access between main unit and accessory storage area.

iii. Elements of the egress route, including stair enclosures and connecting corridors, are two-hour rated and constructed of noncombustible assemblies (cast-in-place reinforced concrete, CMU, or metal studs. Additionally, one interior stair located at the rear, connecting the cellar and first floor common areas shall have a 120 Min Fire rated glazing enclosure which meets the standards of a masonry equivalent shaft enclosure for under 1 RCNY §1014-01 and tested to comply with ASTM C1629, Soft Body Impact Classification Level 3 and (ii) full assembly to be tested for compliance with ASTM C1629, Soft Body Impact Classification Level 2.

iv. All interior egress stairs, including stringers, treads, and risers, shall be of cast-in-place reinforced concrete construction.

v. Guardrails, railings, and balustrades shall be metal.

vi. The staircase shall be equipped with the emergency lighting on each floor. The emergency lighting will be hard-wired and will have battery back-up battery operated device.

vii. The interior stairs including stringers, treads, and risers, within Unit PH shall be of cast-in-place reinforced concrete construction. Winders of the Stair shall comply with 2014 NYC Building Code. Guardrails, railings, and balustrades shall be metal.

(11) INTERIOR DOORS AND FRAMES

Vestibule doors to lobby shall be self-closing and self-locking, manufactured by REYNAERS ALUMINIUM. Doors shall be aluminum frame construction with thermal break, with aluminum handles and corrosion resistance self-closing locks. Vestibule doors do not require a fire rating.

Doors at unit entrances, mechanical rooms, utility and equipment rooms, and stair enclosures and corridors, roof doors, and cellar doors are to be 1½ hour fire rated and self-closing metal doors with metal framing to meet fire/safety standards.

Doors within the residential and commercial units may be of composed of wood, glass or metal with similar framing and do not have to be fire-rated.

(12) ELEVATORS

a. Two residential passenger elevators, manufactured by Imperial Electric Co are located within the building.
   i. One 3500 LB (PE2) capacity residential fire service access elevator is provided, with a 6'-8" x 5'-6" cab dimension, capable of accommodating a stretcher. Residential elevator operates from the cellar to the roof. Residential elevator is accessible from the entrance lobby of the residential portion at grade.
   ii. One 2500 LB (PE1) capacity residential elevator is provided, with a 5'-8"" x 4'-4" cab dimension. Residential elevator operates from the cellar to the roof. Residential elevator is accessible from the entrance lobby of the residential portion at grade.
   b. Residential:
      - PE1 Passenger Elevator, 2500 LB capacity,
      - PE2 Passenger Elevator, 3500 LB capacity
   c. Controls on all elevators are automatic.
   d. Car speed is 500 fpm
   e. Total number of stops: 22.
   f. Power Supply: 208 volts, 3-Phase
   g. Gearless Traction,
   h. Hoist and Governor Ropers: 1:1 roping (double wrap)
   i. Controls: Micro-processor based solid state, duplex control, variable voltage, variable

frequency AC with Firefighters' Service, and regenerative drives.

j. Hoist way entrances are stainless steel single-speed sliding car doors, clear 3'-6"x7'-6" opening

k. Elevator shall have integrated alarm safety connected to Elevator monitoring control service.

l. A separate application shall be filed with and approved by the ElevatorDivision of the New York City, Department of Buildings, prior to the installation of elevators and related equipment.

The Sponsor reserves the right to provide elevator equipment and alternate interior finishes by a different manufacturer, which is equal to or better than noted above.

(13) ELEVATOR CAB

Elevator Cabs Elevators

a. Stainless Steel Buttons
b. Digital Hall Position Indicators
c. LCD type car position indicators
d. LCD video displays
e. 10' ceiling heights
f. 35 lumen per watt lighting provided in each cab
g. 2 speed high capacity exhaust fan in each cab
h. Manufactured by Design Cab 1
i. Floors shall be VCT Tile
j. Walls shall be Formica Raised Paneling
k. Ceiling shall Stainless Steel
l. Cabs shall have LED Down Lighting
m. Cab to backup battery as per code.
n. Stainless steel handrails;

The Sponsor reserves the right to provide elevator equipment and alternate interior finishes by a different manufacturer, which is equal to or better than noted above.

Elevator Cab to be connected to battery backup emergency alarm safety system which will

be connected via phone button to life emergency service.

PROVISION FOR POWER OUTAGE: The subject building is not required by NYC Building Code to be equipped with a back-up power supply. In the event of a power outage the elevator locks shall engage and the elevator shall remain in locked state until the power is restored.

(I) AUXILIARY FACILITIES:

(1) LAUNDRY ROOMS

All residential units will be provided with hookups for domestic type washers and dryers within each individual apartment. Laundry spaces with are designed to accommodate domestic standard size electric washers and gas dryers with approximate dimension of floor space 32”x32”. Laundry rooms shall be equipped with dryer exhaust connected to ducts vented trough exterior wall louver.

The actual laundry equipment will be the responsibility of each unit’s owner. Laundry equipment shall be UL approved. No washers and dryers will be provided. The purchase and maintenance of laundry equipment shall be responsibilities of each unit owner.

(2) REFUSE DISPOSAL

Refuse disposal will be the responsibility of each residential unit’s occupant. They will collect their own garbage and carry it to refuse storage areas located on each floor. Compactor Room is located in the Trash Compactor Room at the cellar level, Model # AP-100. The garbage will be taken to the outside from the refuse room through interior staircase and through the service entrance by a building superintendent twice a week, where it will be collected by the New York City Sanitation Department on days designated for garbage removal.

Any garbage not fitting into the trash room shall be kept by the unit owner inside the unit and carried out to the outside on the day sanitation department requires pick up.

Commercial garbage will be stored at the accessory cellar storage space connected via interior staircase to commercial space at first floor. The garbage will be taken to the outside from the storage space through interior staircase and through the exterior entrance by a Commercial Unit Tenant twice a week, where it will be collected by the New York City Sanitation Department on days designated for garbage removal.

(3) BICYCLE PARKING

There will be fourteen (14) bicycle parking spaces located at the cellar in the rear storage room labeled bicycle/storage room. Room to be secured with lock provided access only the residential units owners. Bicycle parking area shall have floor or ceiling mounted hanging bike racks to which unit owners can lock their bikes for storage. Each Bike space area to be approximately 15 square feet with celling heights between seven feet and nine feet. Each Bike Storage Space will be constructed from metal wire mesh, accessed via individual wire mesh gates and will be able to be secured with a lock. They will be transparent. Bike storages to be equipped with wall hung bike metal hanger able to accommodate one bicycle.

(4) CELLAR STORAGE

Storage units intended for residential unit owners shall be assigned to individual residential unit owners. Owners will have access via lock and key to their unit. The enclosures for storage units are metal cages within the cellar at the storage room at the rear of the building. There will be twenty-nine (29) auxiliary storage units. The Areas of each storage shall be 10 to 15 square feet with dimensions of each unit shall be respectively 2’9’’ x 5’-0” x 7’-0”(9’-0”) high.

(5) COLD STORAGE/PACKAGE ROOM – FIRST FLOOR

The cold storage/package room walls shall be concrete block or metal stud. Doors may be of composed of wood, glass or metal with similar framing and do not have to be fire-rated. It shall be occupied by a refrigerator capable of maintaining a temperature of 40 degrees for the storing of deliveries requiring refrigeration and shall be accessed by residential unit owners and doorman. Refrigerator manufactured by Maxx Cold, model # MXM1-12R.

(6) MAIL ROOM

The mail room walls shall be concrete block or metal stud. Doors may be of composed of wood, glass or metal with similar framing and do not have to be fire-rated. Mail room shall be accessed by residential unit owners and doorman.

(7) STROLLER PARKING

The stroller parking shall be a room on the first floor, accessible to residents of the building.

(J) PLUMBING AND DRAINAGE

(1) WATER SUPPLY

Water will be supplied to the units through connections to the building, from the New York City Water Distribution System, along 86th Street. There will be one 3" domestic water service and one 6" fire water service entering the cellar mechanical room. Each service shall have curb valves and main shutoff valves at the entry point. Each service shall be provided with the required DEP approved backflow device.

Apartment fixtures shall be served from cold, hot water and hot water return risers with shutoff valves. Piping shall be copper and insulated per energy code. "Hot & Cold water piping shall be insulated throughout the entire building." There will be provided ¼" insulation for hot and cold-water piping

There will be two (2) hot water heaters located at the roof level for the common use of the residential units, with a hot water recirculation pump.

(2) FIRE PROTECTION-Sprinkler and Standpipe

A combined wet sprinkler/standpipe system shall be provided for the building with risers in each stairwell, angle valves, hose racks, pressure reducing valves, and test manifolds.

Building will be equipped with a fire suppression sprinkler system throughout in accordance with NFPA 101. Water supplied to the building dedicated for fire service will enter the building via 6" water line from the NYC Water Distribution System at the cellar level and into the Fire Pump Room. Fire protection is provided by a sprinkler system supplying coverage throughout the building via pipes, sprinkler heads, and sprinkler rigs on each floor and for the commercial tenant.

Siamese connection for the sprinkler-standpipe system shall be located at the façade of the building, 18" above grade, and sized at 3"x3"x6" for FDNY connection. Standpipe to be 6" diameter steel piping located within stairwell complying to full requirements of NYC BUILDING CODE SEC 905, Appendix Q and NFPA 14.Fire-fighting equipment such as standpipes riser, fire hoses, fire department valves to be located at each floor level with in stairwell. At the top level of the highest riser shall be provided above the main roof level a three way manifold equipped with three 2" hose valve with hose valve caps. Sec 7.3.2.2 of appendix Q.

A Fire pump and a jockey pump located at the cellar level to providing minimum residual pressure of 65 psi pressure for the sprinkler-standpipe system at the outlet of the hydraulically most remote 2-1/2" hose connection. Sec. 7.8.11 of NFPA 14-2003.

a. Fire Pump: Manufacturer: Patterson, Model # 6x6 VIP Vertical inline Motor Driven. Flow rate: 750 GPM, Total Pump Head: 335', Pressure Rating: 118 PSI, 273 TDH 3575 RPM. One Year Warranty to be provided by manufacture.

b. Jockey Pump: Manufacturer: Grundfos, Model #CR3-11023620-T. Flow rate: 10 GPM, 3450RPM Pressure Rating: 131 PSI, Horsepower: 2 HP. One Year Warranty to be provided by manufacture.

Sprinkler heads shall be of the following types: concealed, upright, sidewall, and vertical sidewall. They shall be installed as per manufacturer instructions.

A temporary standpipe system shall be provided for the building with air pressurization system, pressure gauges, and Siamese connection with proper signage at street level.

(3) WATER STORAGE TANKS AND ENCLOSURES

There will be no storage tanks or related enclosures in or on the building.

(4) WATER PRESSURE AND MAINTENANCE

The building relies on normal New York City water pressure for raising the water to the roof level, so that no water tanks are required. There will be a booster pump installed at the cellar floor level to increase the water pressure to provide a range of 25-60 PSI at any fixture. Pressure reducing valves shall be provided to limit maximum pressures.

a. Booster Pump: Manufacturer: Ebara Pumps , Model # 1990. Flow rate: 100 GPM, Total Pump Head: 256', Pressure Rating: 111 PSI, Horsepower: 15 HP, 3500 RPM Duplex. One year warranty provides by Manufacture.

(5) SANITARY SEWAGE SYSTEMS

All sanitary waste within the property lines of the building will be conveyed to an 8” extra heavy cast iron (XHCI) house trap located within the utility room in the cellar. After exiting the house trap, the piping will be joined with the storm trap where it will be connected to the combined city sewer on East 86th Street. An outdoor air intake shall be provided at the façade of the building for the house trap and SEJ.

There are two (2) sump pumps located within the building beneath each one of the elevators at the cellar level. The sump pumps are drained to adjacent floor drains, connected to the sanitary system of the building. The sump pumps are manufactured by EBARA, Model # EPD5AS1 with a 50 GPM flow rate, 18’ of water pump head, 1/2 HP. They are activated by a float switch when there is a high-water level.

A Sanitary Duplex Sewage Ejector Pump (SEJ) shall be provided with duplex controls, stainless steel materials, quick disconnect rails, and a 42"x42" square pit at the cellar level. The SEJ shall receive drainage from fixtures located in the cellar. Discharge shall be 4” galvanized steel pipe, connected to street side of the sanitary house trap. The SEJ is manufactured by Liberty Pumps, 1102/LE71M with a 110 Gallons Basin, 3/4 HP. Pump activated by a float switch when there is a high-water level. One Year Warranty to be provided by manufacture.

(6) REQUIRED PERMITS

Department of Buildings: FO, NB. Department of Environmental Protection: SCP (Site Connection Application), BFP (Backflow Prevention/Cross Connection Application)

Department of Buildings Permits:

Foundation: 121208861-01-FO EA, Issued: 10/12/2022
New Building: 121208861-01-NB, Issued: 05/26//2022

Department of Environmental Protection:

Site Connection: SCP-18484

(7) STORM SEWAGE SYSTEMS

All storm water that accumulates on the property will be conveyed to an 8” extra heavy cast iron (XHCI) storm running cleanout located within the utility room in the cellar. After exiting the building

the storm main will combine with the sanitary main and connect to the city sewer on East 86th Street.

Storm water will be detained on the roof via control flow drains as per NYC DEP regulations for storm water management. Storm water collected by the drains will be conveyed via leaders within the building to the storm trap. Overflow roof drains shall protect all roof sections, and shall be piped to the storm risers.
Building will not be equipped with eject or storm sump pump.

(K) HEATING

1. SPACE HEATING

Heating for each residential units and common areas shall be provided by a VRF system, which is a split system that is capable of providing space heating and air conditioning from 6 to 10 tons.

Heating for each commercial unit shall be provided by a VRF, which is a split system that is capable of providing space heating and air conditioning from 12 to 18 tons. The VRF system shall be a variable capacity, heat pump air conditioning system. The system shall consist of a(n) outdoor unit(s), multiple indoor units, and direct digital controls. The indoor unit or group of indoor units shall be independently controlled. The sum of connected capacity of all indoor air handlers shall range from 50% to 130% of outdoor rated capacity.

Each outdoor unit module shall be furnished with direct drive, variable speed propeller type fan(s) with inherent protection, have permanently lubricated bearings, and be completely variable speed. The outdoor coil shall be of nonferrous construction with lanced or corrugated plate fins on copper tubing. Refrigerant flow from the outdoor unit shall be controlled by means of an inverter driven compressor. Each outdoor unit module shall be equipped with one inverter driven scroll hermetic compressor. A crankcase heater(s) shall be factory mounted on the compressor(s).

The outdoor unit compressor shall have an inverter to modulate capacity. The compressor will be equipped with an internal thermal overload. The compressor shall be mounted to avoid the transmission of vibration. The indoor unit shall be factory assembled, wired and run tested. Contained within the unit shall be all factory wiring, piping, electronic modulating linear expansion device,

control circuit board and fan motor.

The indoor fan shall be an assembly with one or two fan(s) direct driven by a single motor. The indoor fan shall be statically and dynamically balanced to run on a motor with permanently lubricated bearings. Return air shall be filtered by means of an easily removable, washable filter and/or by means of a factory supplied filter box sized capable of holding MERV-12 filters. The coils shall be pressure tested at the factory. A condensate pan and drain shall be provided under the coil. Manufacturer to provide drain pan level sensor. The drain pan sensor shall shut down the indoor unit before an overflow can occur and send an error code which must be resolved before the unit restarts. Indoor units shall include digital inputs and outputs capable of being used for customizable control strategies Each Unit to be with controls (thermostat), individually zoned for each living spaces. Each FCU is provided with a wall mounted thermostat.

VRF systems to be installed, shall be designed by a New York State licensed mechanical engineer and shall be filed with and approved by the New York City Department of Buildings, prior to installation. All fresh air ductwork shall be wrapped with 1" thick insulation, minimum R-value of 8.0 and provided with vapor-tight wrap. Piping insulation shall be provided of the indicated thickness for a thermal resistivity of 4 to 4.6. Outdoor units shall be manufactured by Mitsubishi Electric Models MXZ-SM60NAM-U1, PURY-EP264TSNU-A, PUHY-EP120TNU-A, PUHY-EP72TNU-A, and PUHY-EP96TNU-A. Indoor units shall be manufactured by Mitsubishi Electric and include Models PEFY-P12NMAU-E4, PEFY-P18NMAU-E4, PEFY-P18NMAU-E4, PEFY-P24NMAU-E4, PEFY-P30NMAU-E4, PEFY-P36NMAU-E4, PEFY-P48NMAU-E4, PKY-P12NMAU-E and PLFY-EP24NEMU-ER1.

Internal temperature and ambient temperature used in calculations.
Per ACCA-183, design conditions are:
Heating:
Outdoor temp 13 deg F DB
Indoor temp 72 deg F DB, 50%RH

There will be distribution to each habitable room, providing adequate space heating to satisfy the minimum requirements of the NYC Codes. The units shall have a minimum Seasonal Energy Efficiency Ratio (SEER) 18.

Outdoor unit by Mitsubishi Electric model PUHY-EP144TNU-A, provided for commercial unit, with indoor units:, PEFY-P36NMAU-E4, PEFY-P48NMAU-E4at the cellar and PEFY-P30NMAU-E4 at the first floor.

Utility areas shall be heated with electrical heaters.

Heating system is adequately size to maintain comfortable conditions under anticipated weather conditions. Limited Warranty provided by manufacturer for 1-year parts, and 7 years for compressor only. Labor is NOT included in the warranty.

The Sponsor reserves the right to provide equipment by different manufacturers, which are equal to or better than listed above. The design professional further reserves the right to size the air-conditioning units to a different capacity according to as built conditions.

2. DOMESTIC HOT WATER HEATING

Domestic hot water for all Commercial and Residential units is provided by two (2) hot water heaters located in a mechanical room on the roof of the building. The commercial gas water heaters are manufactured by A.O. SMITH, Model # BTH-500(A) with a storage capacity of 119 gallons and recovery rate of 1,658 gal/hr, and energy efficiency rating of 95%. Each heater shall be directly vented through the HWH room roof, with intake and exhaust terminations.

Hot water recirculation pump shall be: Manufacturer: BELL & GOSSETT, Model # NRF-45-SPEED 3. Flow rate: 22 GPM, Total Pump Head: 15, Pressure Rating: NA, Horsepower: 1/6 HP, Simplex. All Operation and Maintenance manuals for mechanical equipment are to be provided to the condominium management. Most recent balancing report shall be provided to the condominium management for the Heating System at the initial startup of the system.

Warranty for domestic hot water heater shall be 1 year labor and material from startup as provided by manufacturer.

Insulation around all applicable piping for hot water provided as per required minimum thickness as listed on C403.2.8 of NYCECC 2020.

(L) GAS SUPPLY

There will two gas service provided by the utility company; one for all residential loads and the second serving the emergency generator. Each service shall be provided with a curb valve and main valve inside the gas meter room. Each service will be provided 8”w.c with a gas booster pump to increase the gas pressure **to 12”w.c.** Gas piping shall be distributed in shaft ways and shall avoid egress corridors. Two Gas Steel piping riser to be 4” diameter each.

(M) AIR CONDITIONING

Cooling for each residential unit shall be provided by a VRF system, which is a split system that is capable of providing space heating and air conditioning. The VRF system shall be a variable capacity, heat pump air conditioning system. Cooling system is adequately size to maintain comfortable conditions under anticipated weather conditions. Outdoor units shall be manufactured by Mitsubishi Electric Models MXZ-SM60NAM-U1, PURY-EP264TSNU-A, PUHY-EP120TNU-A, PUHY-EP144TNU-A, PUHY-EP72TNU-A, and PUHY-EP96TNU-A. Indoor units shall be manufactured by Mitsubishi Electric and include Models PEFY-P12NMAU-E4, PEFY-P18NMAU-E4, PEFY-P18NMAU-E4, PEFY-P24NMAU-E4, PEFY-P30NMAU-E4, PEFY-P36NMAU-E4, PEFY-P48NMAU-E4, PKY-P12NMAU-E and PLFY-EP24NEMU-ER1.

Internal temperature and base ambient temperature used in calculations.
Per ACCA-183, design conditions are: Cooling:
Outdoor temp 89 deg F DB, 73 deg F WB
Indoor temp 75 deg F DB, 50%RH
Exterior metals including fasteners are corrosion resistant. Mechanical equipment at the roof and bulkhead to be installed over the dunnage, sound isolation isolators to be provided for generator and condensing units.

See **(K) HEATING** for full description of system, which is the same system.

(N) VENTILATION

The spaces that require mechanical ventilation in the units are the interior bathrooms and kitchenettes. The common areas requiring ventilation include corridors, refuse rooms. These spaces shall be equipped with vertical ducts with a fan, which terminates to the outside air. Kitchens are exhausted per hood airflow rates at 395 cfm. Bathrooms are exhausted at a minimum of 25 cfm per the NYC Mechanical Code. Master bathrooms are provided with minimum 50 cfm of exhaust. Exhaust equipment shall be New York City M.E.A. or B.S.A. approved. Fans are to be manufactured by Greenheck, SQ-100-VC, CSP-A410, SP-A90 and SP-A700-VG. The refuse room at each floor shall be equipped with mechanical ventilation manufactured by Greenheck, Model # USF-12-B1. Dyers shall be vented by Greenheck Model # SQ-95-VG. Stairwells shall be ~~vented~~ pressurized by Greenheck Model # CUE-240-B-VGD. Gym shall be vented by Greenheck Model CSP-A700-VG.

Gas meter room is provided with a passive vent to the exterior per NYC Code.

Noise Emission rating for mechanical ventilation shall be limited to 42 dB(A)

Commercial Kitchen duct shall be installed and capped for future tenant fan, which will exhaust at the roof.

All accessory rooms within cellar provided with back-to-back registers high on wall sized to match supply register for return air path with fire damper, meeting code requirements.

(O) ELECTRICAL SYSTEM

The electrical service to the building will be brought in from the terminal point of the Consolidated Edison Co. The service supplied to the building, shall be 4,000 Amps, 208Volt three phase service. The service will be adequate for the usage of modern equipment and appliances.

Commercial Unit will be provided with 800A Trans-s combo.
Number of incoming wire:- 3 sets of 4#500 MCM (In conduit or MC Cable)
Voltage :- 120/208V
Phases:- 3ph
wire material:- AL
protective equipment: - GFI brakers,
number of circuit breaker – (2) 400 Amp 42 Circuit Breakers Panels

Electrical service of 150amp, 208/3ph power shall be provided to each residential unit and 200amp,

208/3ph power the to the PH floor apartment. The main service will have individual ConEd meters for 28 apartments, common building loads and the commercial tenant. Apartment panels shall be 42-pole, with circuit breakers serving all equipment, receptacles and lighting. Breaker size and type shall be provided per NEC, including Arc Fault Circuit Interrupters (AFCI) and Ground Fault Circuit Interrupters (GFCI).

All receptacles at the building's exterior shall contain receptacles that are water-resistant with ground fault interrupter as per code. All water-resistant receptacles shall be designated by symbol "WR" on the face of the receptacle as provided by the manufacturer. All tamper resistant receptacles shall be designated by symbol "TR" on the face of the receptacle as provided by the manufacturer. This includes the Limited Common Elements such as open terraces. All lighting switches, receptacles, appliance's' outlets lighting fixtures with in Bedrooms, Living rooms, Bathrooms, Laundry Closets, Kitchens, Corridors of each residential units to be fully comply with New York City Electrical Code.

An emergency generator is provided at the roof level and shall provide emergency power to through automatic transfer switches for fire alarm, ARCS, elevator, smoke exhaust and stair pressurization systems.

Natural Gas Generator To Be BY GENERAC Industrial Power Model 60136 SG130, 130kW Rating, wired for 120/208 VAC three phase,60 HZ, Generator shell supply temporary electrical load for elevator and lighting for common corridors during power failure. Standard 2-Year Limited warranty to be provided by manufacture.

(P) INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV

The building will be equipped with an intercom system at the main residential entrance, connected to panels within each residential unit, which will permit voice contact between the residential units and the entrance lobby at the first floor level. An electric door release in the first floor entry door, activated by the unit occupant, will release the door for entrance into the building. The intercom system shall be Access Control System as manufactured by Paxton, with Paxton HID card reader. One Year Warranty to be provided by manufacture.

CCTV systems Cameras to be by HIKVISION IP; OUTDOOR Model DS-2CD2387G2-LU, INDOOR Model DS-2CD2583F2-IS

NVR DS-9664NI-I8, HARDRIVE 10 TB WESTERN DIGTAL

POE SWITCH TL-SG1218MP TP LINK 16 PORT

TLSG1428PE 24 PORT PORE SWITCH

PAXTON -ACCESS CONTROL

PAXTON BOARDS 682-493-US, PAXTON READERS 400-150-US, PAXTON KIT 682-930

One Year Warranty to be provided by manufacture.

The Sponsor reserves the right to provide equipment, which is equal to or better than specified above.

(O) PUBLIC AREA LIGHTING.

The public areas within the building include common areas such as entrances and exits, corridors, stairways, recreation spaces, mechanical and utility rooms, and the bicycle room.

These areas shall be provided with adequate lighting as per NYC Housing Maintenance Code and Multiple Dwelling Laws and energy requirements based on NYCECC 2020.

LED lighting fixtures are to be provided providing a minimum of 5-foot candles of intensity for the full width of the entrances. Fifteen (15) watt LED bulbs are to be provided at public areas to achieve adequate illumination at all public spaces.

(R) GARAGES AND PARKING AREAS

No garages or parking areas are provided at this building.

(S) SWIMMING POOL(S)

No swimming pools are provided at this building.

(T) TENNIS COURTS, PLAYGROUND AND RECREATION FACILITIES.

There are no tennis courts or playgrounds in this building. An indoor recreation area is provided at the cellar, first floor and second floor levels, and an outdoor recreation area is provided on the second floor rear terrace. They are accessible from the interior of the building by elevator and ingress stairs by building occupants as an auxiliary to the Residential use. Recreation facilities will include the following:

1. SPA and SAUNA in the cellar, Spa Room will contain relaxation couches, Sauna will be equipped with benches around the perimeter walls and Heater providing dry heat for the room with maximum capacity of Six people, 332 square feet.
2. GYM/EXERCISE ROOM in the cellar containing exercise equipment It will be equipped with non-commercial exercise equipment such as treadmills, stationary bikes, elliptical machines and free weights, with maximum capacity of Eight people, 380 square feet.
3. DOG SPA in the cellar containing sink and floor drain, with maximum capacity of One

Person with pets, 36 square feet.

4. INDOOR RECREATION ROOM at the first floor, with maximum capacity of Fifty people, 846 square feet.
5. MUSIC ROOM, at the first floor with Electrical Piano. with maximum capacity of Two people, 56 square feet.
6. INDOOR RECREATION ROOM at the second floor, with maximum capacity of Sixty-Five people, 716 square feet.
7. OUTDOOR RECREATION AREA at the second-floor rear terrace. with maximum capacity of Six people, 1,092 square feet.

Outdoor Recreation on the second floor shall be furnished with the following equipment:

- 32-Inch Built-In Electric Grill, Manuf. Electric-Chef Model # 4400-EC-448-I-S-32
- Kitchen Sink, Manufactured by Kohler with Gerber faucet

See **(Q) PUBLIC AREA LIGHTING** for lighting provided in recreation areas. There are no tennis courts or playgrounds proposed at the building.

(U) PERMITS AND CERTIFICATES

- Department of Buildings:
  - New Building Job # 121208861
  - Builder's Pavement Plan Job # 140998133
- Department of Environmental Protection: SCP-18484
- Department of Parks/Forestry: 33165
- Elevators permit to be obtained by 10-2023
- Certificate for Elevator Safety will be issued after complete installation and sign-off.
- Certificate of Occupancy

All required permits and signoffs, including a Certificate of Occupancy, are to be obtained by the Sponsor. The building will not be occupied prior to obtaining a Certificate of Occupancy.

After Building's completion there will be required following inspections:

Local Law 11/98 applies to this building. Inspections and reports complying with the law are required every five years. Owners of property must file a technical façade report with the Department of Buildings to comply.

Annual Elevator Safety Inspection.

Monthly: Sprinkler system - NFPA25

Annually: Backflow, RPZ
Annually: LL152; Inspections of Exposed Gas Piping
Annually: LL133;Local Law 133 require property managers and owners of all New York City buildings over 25,000 square feet to report the building's energy and water usage to the City on an annual basis.
Annually: LL97;building will be required to meet new energy efficiency and greenhouse gas emissions limits by 2024.Annual PVT elevator inspection
Annual Elevator Load Test
Annual ARC inspection.
Semiannual: fire alarm testing
Annual: Fire Exit Doors

(V) VIOLATIONS

Any violations on the property shall be resolved prior to issuance of Certificate of Occupancy. All required permits and signoffs, including a Certificate of Occupancy, are to be obtained by the Sponsor.

Sponsor will cure any outstanding violations prior to closing. Additionally, sponsor will escrow fund to remove outstanding violations.

(W) UNIT INFORMATION

The condominium will have a total of twenty-eight (28) residential units and one (1) commercial. The units are distributed as follows:

1. Lower portion of Unit C-1 Commercial Unit at cellar; upper portion at first floor (construction floor).
2. One (1) residential unit at second floor.
3. One (1) residential unit at third floor.
4. One (1) residential unit at fourth floor.
5. Two (2) residential units located at each floors from the fifth through the fifteenth floor.
6. One (1) residential penthouse unit at each of the sixteenth through nineteenth floors.
7. Lower portions of one (1) residential penthouse unit located at the twentieth floor.
8. Upper portions of one (1) residential penthouse unit located at the Penthouse.
9. Roof shall have one (1) LCE to unit.
10. Utilities and mechanical spaces are located at the cellar and on the roof.
11. Entrances into the commercial unit are along East 86th Street at the first floor.
12. Entrances into the residential portion of the building are along East 86th Street at the Lobby.

The horizontal physical dimensions of each Residential, Commercial and LCE's consist of the floor area enclosed by the outside face of the masonry work at the exterior walls of the building and the non-unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical space). The vertical physical dimensions of each residential and community facility consist of the area enclosed vertically from the centerline of the floor slab to the centerline of the ceiling slab.

1. Unit 2A, located at the second floor, consists of
    a. Kitchen, living/dining room, two (2) bedrooms, two (2) bathrooms and one (1) half bathroom, laundry closet; Ceiling height: 9'-6", dropped ceiling height: 8'-".
2. Unit 3A, located at the third floor, consists of
    a. Kitchen, living/dining room, four (4) bedrooms, three (3) bathrooms and one (1) half bathroom, and laundry closet; Ceiling height: 9'-", dropped ceiling height: 8'-2".
3. Unit 4A, located at the fourth floor, consists of
    a. Kitchen, living/dining room, four (4) bedrooms, three (3) bathrooms and one (1) half bathroom, and laundry closet; Ceiling height: 9'-", dropped ceiling height: 8'-2".
4. The following units, located at fifth through fourteenth floors, 5A, 6A, 7A, 8A, 9A, 10A, 11A, 12A, 14A, 15A consist of
    a. Kitchen, living/dining room, two (2) bedrooms, two (2) bathroom, laundry closet, and one (1) street facing balcony; Ceiling height: 9'-", dropped ceiling height: 8'-2", *except* at Unit 15A, the ceiling height is 9' – 11" (Dropped Ceiling 8'-9").
5. The following units, located at fifth through fifteenth floors, 5B, 6B, 7B, 8B, 9B, 10B, 11B, 12B, 14B, 15B consist of
    a. Kitchen, living/dining room, three (3) bedrooms, two (2) bathrooms and one (1) half bathroom, laundry closet, and one (1) street facing balcony; Ceiling height: 9'-5", dropped ceiling height: 8'-3", *except* at Unit 15B, the ceiling height is 9' – 11" (Dropped Ceiling 8'-9").
6. Unit 16A, located at the sixteenth floor, consists of
    a. Kitchen, living room, dining room, library, four (4) bedroom, four (4) bathrooms, laundry closet, and one street facing balcony; Ceiling Height: 9' – 6' (Dropped Ceiling 9'-2").Open terrace.
7. Unit 17A, located at the seventeenth floor, consists of

a. Kitchen, living room, dining room, library, four (4) bedroom, four (4) bathrooms, laundry closet, and two (2) street facing balconies; Ceiling Height: 10' –3" (Dropped Ceiling 9'-1").

8. The following units, located at eighteenth and nineteenth floors, 18A and 19A, consist of

a. Kitchen, living room, dining room, family room, three (3) bedrooms, three (3) bathrooms and one (1) half bathroom, laundry closet, one street facing balcony and one rear facing balcony; Ceiling Height: 10' –4" (Dropped Ceiling 9'-2").

9. Unit PH, located at the PH lower and PH upper floors is a duplex, and consists of

a. Lower level: Kitchen, living/dining room, one family room, one (1) bedroom, one (1) bathroom and one (1) half bathroom, laundry closet, one (1) street facing balcony, and one rear facing balcony; Ceiling Height: 11' –0" (Dropped Ceiling 9'-10").

b. Upper level: Four (4) bedrooms, one (1) living room, and four (4) bathrooms; one (1) half bathroom, one (1) street facing balcony and direct access to the LCE on the roof; Ceiling Height: 10' –5" (Dropped Ceiling 9'-3").

c. Roof: LCE at the roof.

10. C-1 Commercial Unit at first floor, and cellar consist of

a. First Floor: One (1) entrance from East 86th Street, open floor plan, and two (2) bathrooms; Ceiling height: 11' – 7=8".

b. Cellar: Accessory storage space with open floor plan at cellar; Ceiling height: 9' – 8"

Schedule of Unit Areas

UNIT	TAX LOT	UNIT TYPE	FLOOR	INTERIOR SF	LCE AREA
2A	1001	2 BD / 2.5 BA	2ND	1534	10
3A	1002	4 BD / 3.5 BA	3RD	3191	15
4A	1003	4 BD / 3.5 BA	4TH	3191	15
5A	1004	2 BD / 2 BA	5TH	1300	36+10 = 46
5B	1005	3 BD / 2.5 BA	5TH	1700	36+15 = 51
6A	1006	2 BD / 2 BA	6TH	1300	36+15 = 51
6B	1007	3 BD / 2.5 BA	6TH	1700	36+15 = 51
7A	1008	2 BD / 2 BA	7TH	1300	36+15 = 51
7B	1009	3 BD / 2.5 BA	7TH	1700	36+15 = 51
8A	1010	2 BD / 2 BA	8TH	1300	36+15 = 51
8B	1011	3 BD / 2.5 BA	8TH	1700	36+15 = 51
9A	1012	2 BD / 2 BA	9TH	1300	36+15 = 51
9B	1013	3 BD / 2.5 BA	9TH	1700	36+15 = 51
10A	1014	2 BD / 2 BA	10TH	1300	36+15 = 51
10B	1015	3 BD / 2.5 BA 35	10TH	1700	36+15 = 51
11A	1016	2 BD / 2 BA	11TH	1300	36+15 = 51
11B	1017	3 BD / 2.5 BA	11TH	1700	36+15 = 51
12A	1018	2 BD / 2 BA	12TH	1300	36+15 = 51
12B	1019	3 BD / 2.5 BA	12TH	1700	36+15 = 51
14A	1020	2 BD / 2 BA	14TH	1300	36+15 = 51
14B	1021	3 BD / 2.5 BA	14TH	1700	36+15 = 51
15A	1022	2 BD / 2 BA	15TH	1300	36+15 = 51
15B	1023	3 BD / 2.5 BA	15TH	1700	36+15 = 51
16A	1024	4 BD / 3.5BA	16TH	2863	431+10 = 441
17A	1025	4 BD / 3.5 BA	17TH	2863	80 + 80 +10 = 170
18A	1026	3 BD / 3.5 BA	18TH	2762	148+170+15= 333
19A	1027	3 BD / 3.5 BA	19TH	2762	148+170+15= 333
PH	1028	1 BD / 1.5 BA	PH Lower	2762	148+170+15=333
PH	1028	4 BD / 4.5 BA	PH Upper	2762	148
PH	1028	--	ROOF	104	1148
C1	1029	--	CEL	530	--
C1	1029	--	1ST	1779	--

1. The residential units will be finished as described herein. The finished floor of the living, dining, kitchen, and bedroom areas of the residential units shall be pre-finished engineered herringbone macnhester 5”x20”x9/16” 3mm wear layer for units from 2nd floor till 14th and pre-finished engineered chevron Manchester 5”x25”x9/16” 3mm wear layer for units from 15th floor till PH floor. . Thereafter unit owners may finish with carpeting or another material of their own choice and at their own expense. The walls and ceilings shall be gypsum wallboard. When finished the walls and ceilings shall be primed and painted off white, by Benjamin Moore, II grade. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, mirrors, etc. of their own choice. Kitchens will have hardwood covering the floors, and gypsum wallboard walls and ceilings. Bathrooms shall have ceramic tile floors. Tile around the bathtubs and showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.
2. The residential units shall be furnished with new fixtures as described herein:
    a. Full bathrooms shall be equipped with a washbasin, mirror, water closet and a combination bathtub/shower or shower as indicated on plans. Half bathrooms shall be equipped with a washbasin, mirror, and water closet.
        i. Water Closets: Manufactured by Grohe or approved equal, and shall be of vitreous china, floor mounted and with siphon flushing action. Water closets are also to be equipped with vacuum breakers and shall meet water saving performance standards as per New York City Local Law 29/89.
        ii. Countertop lavatory: Manufactured by Scavolini with Grohe faucet, set in a plastic laminate finished, particle board vanity countertop.
        iii. Bathtubs: Manufactured by American Standard, with flow outlet and Grohe showerhead and trim.
        iv. Showers: Manufactured by American Standard with showerhead and trim by Grohe.

    The Sponsor reserves the right to provide fixtures by different manufacturers, which are equal to or better than noted above.
    b. The kitchen will generally be provided with the following fixtures, appliances and equipment:
        i. Formica or wood laminate, wall and base cabinets and calacatta quartz countertops.

ii. Stainless steel sinks by Crane, with faucet by Water works studio.

iii. Gas Cooktop. by Gaggenau, VG295250CA

iv. Refrigerator/ Freezer ,by Gaggenau, RB492705Dishwasher by Gaggenau, DF251762

v. Wall Oven: by Gaggenau, B0480613

vi. Microwave: by Gaggenau, MW420620

Single Wall Oven: by Gaggenau, BM484710

c. Units with terraces and accessory rooftops area of Unit PH, will be provided with 32-Inch Built-In Electric Grill, Manuf. Electri-Chef Model # 4400-EC-448-I-S-32.

Note: Additional kitchen appliances and fixtures including additional ranges will be the responsibility of the unit owners. Washing machines and dryers shall be the responsibility of the unit owners. Hookups shall be provided. All appliances not specified within this report are to be supplied by the unit occupant. The sponsor reserves the right to provide fixtures by different manufacturers, which are equal to or better than listed above.

d. There shall be at least one centrally located, overhead, lighting fixture, provided in each bedroom, living room, kitchen and bathroom within each residential unit.

There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing at least 15 watts of LED illumination. Lighting fixtures and electrical outlets shall be installed by a licensed electrician, and in compliance with the NYC Electrical Code and the NYC Building Code.

When completed, the following interior finishes will be installed within units:

LOCATION	FLOORS	WALLS	CEILINGS	REMARKS
Living/Dining Room	Hard Wood	GWB, Painted	GWB, Painted	--
Bedroom	Hard Wood	GWB, Painted	GWB, Painted	--
Kitchen	Hard Wood	GWB, Painted	GWB, Painted	--
Bathroom	Ceramic Tile	Ceramic Tile	GWB, Painted	--
Laundry / Mechanical Closet	Ceramic Tile	Ceramic Tile	GWB, Painted	--
Commercial	Concrete	GWB, Painted	GWB, Painted	--

Note
GWB: Gypsum Wallboard
CMU: Concrete Masonry
Units

3. Furnishing of Unit C1 shall be the responsibility of the future tenant. The walls and ceilings shall be gypsum wallboard. When finished the walls and ceilings shall be primed and painted off white, by Benjamin More, II grade. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, mirrors, etc. of their own choice. Floors shall be finished concrete.

(X) FINISH SCHEDULE OF SPACES OTHER THAN UNITS

When completed, the following interior finishes will be installed in spaces other than units:

LOCATION	FLOORS	WALLS	CEILINGS	REMARKS
Common Areas	Ceramic Tile	GWB, Painted	GWB, Painted	--
Bicycle/Utility Rooms	Concrete	CMU Painted	Exposed	
Lobby	Ceramic Tile	GWB, Painted	GWB, Painted	--
Corridors	Ceramic Tile	GWB, Painted	GWB, Painted	--

Note:
GWB: Gypsum Wallboard CMU:
Concrete Masonry Units

(Y) SAFETY AND WARNING DEVICES

Typical hard wired smoke and carbon monoxide safety devices will be installed according to plans.

Smoke Detectors, Elevator Heat Detectors, water flow switches, tamper switches, Heat detectors with in the building to be hard wired connected to constantly active Fire alarm System. Fire Alarm system will be equipped with central Fire Command Station located at first floor lobby level connected trough Fire Alarm Control Panel to fire department trough phone lines to be ran in continuous conduit.

Fire Alarm Central Station to be by EDWARDS brand intelligent life safety systems,

Residential Model: 4-CAB Series

Commercial Model : iO34

One Year Warranty to be provided by manufacturer

(Z) ADDITIONAL INFORMATION REQUIRED

SEE FLOOR PLANS

(aa) In the event that certain conditions in the building(s) cannot be adequately evaluated by a visual examination, the Department of Law may, in its discretion, direct that an independent engineer or testing

laboratory be retained to perform such tests or monitoring as may be necessary in order to make adequate disclosure. Conditions which may require additional testing or monitoring include, but are not limited to: settlement, masonry cracks, rusting of structural steel, adequacy of concrete cover, fire stopping, etc. Test results must be reported in the offering plan or in an amendment thereto.

(ab) FURTHER DEVELOPMENT

Sponsor does not intend to add additional units to the building including outside of the existing development.

Tenant Protection Plan (TPP) is required if dwelling units to be occupied during construction;

ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE NEW YORK CITY BUILDING CODE AND WITH ALL REGULATIONS OF ANY OTHER AGENCY HAVING JURISDICTION.

NO ONE SHALL OCCUPY THE SPACE DURING CONSTRUCTION.

ALL EXISTING MEANS OF EGRESS FROM THE BUILDING SHALL BE MAINTAINED CLEAR AND FREE OF ALL OBSTRUCTIONS, SUCH AS BUILDING MATERIALS, TOOLS, ETC.

THE INTEGRITY OF ALL EXISTING FIREPROOFING SHALL BE MAINTAINED

ALL FLAMMABLE MATERIALS SHALL BE KEPT TIGHTLY SEALED IN THEIR RESPECTIVE MANUFACTIJRER'S CONTAINERS. SUCH MATERIALS SHALL BE KEPT AWAY FROM HEAT AND SHALL BE USED AND STORED IN AN ADEQUATELY VENTILATED SPACE.

ALL ELECTRICAL POWER SHALL BE SHUT OFF WHERE THERE IS EXPOSED CONDUIT.

ALL ELECTRICAL POWER IN THE CONSTRUCTION AREA SHALL BE SHUT OFF AFTER WORKING HOURS.

THE CONTRACTOR SHALL MAKE SURE THERE IS NO LEAKAGE OF ANY FLAMMABLE GAS USED IN CONSTRUCTION.

ALL BUILDING MATERIALS STORED AT THE CONSTRUCTION AREA, AND/OR IN ANY AREA OF THE BUILDING, ARE TO BE SECURED IN A LOCKED AREA. ACCESS TO SUCH AREAS SHALL BE CONTROLLED BY THE OWNER AND/OR GENERAL CONTRACTOR.

CONSTRUCTION OPERATIONS SHALL NOT INVOLVE THE INTERRUPTION OF HEATING, WATER OR ELECTRICAL SERVICES TO OTHER TENANTS OF THE BUILDING WITHOUT PRIOR NOTICE.

DEBRIS, DUST AND DIRT SHALL BE KEPT TO A MINIMUM AND BE CONFINED TO THE IMMEDIATE CONSTRUCTION AREA AND SHALL BE CLEARED FROM THE BUILDING PERIODICALLY TO AVOID EXCESSIVE ACCUMULATION.

CONTRACTOR SHALL ISOLATE THE CONSTRUCTION AREA FROM OCCUPIED BUILDING AREAS BY MEANS OF TEMPORARY PARTITIONS OR HEAVY DROP CLOTHS.

CONSTRUCTION OPERATIONS SHALL BE CONFINED TO REGULAR WORKING HOURS: MONDAY THRU FRIDAY, 8:00AM TO 5:00PM. NO WORK ON SATIJRDAYS AND SUNDAYS.

(ac) ASBESTOS

This report covers a new building which does not use any asbestos containing material (ACM) in insulation or fireproofing material anywhere in the building.

(ad) LEAD-BASED PAINT

This report covers a new building which does not use any lead-based paint and/or lead-based paint hazards.

(ae) DOCUMENTS TO BE TRANSFERRED TO THE CONDOMINIUM MGMT

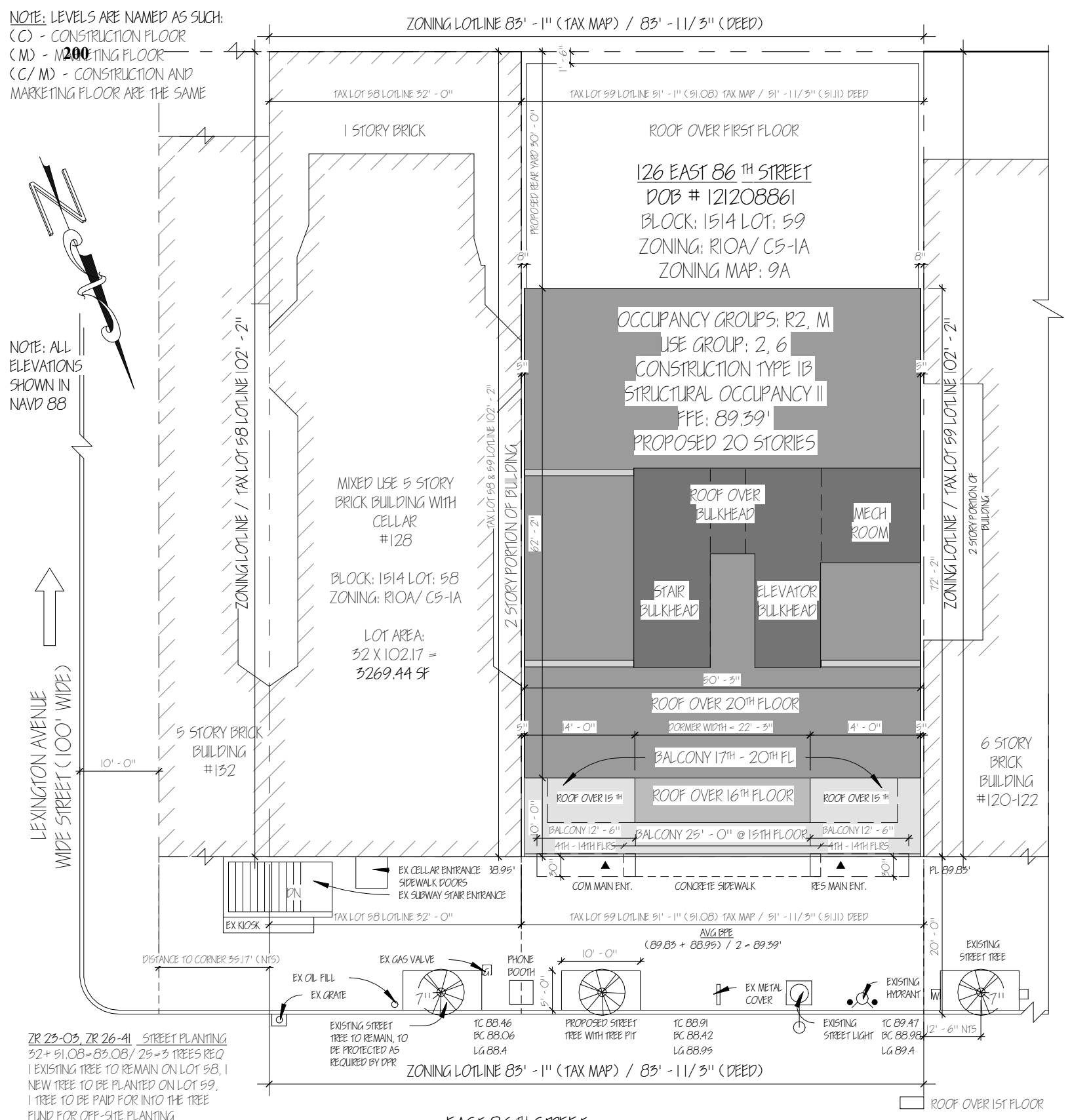
The following documents shall be transferred to the condominium management upon transfer of control - Operation & Maintenance (O&M) manuals for mechanical equipment; Electronic system manual; Re-commissioning manual (as applicable); Major equipment Start-Up Sheets; Control System As-Built; Original Test & Balance Report for HVAC System; Indoor Air Quality report. Final As-Built drawings as maintained during construction, i.e., structural, mechanical, electrical, plumbing, shop drawings.

(af) ACCESSIBILITY

This building provides access for the handicapped in that the all floors are directly accessible via elevators from grade. Doors and accessible paths within units, shall comply with N.Y. City Local Law 58/87 and A.N.S.I., A117.1-1986.

NOTE: LEVELS ARE NAMED AS SUCH:
(C) - CONSTRUCTION FLOOR
(M) - MARKETING FLOOR
(C/M) - CONSTRUCTION AND MARKETING FLOOR ARE THE SAME

200



ZR 23-03, ZR 26-41 STREET PLANTING
32+ 51.08=83.08/ 25=3 TREES REQ
1 EXISTING TREE TO REMAIN ON LOT 58, 1 NEW TREE TO BE PLANTED ON LOT 59, 1 TREE TO BE PAID FOR INTO THE TREE FUND FOR OFF-SITE PLANTING

ROOF OVER 1ST FLOOR
ROOF OVER 15TH FLOOR
ROOF OVER 16TH FLOOR
ROOF OVER 20TH FLOOR
BULKHEAD
ADJACENT STRUCTURES

1 CONDO - LOT DIAGRAM
1/16" = 1'-0"

DATE: 4/24/2023 12:48:41 PM	C-001 SITE PLAN 1/16" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	

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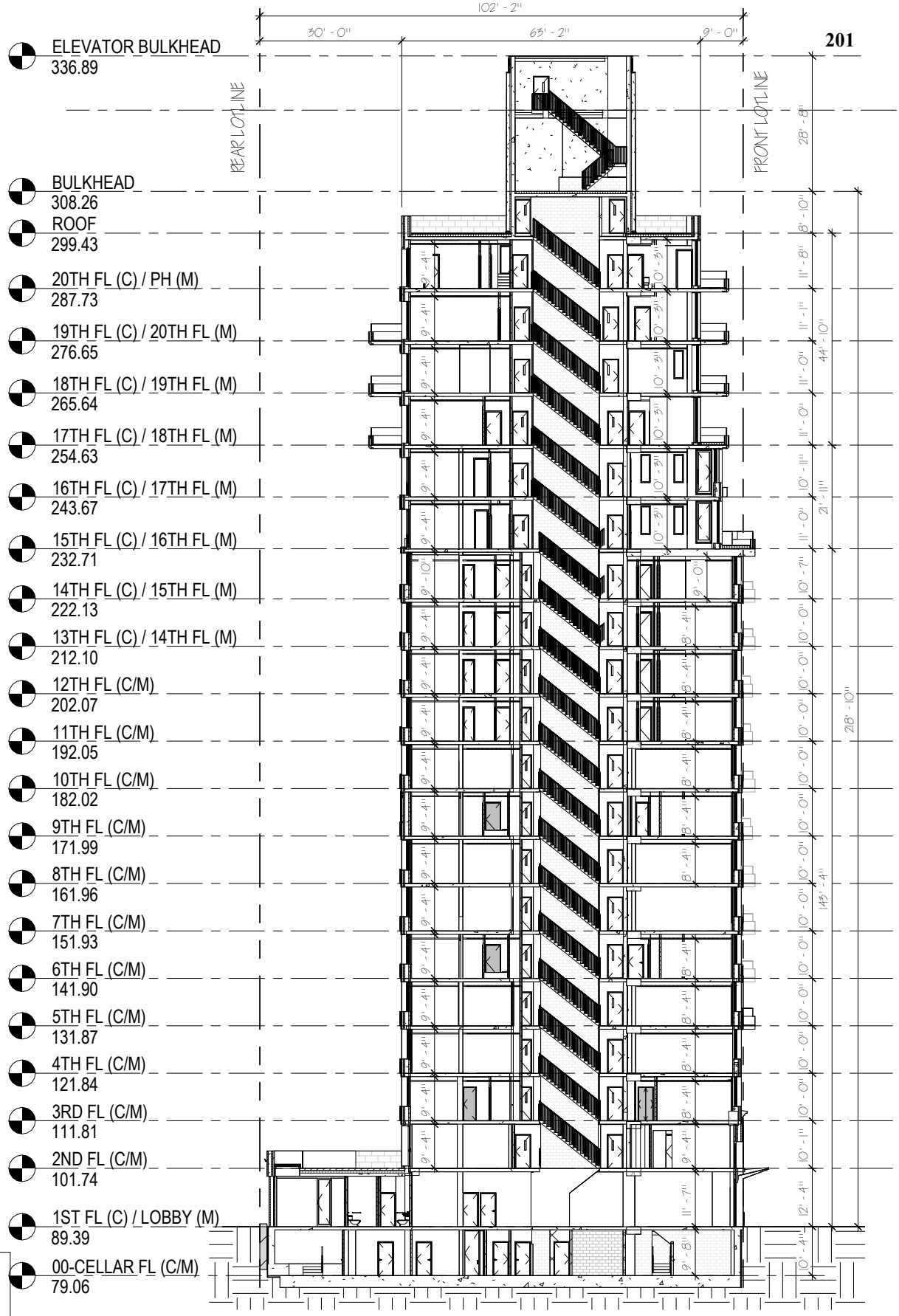
NOTE:

LEVELS ARE NAMED AS SUCH:

(C) - CONSTRUCTION FLOOR

(M) - MARKETING FLOOR

(C/M) - CONSTRUCTION AND MARKETING FLOOR ARE THE SAME



1 CONDO - SECTION
1" = 30'-0"

DATE: 4/24/2023 12:48:44 PM	C-002 SECTIONS 1" = 30'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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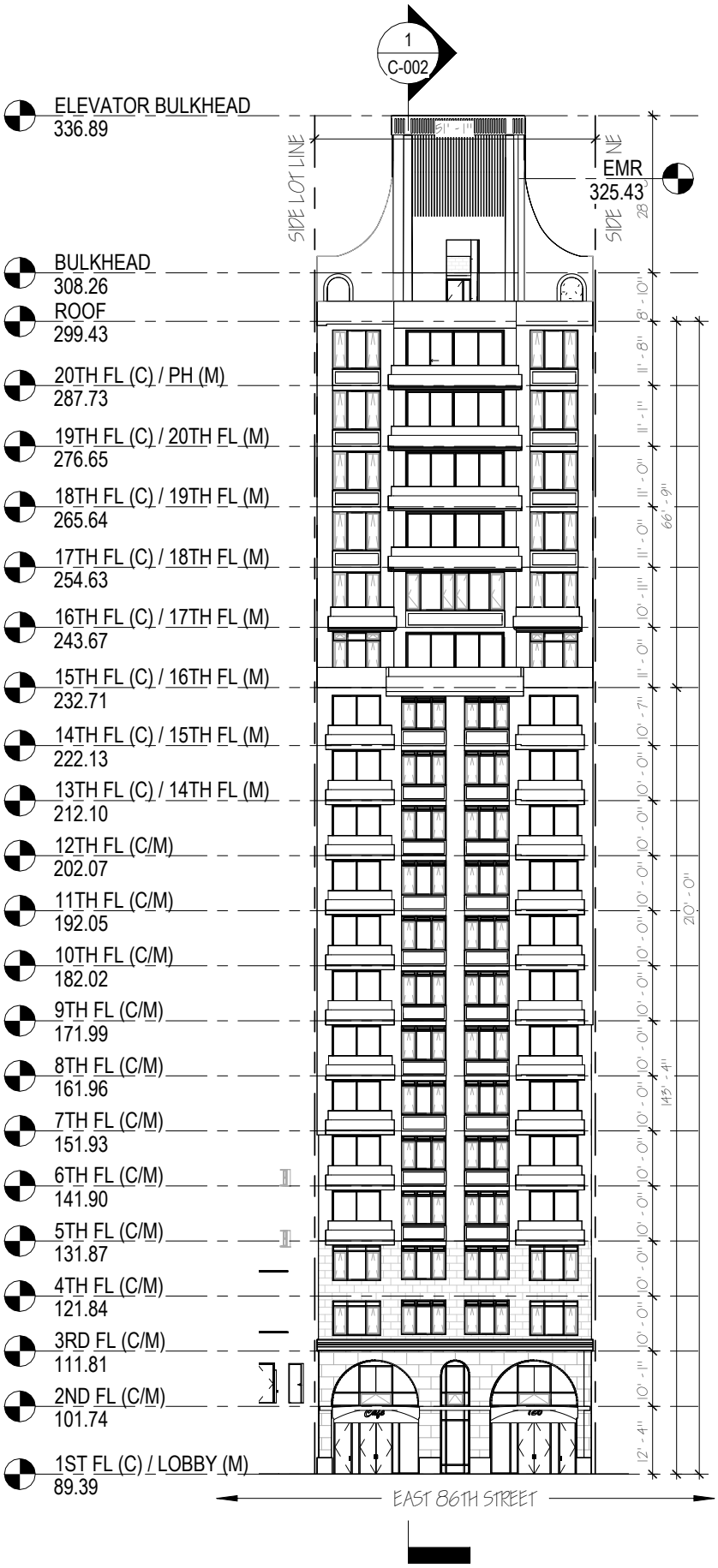

1 CONDO - FRONT (NORTH) ELEVATION

1" = 30'-0"

DATE: 4/24/2023 12:48:48 PM	C-003 FRONT ELEVATION 1" = 30'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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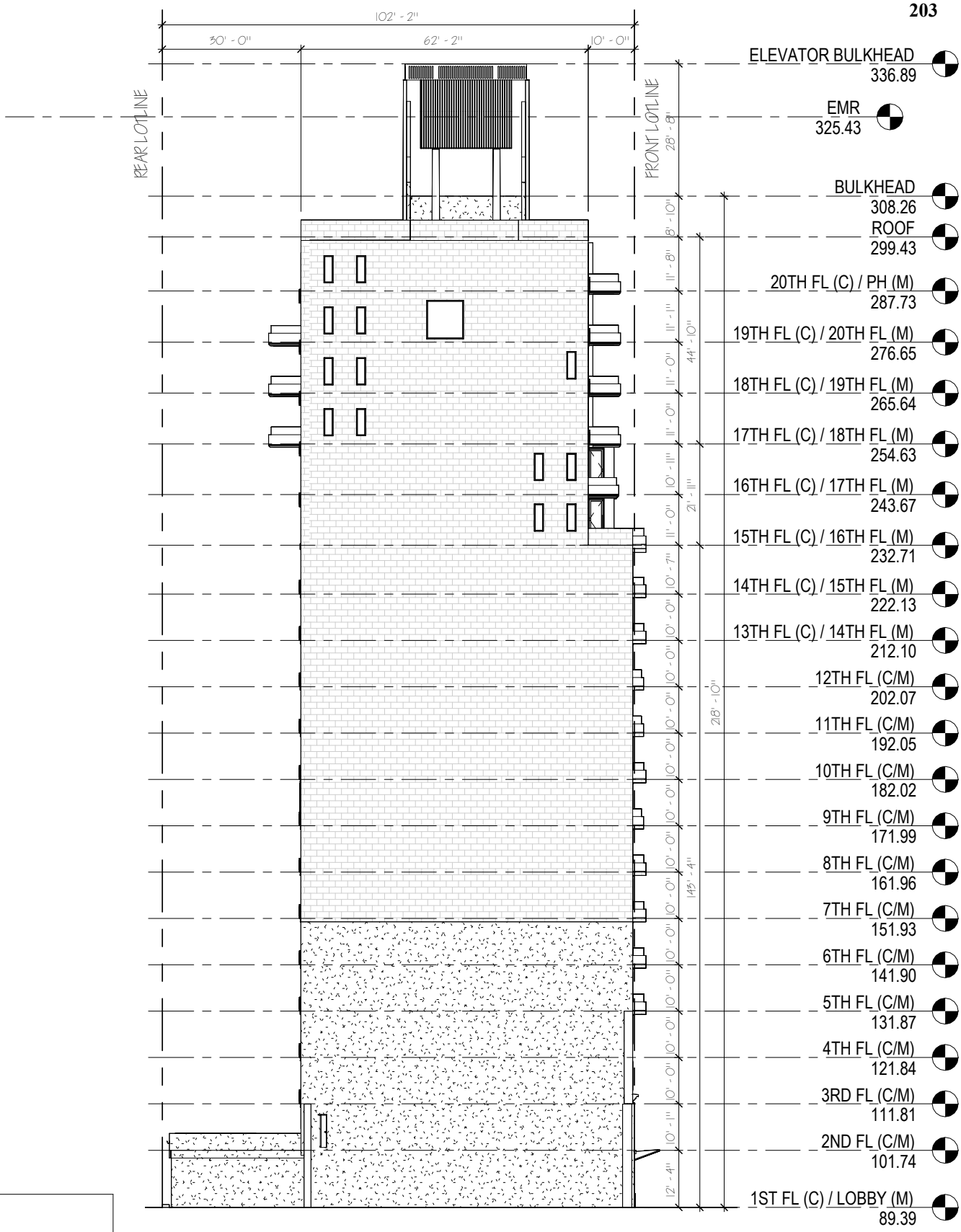

1 CONDO - LEFT SIDE (EAST) ELEVATION

1" = 30'-0"

DATE: 4/24/2023 12:48:51 PM	C-004 LEFT SIDE ELEVATION 1" = 30'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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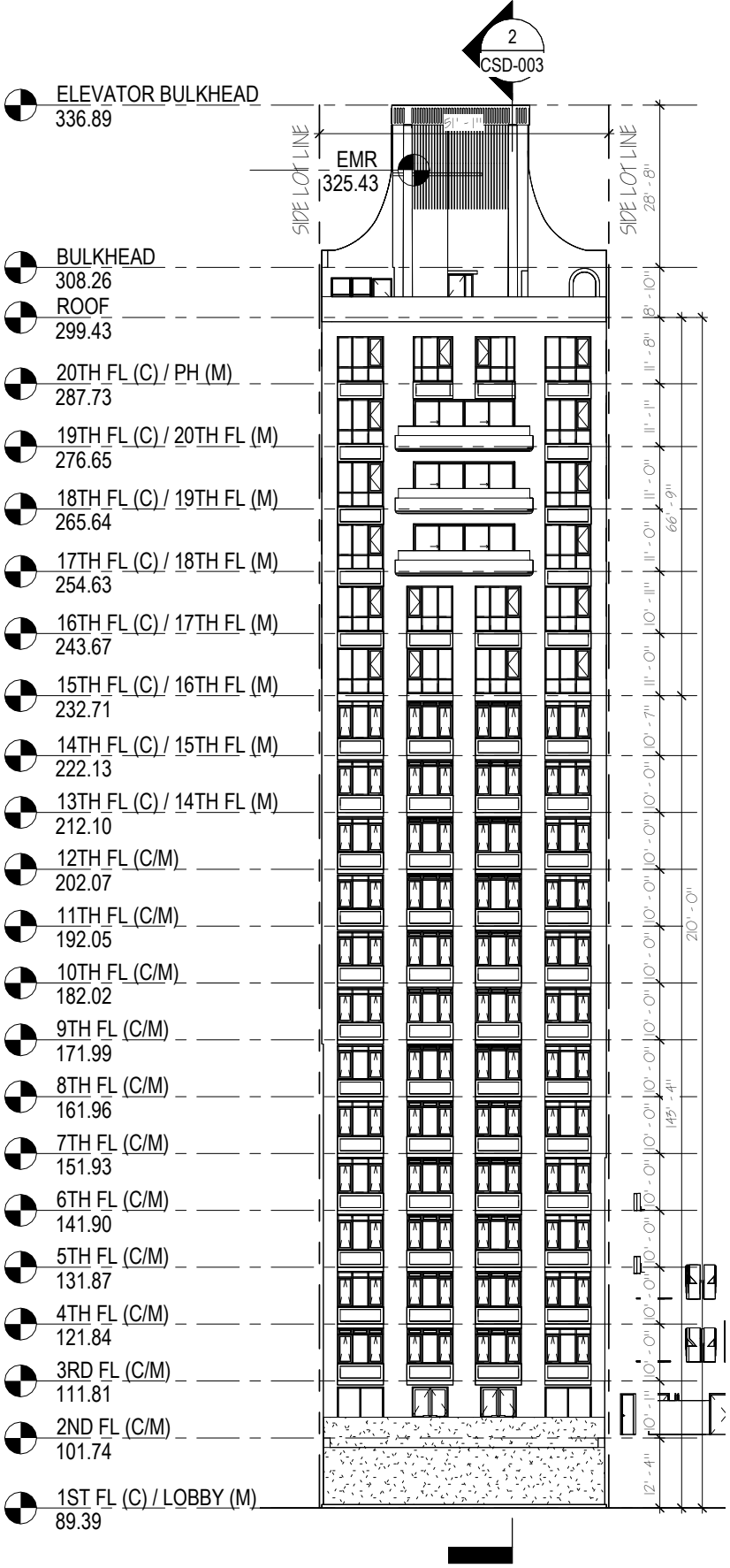

1 CONDO - REAR (SOUTH) ELEVATION
1" = 30'-0"

DATE: 4/24/2023 12:48:54 PM	C-005 REAR ELEVATION 1" = 30'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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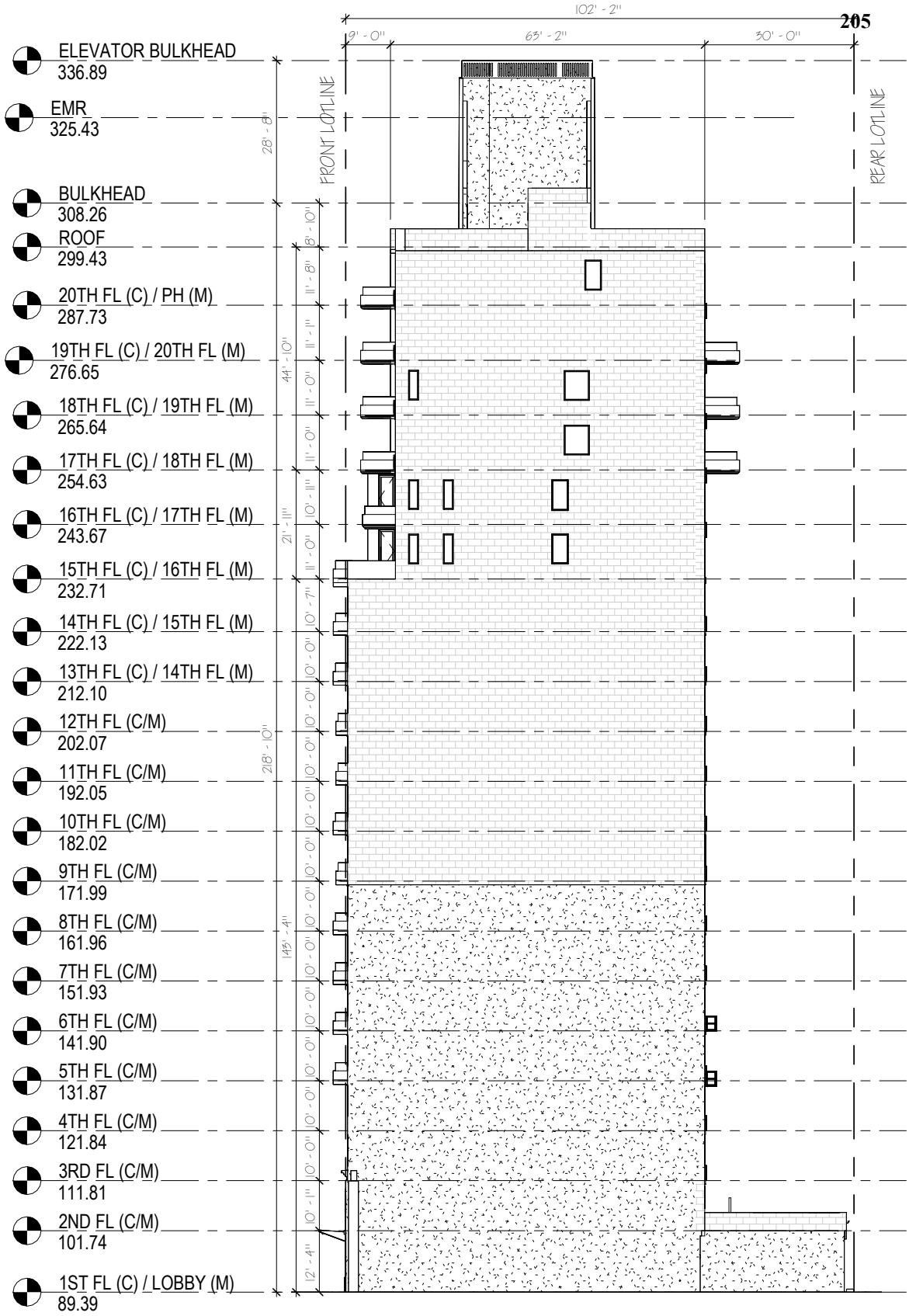

1 CONDO - RIGHT SIDE (WEST) ELEVATION
1" = 30'-0"

DATE: 4/24/2023 12:48:57 PM	C-006 RIGHT SIDE ELEVATION 1" = 30'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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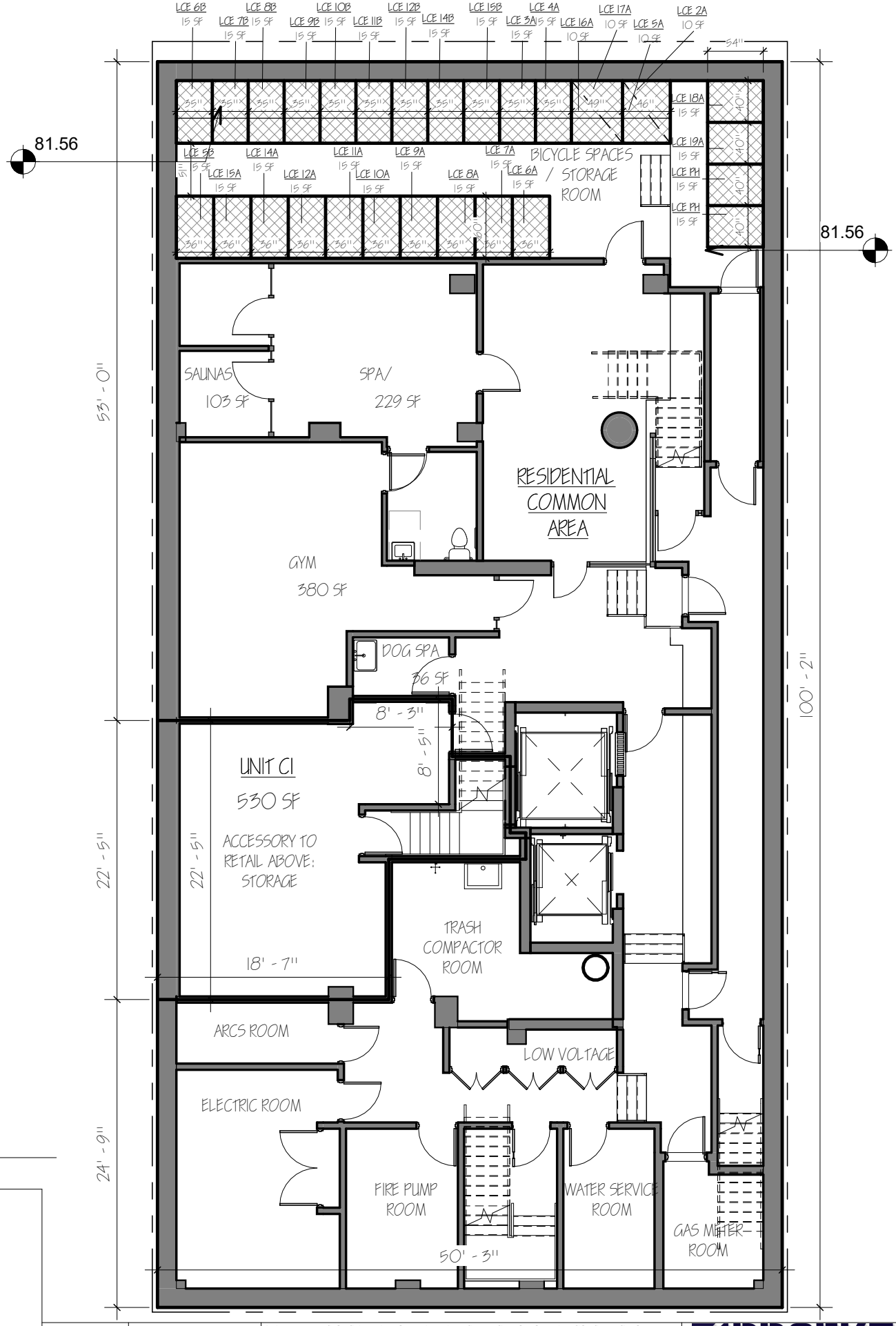
- LCE 2A
- LCE 3A
- LCE 4A
- LCE 5A
- LCE 5B
- LCE 6A
- LCE 6B
- LCE 7A
- LCE 7B
- LCE 8A
- LCE 8B
- LCE 9A
- LCE 9B
- LCE 10A
- LCE 10B
- LCE 11A
- LCE 11B
- LCE 12A
- LCE 12B
- LCE 14A
- LCE 14B
- LCE 15A
- LCE 15B
- LCE 16A
- LCE 17A
- LCE 18A
- LCE 19A
- LCE PH
- RESIDENTIAL COMMON AREA
- UNIT C1



1 00-CELLAR FL
3/32" = 1'-0"

DATE: 4/24/2023 12:48:58 PM	C-007 CELLAR 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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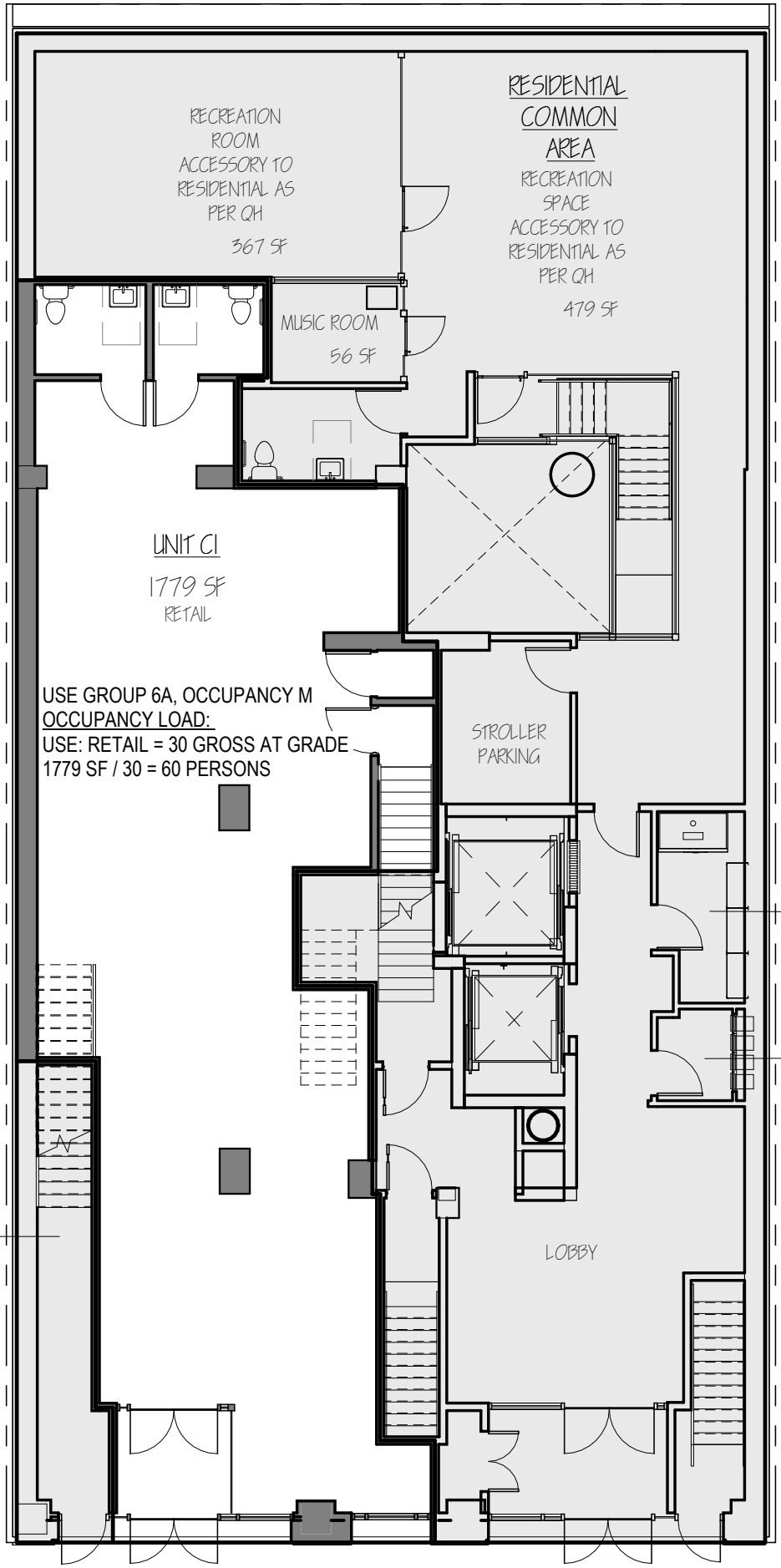
ZR 28-21 RECREATION SPACE
MINIMUM REQUIRED RECREATION SPACE: 2.8% OF TOTAL RESIDENTIAL FLOOR AREA.
62349.2 SF x 2.8% = 1745.8 SF
REC SPACE PROVIDED:
INDOOR SPACE AT 1ST FL: **846.7 SF**,
INDOOR SPACE AT 2ND FL: **716.3 SF**
OUTDOOR SPACE AT 2ND FL: **1092 SF**
TOTAL: **2654 SF ≥ 1745.8**

RESIDENTIAL COMMON AREA

UNIT C1



1 1ST FL (BPE)
3/32" = 1'-0"

DATE: 4/24/2023 12:48:59 PM	C-008 1ST FLOOR 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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ZR 28-21 RECREATION SPACE

MINIMUM REQUIRED RECREATION SPACE: 2.8% OF TOTAL RESIDENTIAL FLOOR AREA.

62349.2 SF x 2.8% = 1745.8 SF

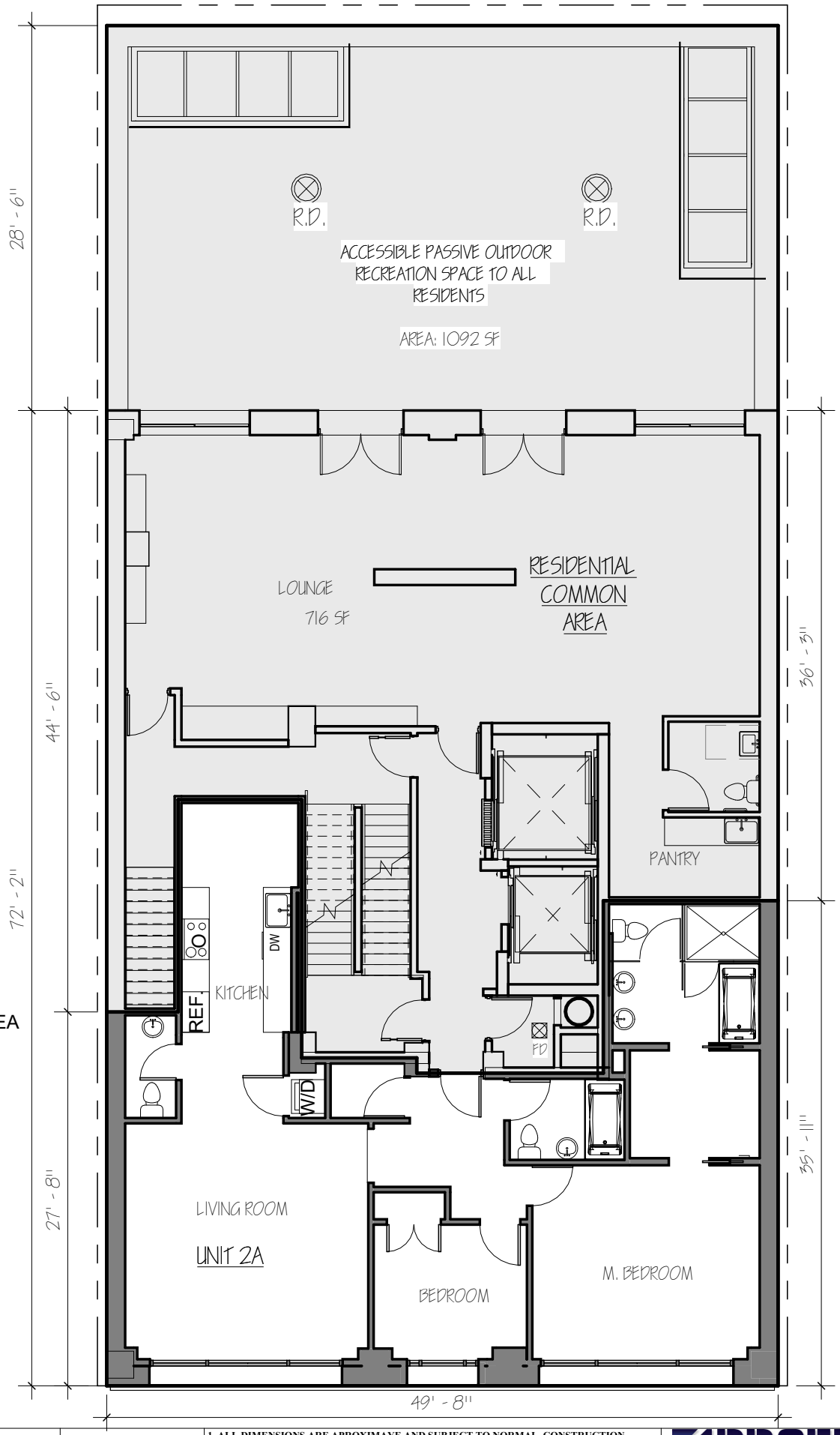
REC SPACE PROVIDED:

INDOOR SPACE AT 1ST FL: **846.7 SF**,

INDOOR SPACE AT 2ND FL: **716.3 SF**

OUTDOOR SPACE AT 2ND FL: **1092 SF**

TOTAL: **2654 SF ≥ 1745.8**



RESIDENTIAL COMMON AREA

UNIT 2A

ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN

DATE: 4/24/2023 12:49:00 PM	C-009 2ND FLOOR 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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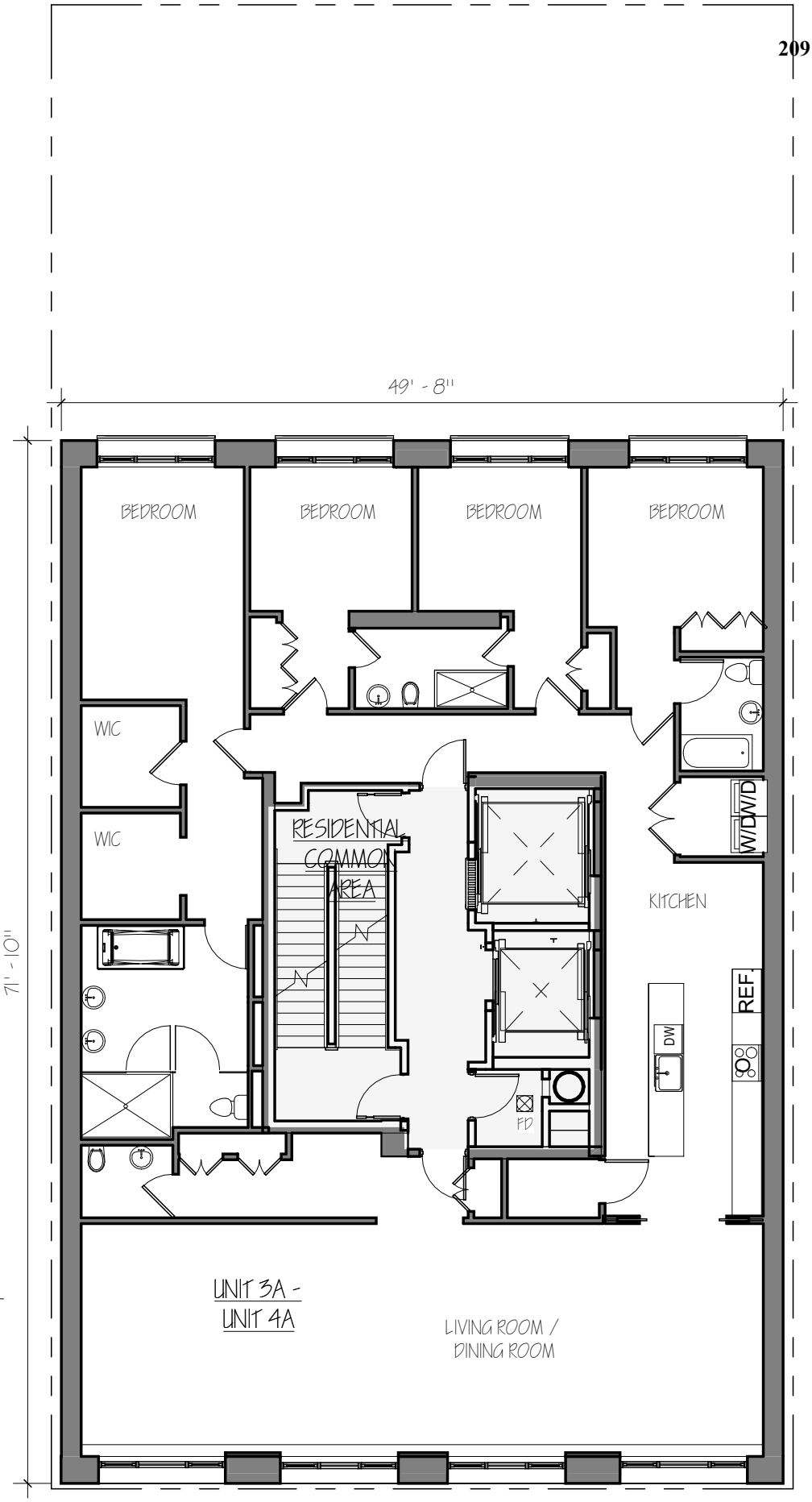

ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN

RESIDENTIAL COMMON AREA

UNIT 3A - UNIT 4A

1 3RD - 4TH FL (TYPICAL)
3/32" = 1'-0"

DATE: 4/24/2023 12:49:00 PM	C-010 3RD - 4TH FLOOR 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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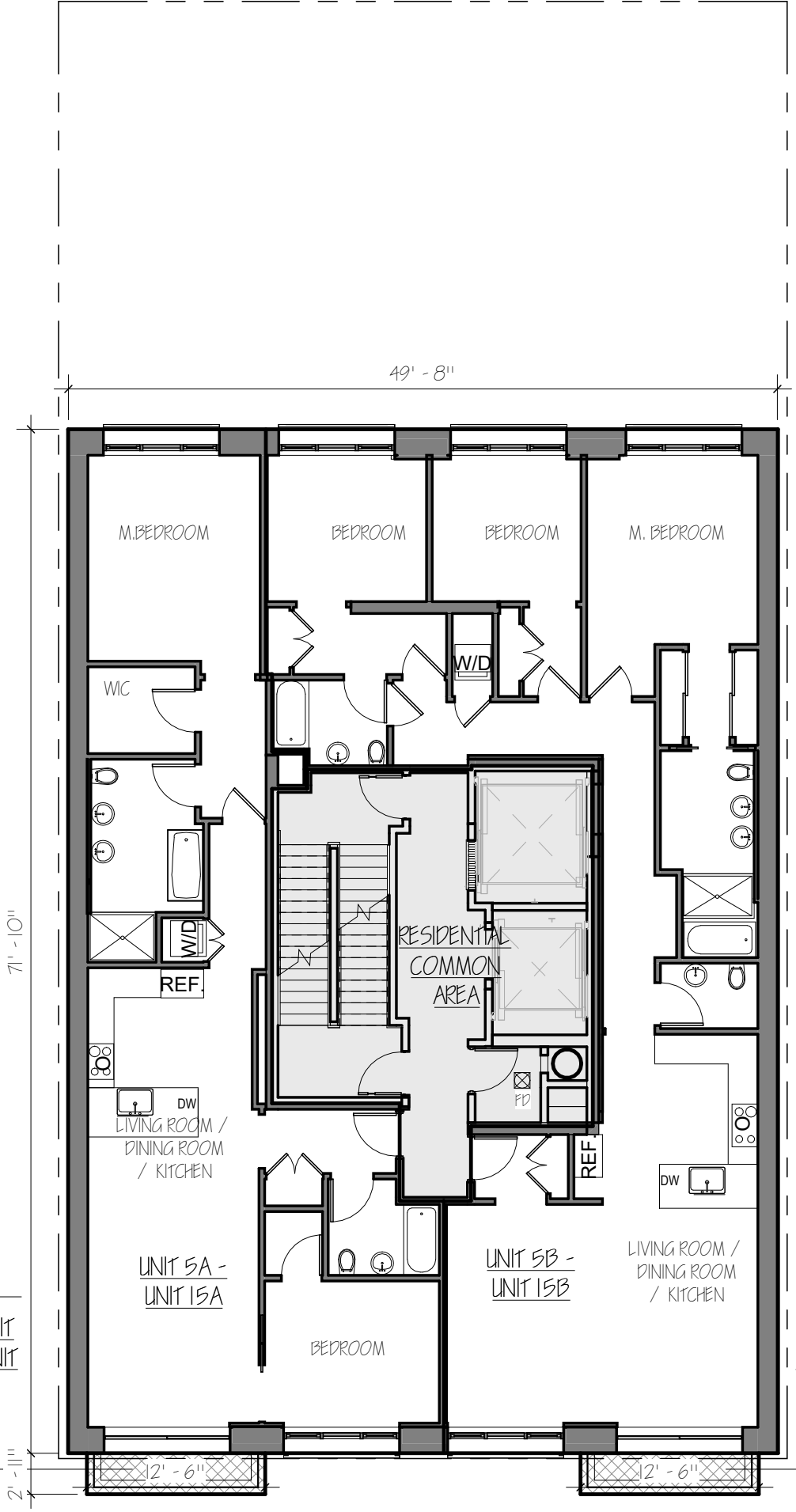

ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF -REFRIGERATOR
O- OVEN

- LCE UNIT 5A - UNIT 15A
- LCE UNIT 5B - UNIT 15B
- RESIDENTIAL COMMON AREA
- UNIT 5A - UNIT 15A
- UNIT 5B - UNIT 15B

1 5TH - 14TH FL (TYPICAL)
3/32" = 1'-0"

DATE: 4/24/2023 12:49:01 PM	C-011 5TH - 14TH FLOOR 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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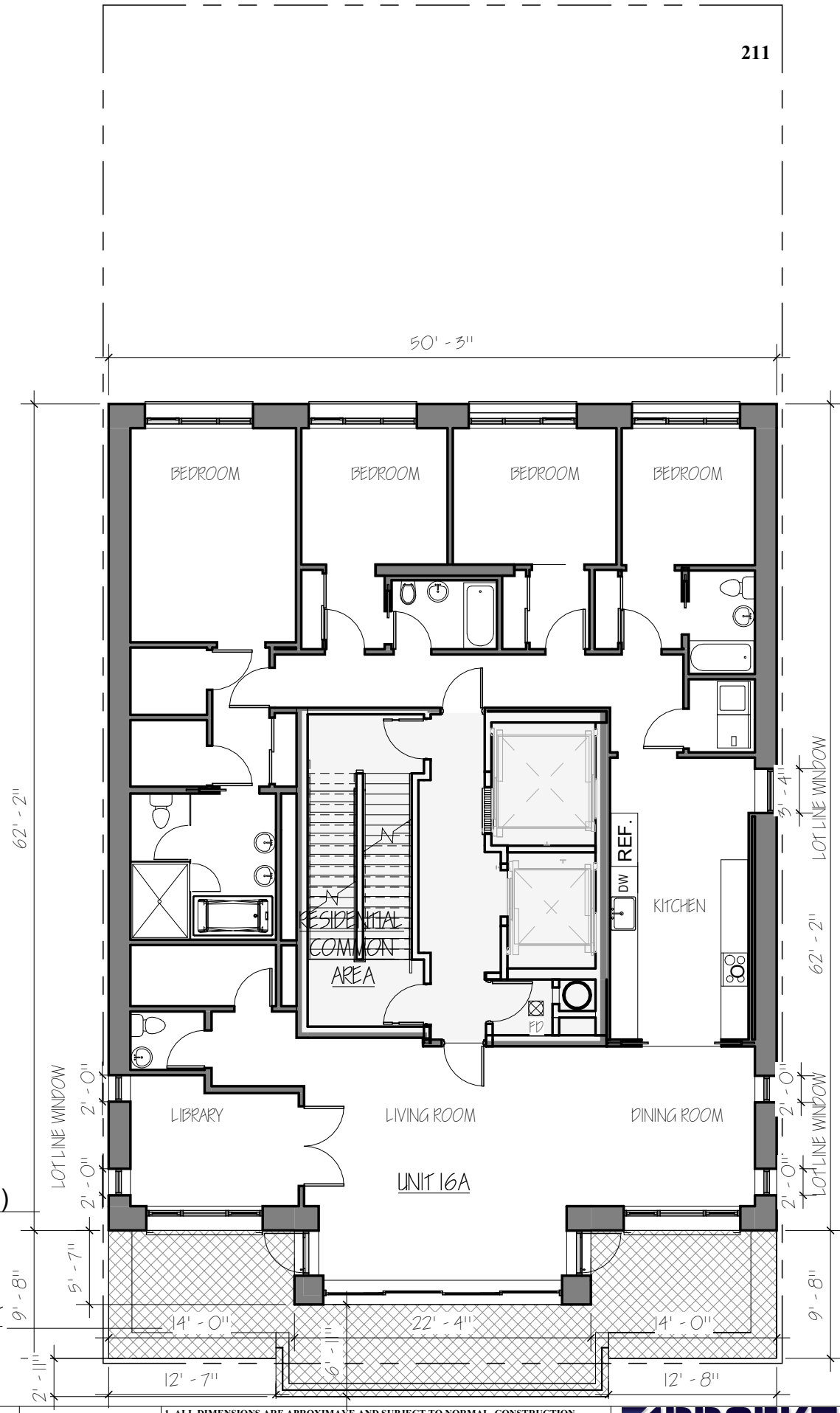

ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN

LCE UNIT 16A

RESIDENTIAL COMMON AREA

UNIT 16A

1 15TH FL (C) / 16TH FL (M)
3/32" = 1'-0"

DATE: 4/24/2023 12:49:01 PM	C-012 16TH FLOOR 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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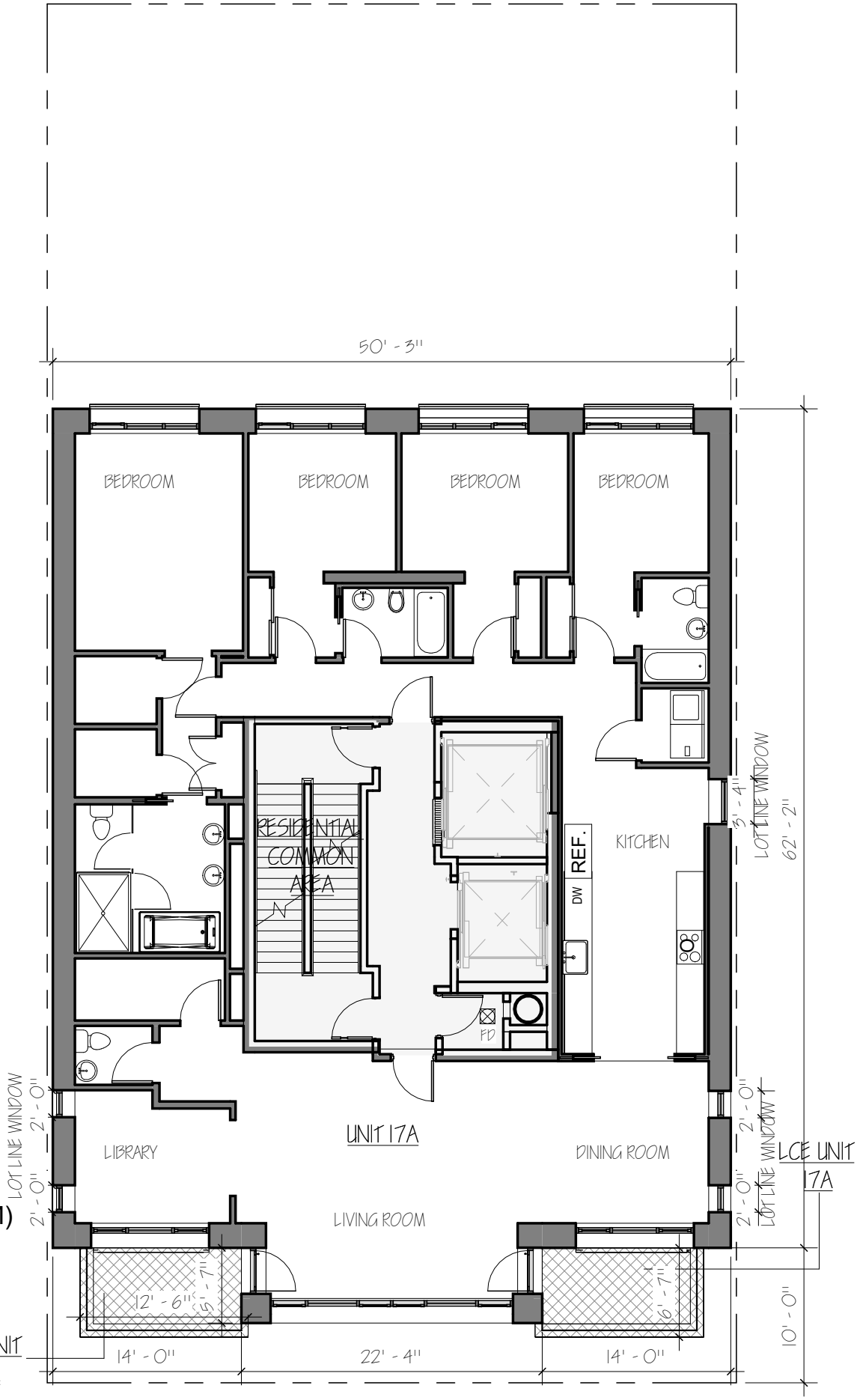

ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF -REFRIGERATOR
O- OVEN

LCE UNIT 17A

RESIDENTIAL COMMON AREA

UNIT 17A

1 16TH FL (C) / 17TH FL (M)
3/32" = 1'-0"

DATE: 4/24/2023 12:49:01 PM	C-013 17TH FLOOR 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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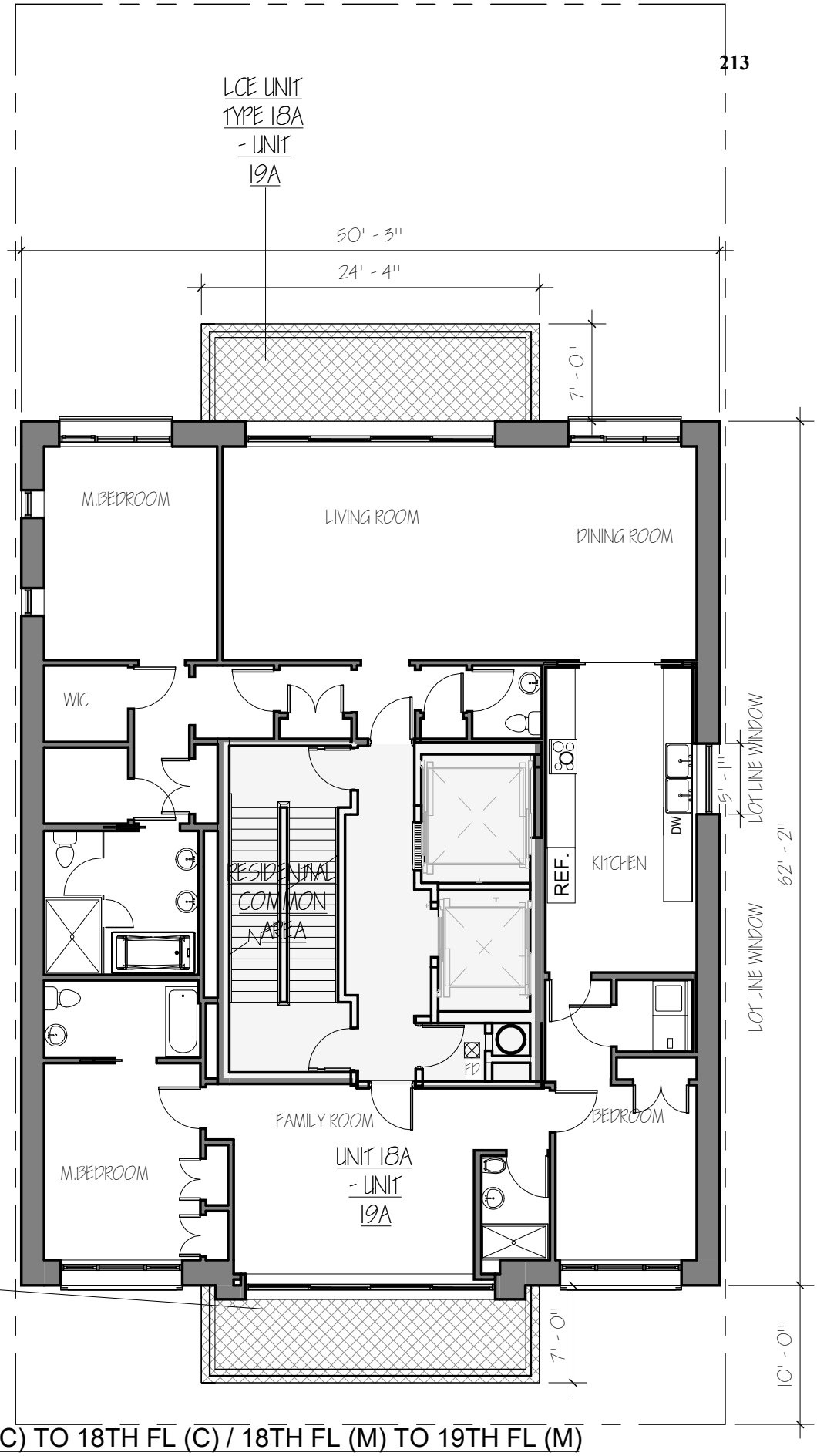

ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN

- LCE UNIT 18A - UNIT 19A
- LCE UNIT TYPE 18A - UNIT 19A
- RESIDENTIAL COMMON AREA
- UNIT 18A - UNIT 19A

1 17TH (C) TO 18TH FL (C) / 18TH FL (M) TO 19TH FL (M)
3/32" = 1'-0"

DATE: 4/24/2023 12:49:02 PM	C-014 18TH - 19TH FLOORS 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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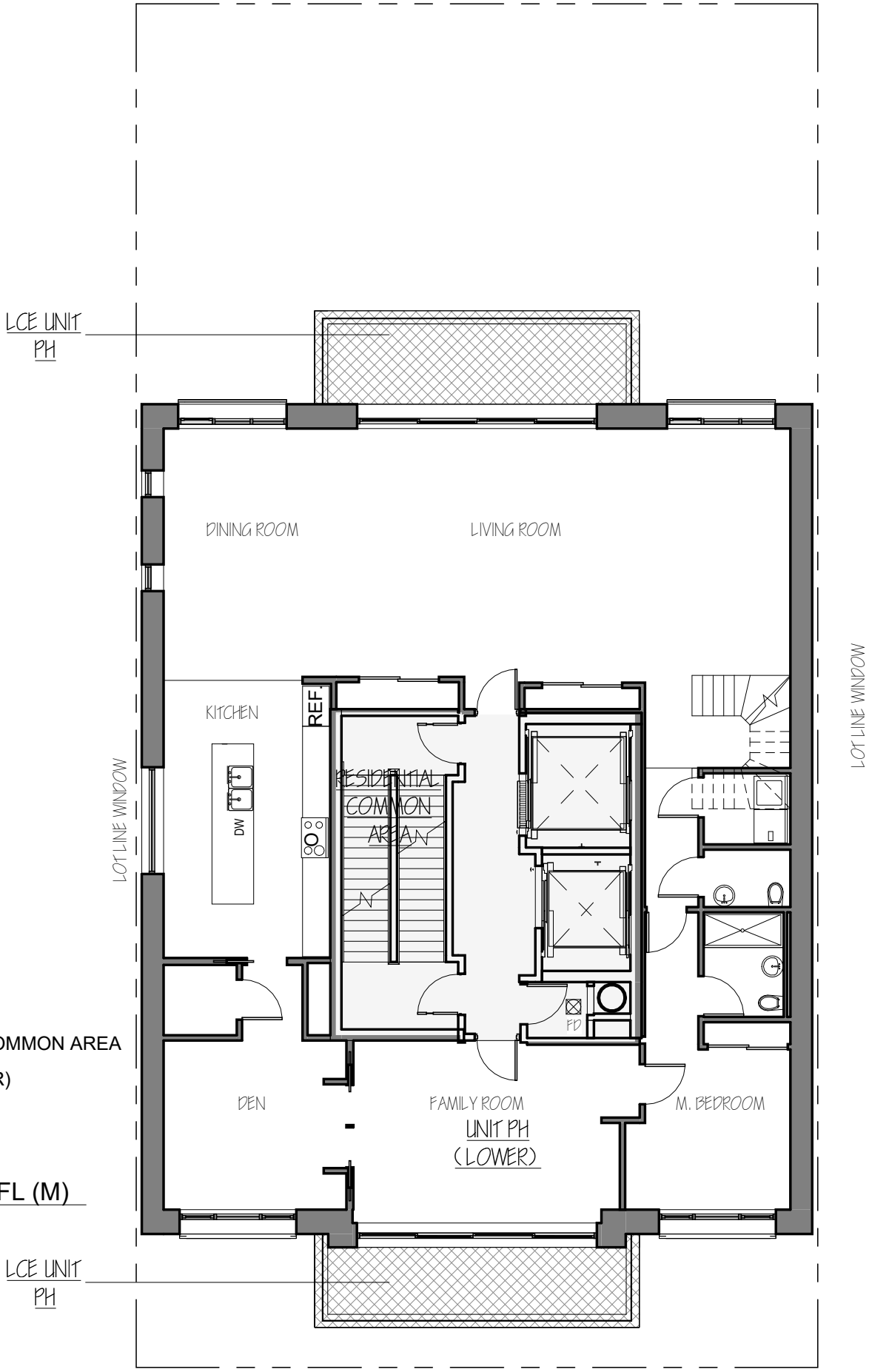

ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN

LCE UNIT PH

RESIDENTIAL COMMON AREA

UNIT PH (LOWER)

1 19TH FL (C) / 20TH FL (M)
3/32" = 1'-0"

DATE: 4/24/2023 12:49:02 PM	C-015 20TH FLOOR 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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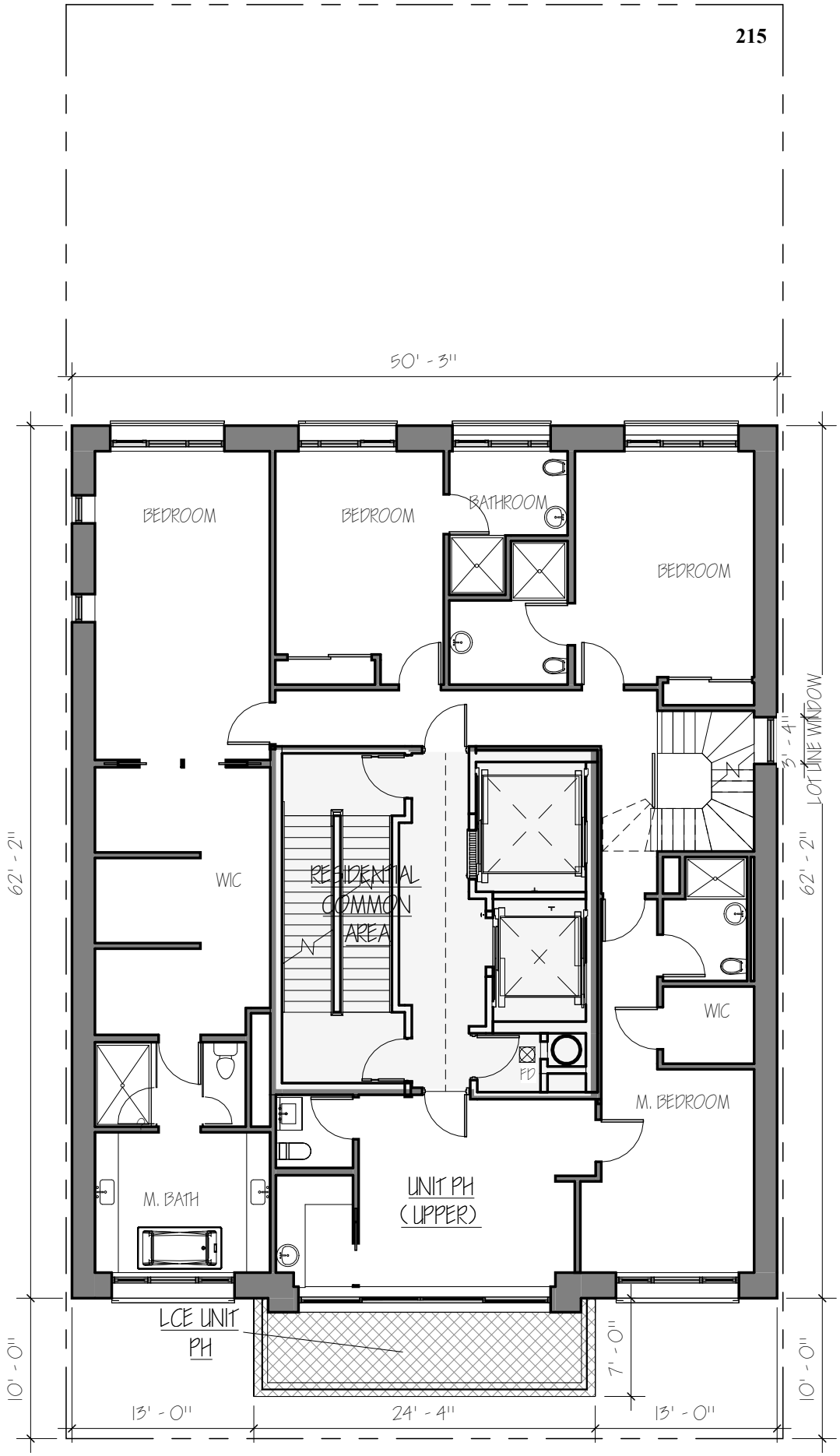

ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN

LCE UNIT PH

RESIDENTIAL COMMON AREA

UNIT PH (UPPER)

1 20TH FL (C) / PH (M)
3/32" = 1'-0"

DATE: 4/24/2023 12:49:02 PM	C-016 PH FLOOR 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	

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SUSTAINABLE ROOFING ZONE
216

AS PER BB 2019-010 FOR APPLICABILITY OF LOCAL LAW 92 AND LOCAL LAW 94, PROPOSED ROOF IS EXEMPTED FROM SUSTAINABLE ROOFING ZONE (C) UNDER THE FOLLOWING CONDITIONS AS LISTED IN THE BULLETIN:

2. AREAS OCCUPIED BY ROOF TOP STRUCTURES. SEE LOCATIONS FOR EMERGENCY GENERATOR ON MAIN ROOF AND CONDENSING UNITS ON BULKHEAD.

5. MAIN ROOF ACCESSORY PASSIVE IS OCCUPIED BY A TERRACE ACCESSIBLE TO UNIT ON 20TH FLOOR. BOTH ARE ACCESSORY R-2 USES FOR THE RESIDENTIAL BUILDING. TO BE DEMONSTRATED ON SCHEDULE A AND FINAL C OF O.

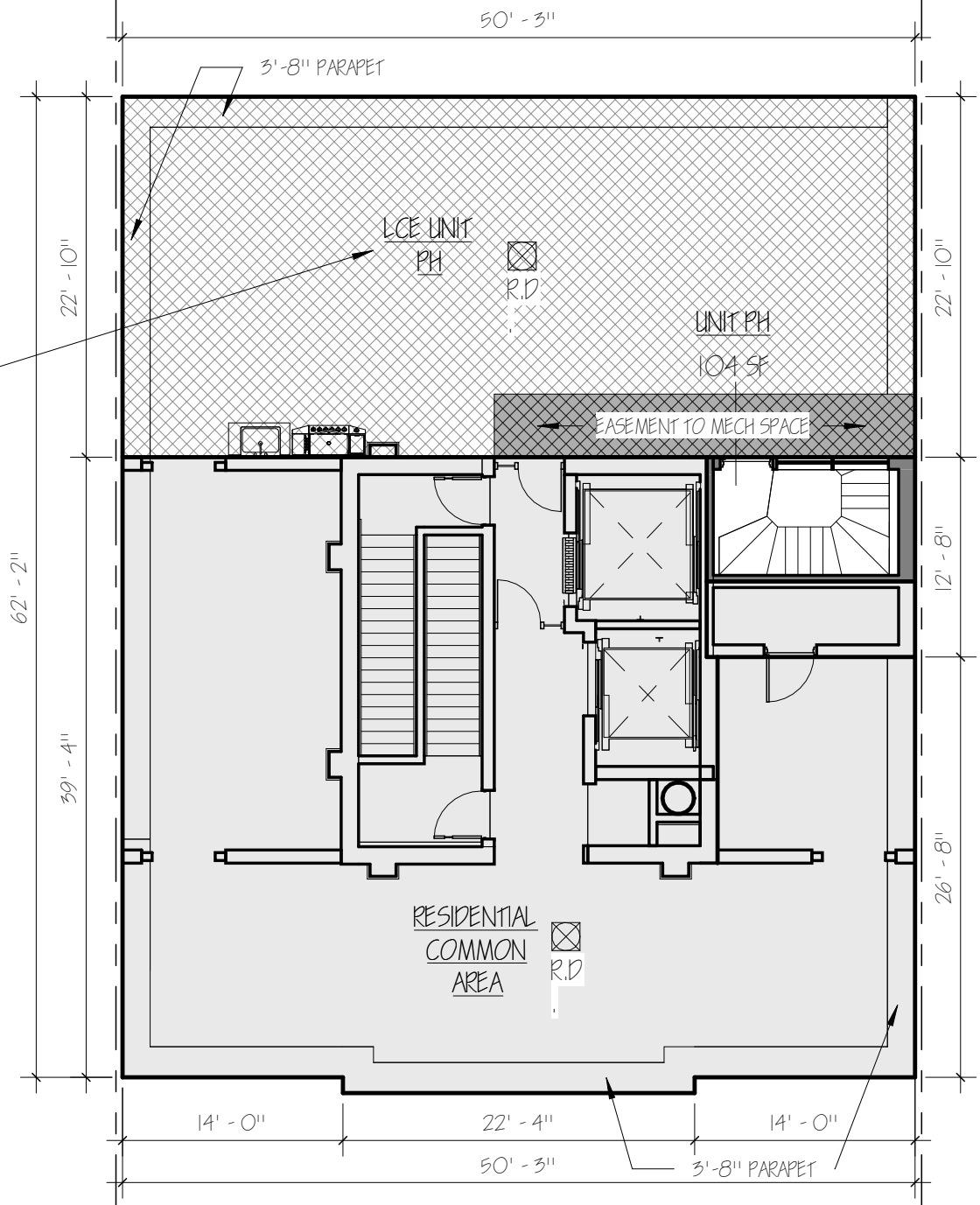
THERE ARE NO OTHER CONTIGUOUS AREAS AVAILABLE ON WHICH A SUSTIANABLE ROOFING ZONE CAN BE PROVIDED.

ACCESSORY PASSIVE RESIDENTIAL TERRACE
ACCESSORY R2 OCCUPANCY
1148 SF / 200 = 6 OCCUPANTS

LCE UNIT PH

RESIDENTIAL COMMON AREA

UNIT PH



1 ROOF
3/32" = 1'-0"

DATE: 4/24/2023 12:49:02 PM	C-017 ROOF PLAN 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	

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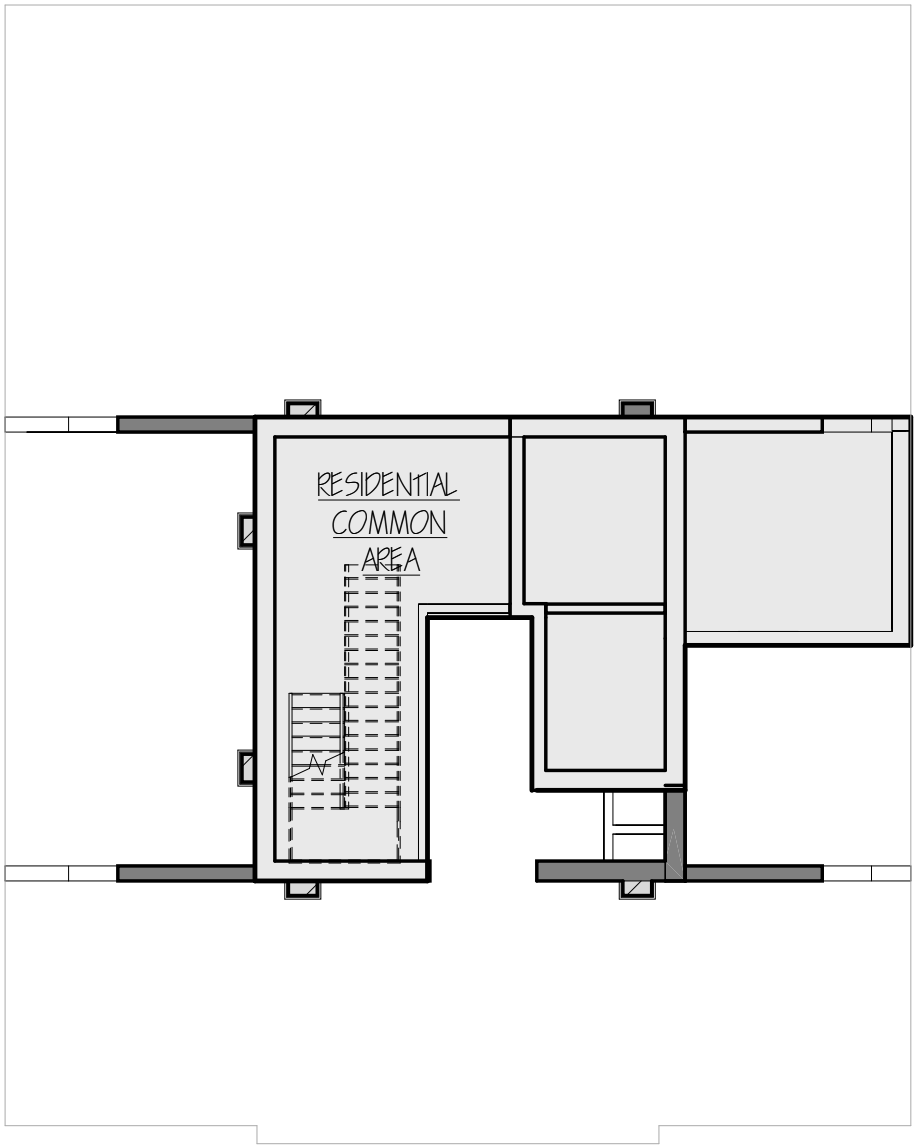

RESIDENTIAL COMMON AREA

1 BULKHEAD
3/32" = 1'-0"

DATE: 4/24/2023 12:49:03 PM	C-018 BULKHEAD 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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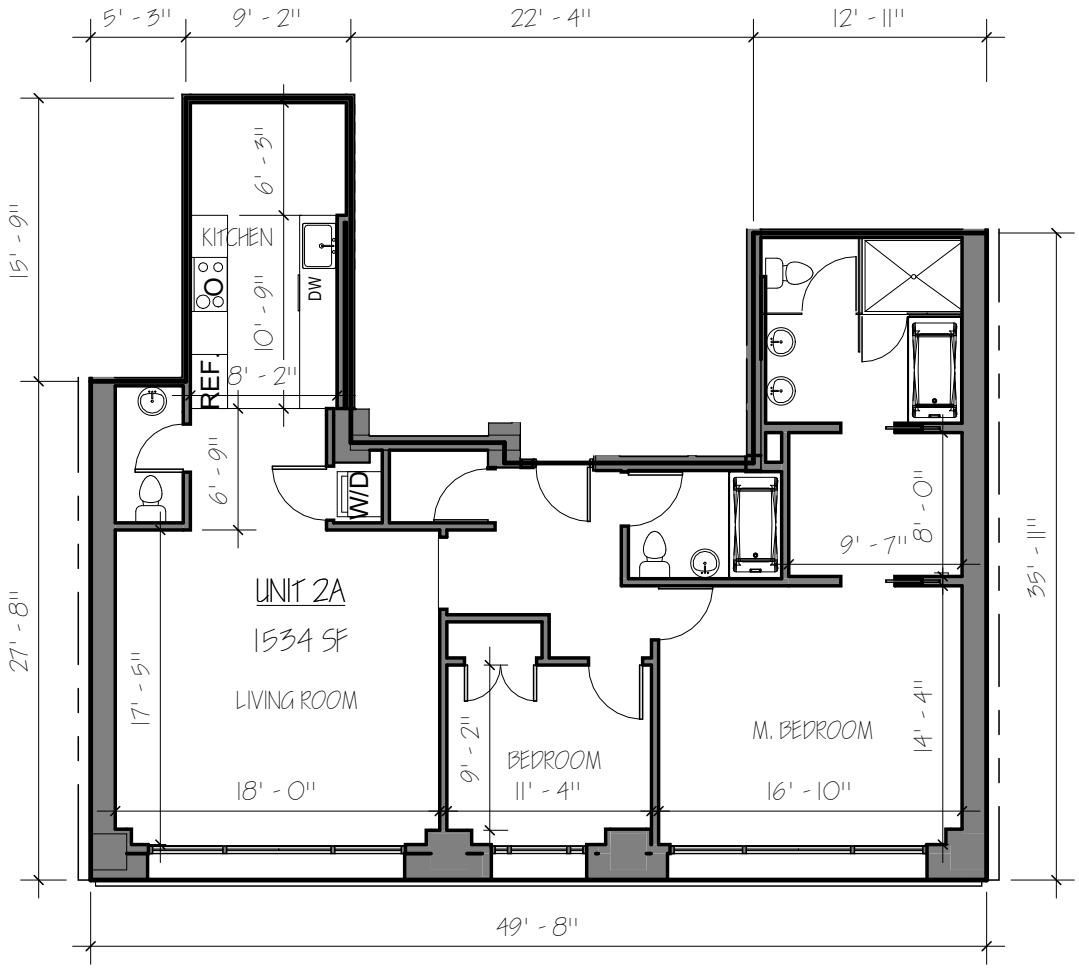
ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN



UNIT 2A

1 UNIT 2A
3/32" = 1'-0"

DATE: 4/24/2023 12:49:03 PM	C-019 UNIT 2A 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	

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ABREVIATIONS:

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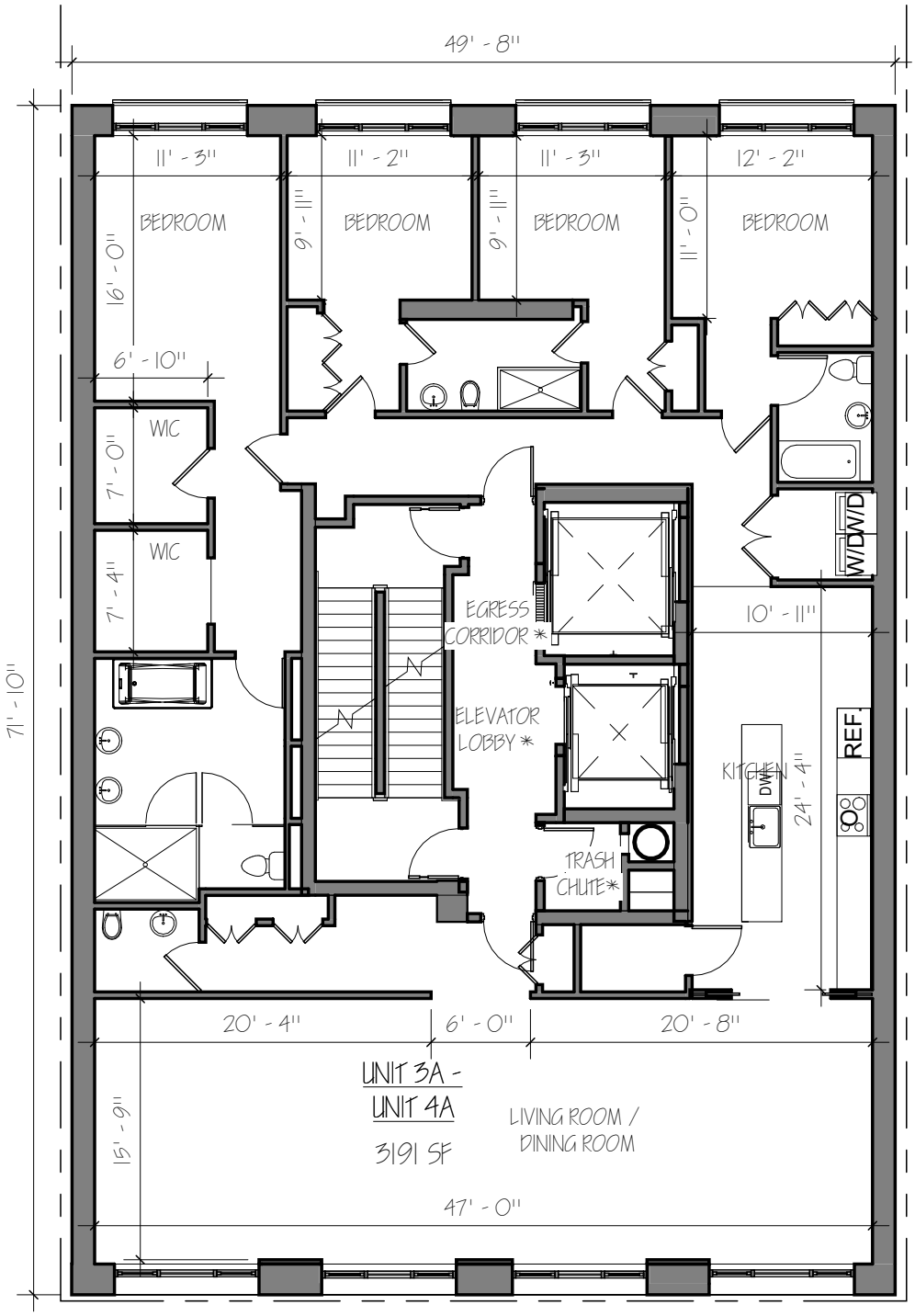
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN



UNIT 3A - UNIT 4A

1 UNIT 3A, UNIT 4A
3/32" = 1'-0"

DATE: 4/24/2023 12:49:03 PM	C-020 UNIT 3A, 4A 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	* SQUARE FOOTAGE OF EACH UNIT INCLUDES ADJACENT PRIVATE ELEVATOR LOBBY, EGRESS CORRIDOR, AND TRASH CHUTE VESTIBULE SHOWN HEREON, BUT WHICH ARE COMMON ELEMANT AND NOT PART OF THE UNIT.

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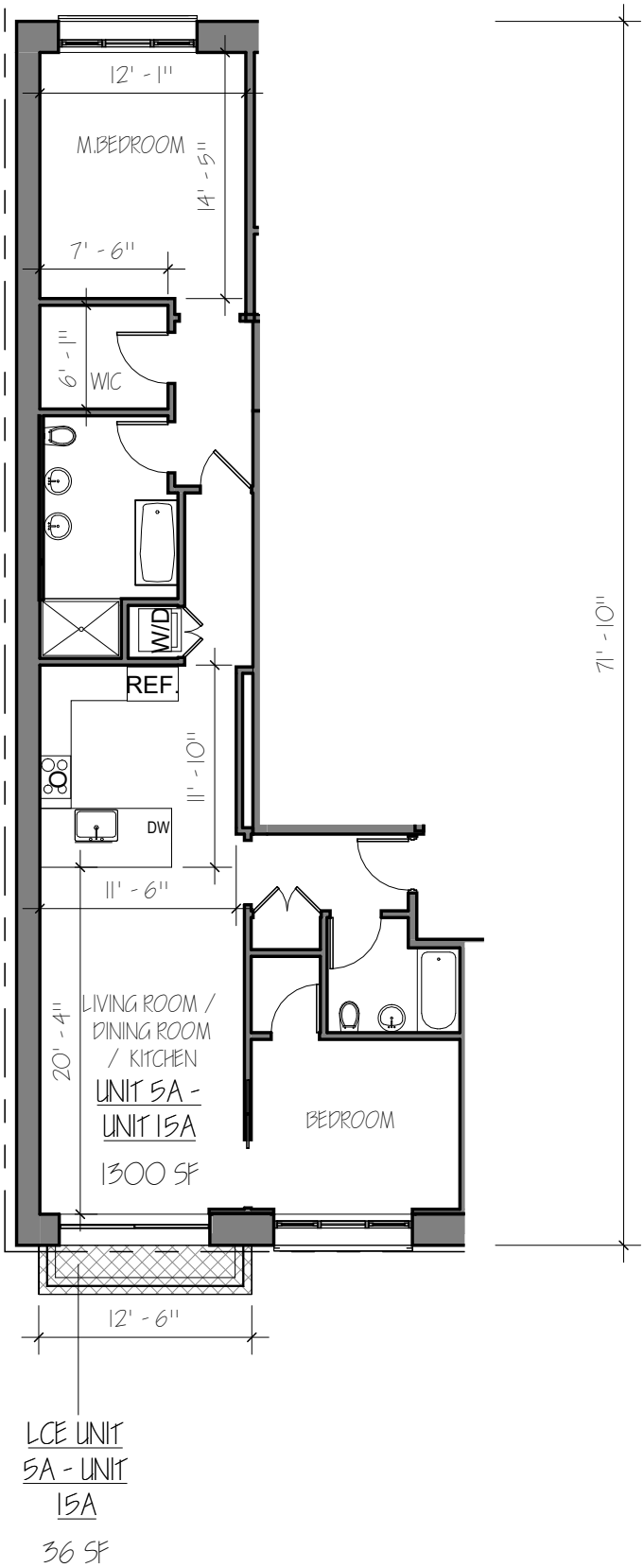
LCE UNIT 5A - UNIT 15A

UNIT 5A - UNIT 15A



ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN

1 UNIT TYPE A - 5TH TO 14TH FLOORS

3/32" = 1'-0"

DATE: 4/24/2023 12:49:03 PM	C-021 UNIT 5A, 6A, 7A, 8A, 9A, 10A, 11A, 12A, 14A, 15A 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	

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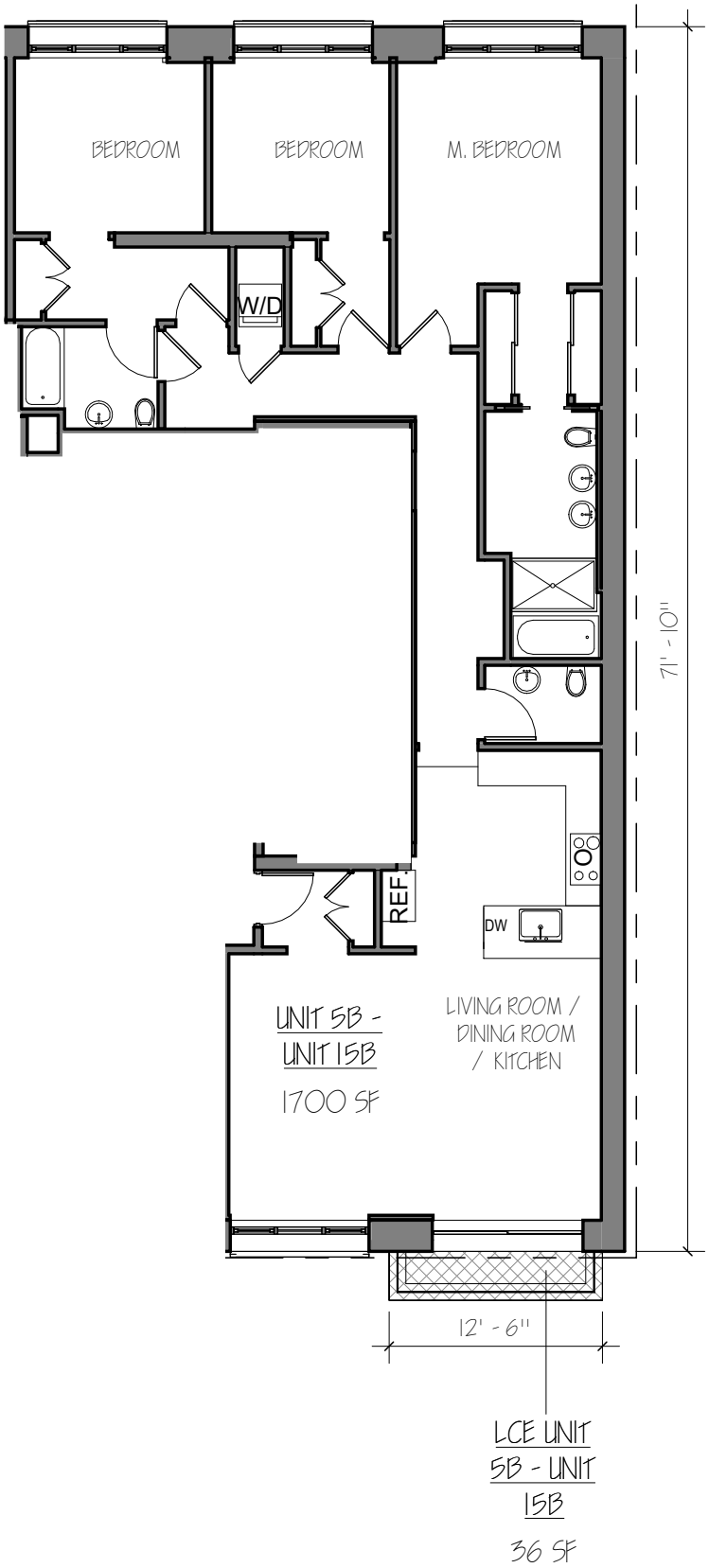
LCE UNIT 5B - UNIT 15B

UNIT 5B - UNIT 15B

ABREVIATIONS:

DW- DISH WASHER
W/D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN



1 UNIT TYPE B - 5TH TO 14TH FLOORS
3/32" = 1'-0"

DATE: 4/24/2023 12:49:04 PM	C-022 UNIT 5B, 6B, 7B, 8B, 9B, 10B, 11B, 12B, 14B, 15B 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	

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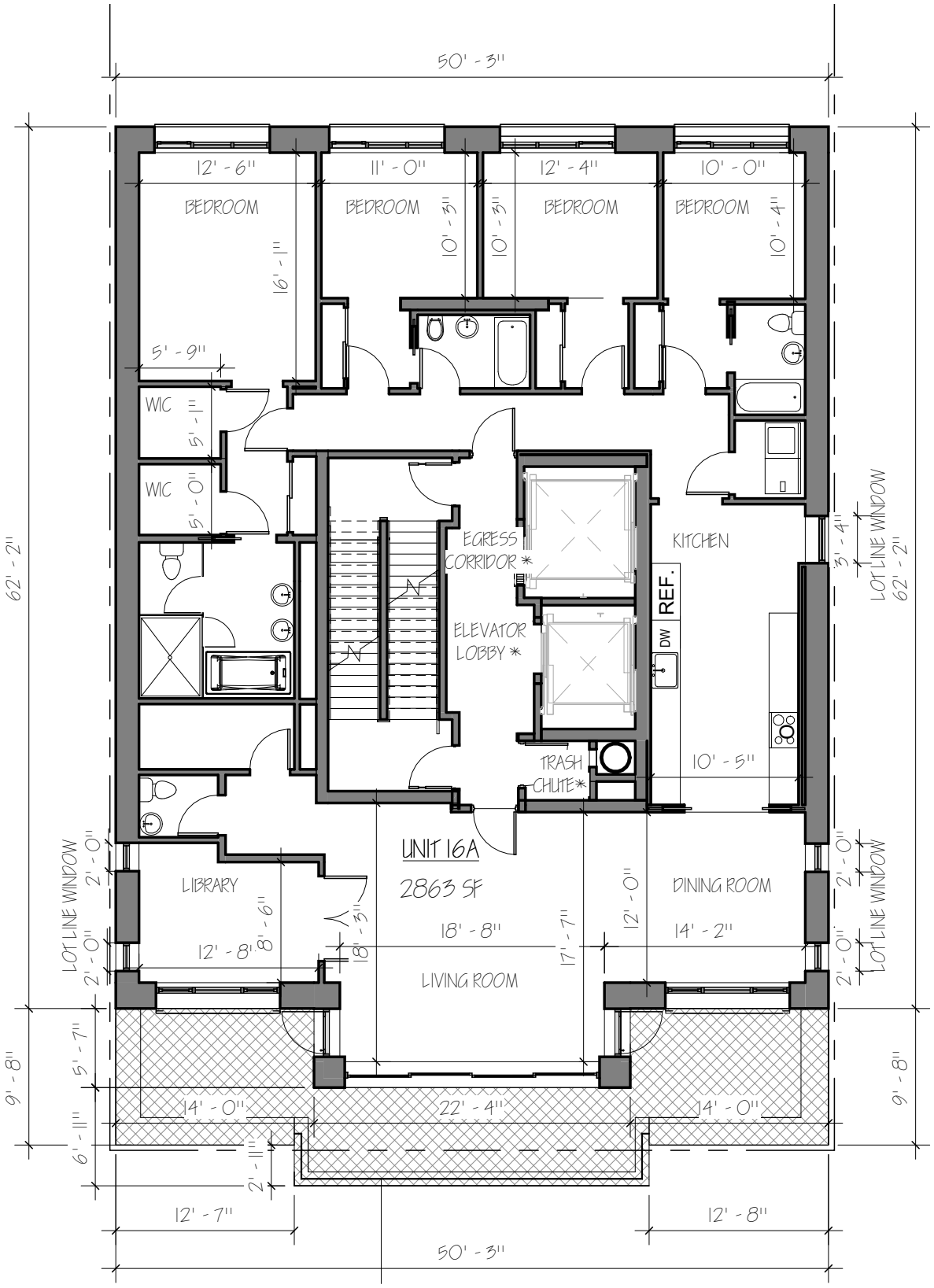
LCE UNIT 16A

UNIT 16A

ABREVIATIONS:

DW- DISH WASHER
W/D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN



1 UNIT 16A
3/32" = 1'-0"

DATE: 4/24/2023 12:49:04 PM	C-023 UNIT 16A 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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ABREVIATIONS:

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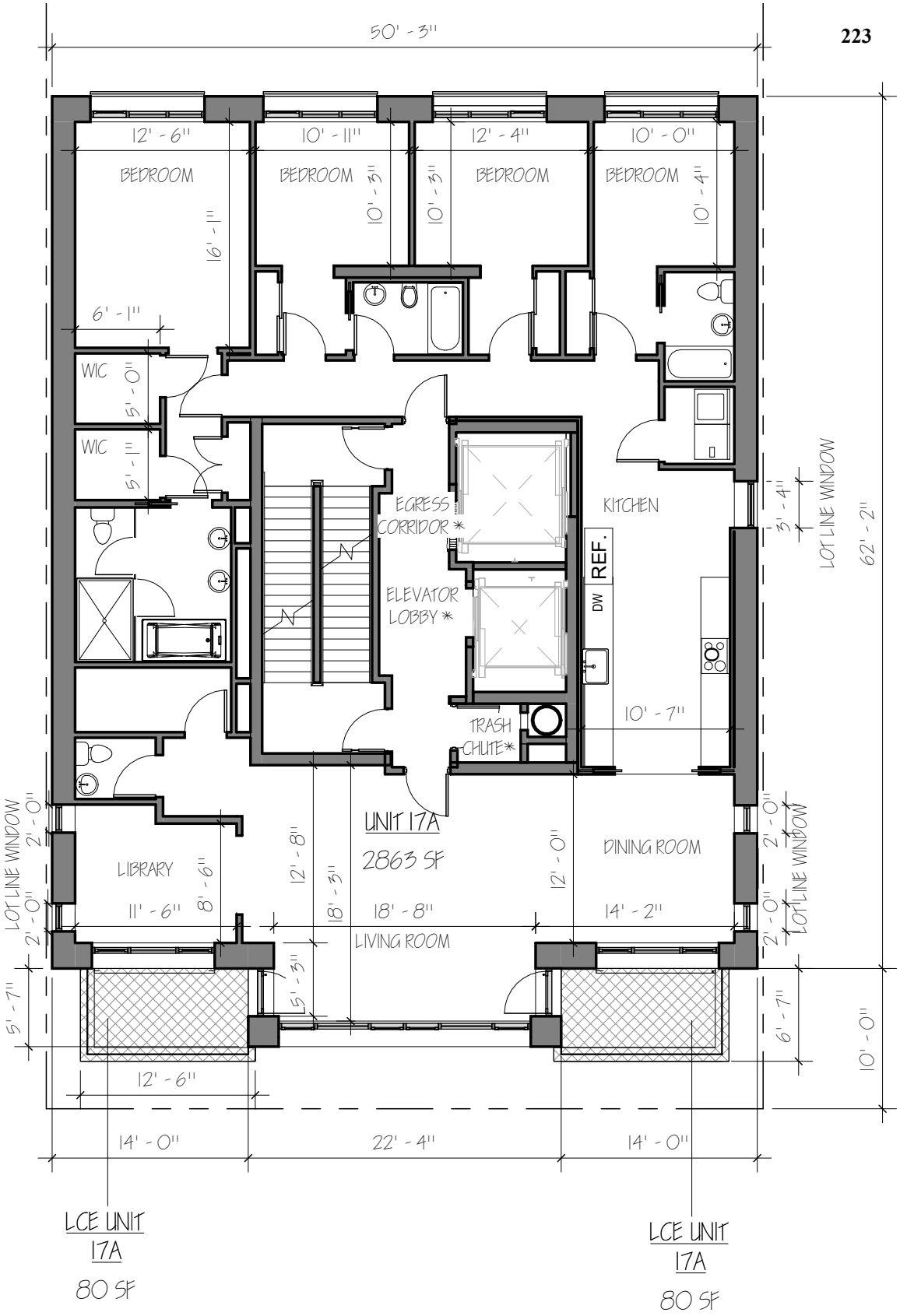
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN

LCE UNIT 17A

UNIT 17A



1 UNIT 17A
3/32" = 1'-0"

DATE: 4/24/2023 12:49:04 PM	C-024 UNIT 17A 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	* SQUARE FOOTAGE OF EACH UNIT INCLUDES ADJACENT PRIVATE ELEVATOR LOBBY, EGRESS CORRIDOR, AND TRASH CHUTE VESTIBULE SHOWN HEREON, BUT WHICH ARE COMMON ELEMANT AND NOT PART OF THE UNIT.

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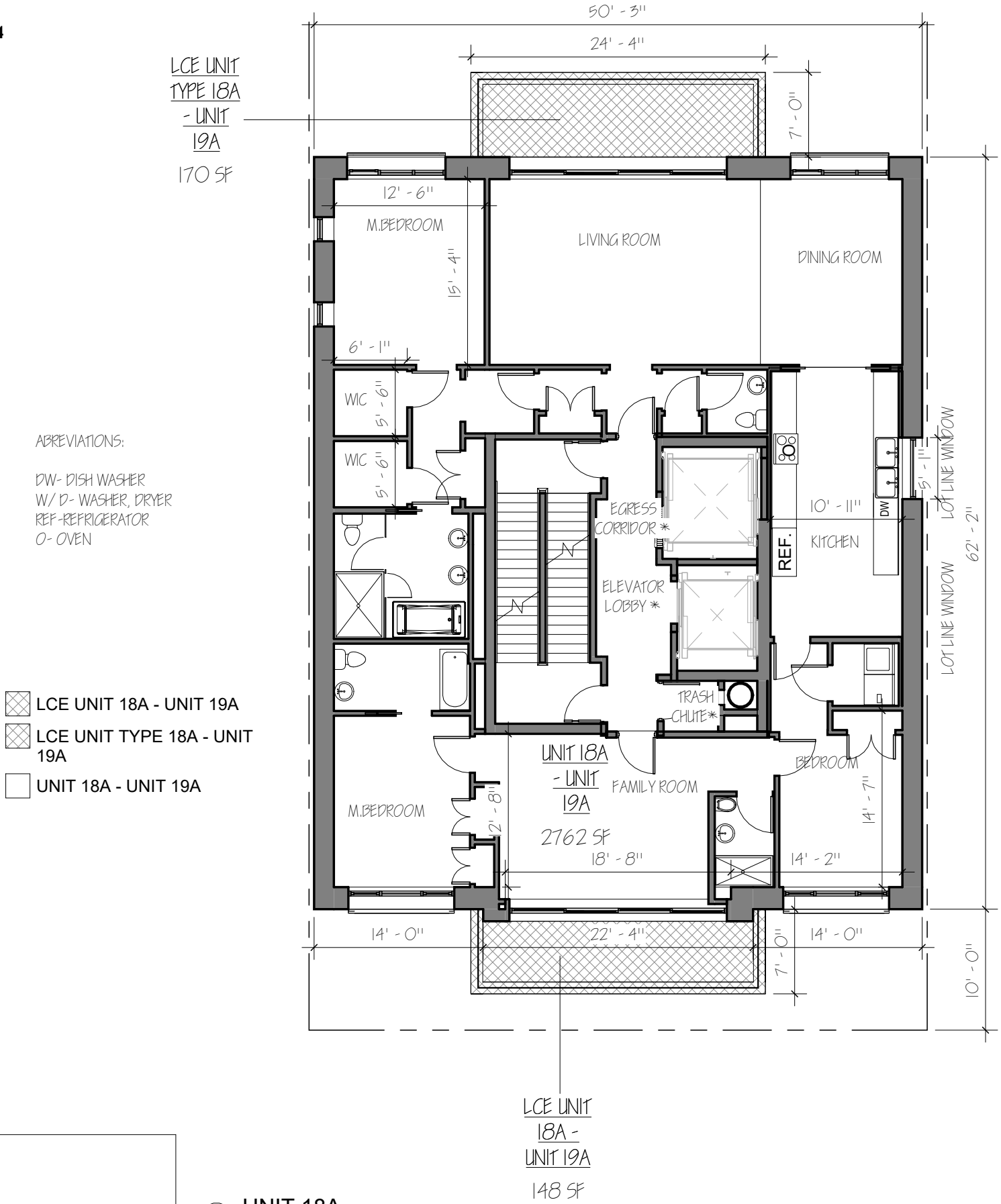

ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN

LCE UNIT 18A - UNIT 19A

LCE UNIT TYPE 18A - UNIT 19A

UNIT 18A - UNIT 19A

1 UNIT 18A
3/32" = 1'-0"

DATE: 4/24/2023 12:49:05 PM	C-025 UNIT 18A 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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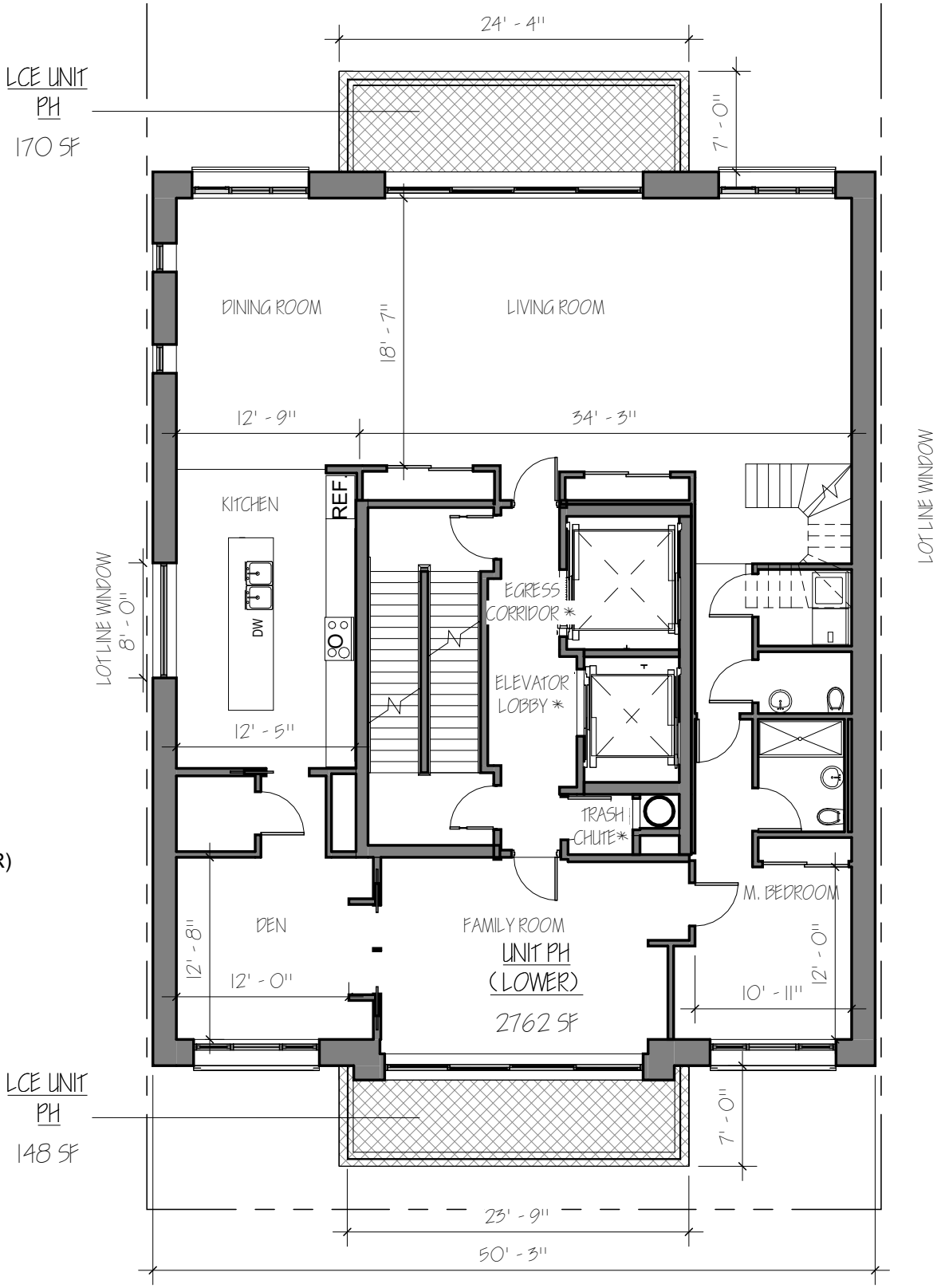

ABREVIATIONS:

DW- DISH WASHER
W/ D- WASHER, DRYER
REF-REFRIGERATOR
O- OVEN

LCE UNIT PH

UNIT PH (LOWER)

1 UNIT PH (LOWER)
3/32" = 1'-0"

DATE: 4/24/2023 12:49:05 PM	C-026 UNIT PH LOWER 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	* SQUARE FOOTAGE OF EACH UNIT INCLUDES ADJACENT PRIVATE ELEVATOR LOBBY, EGRESS CORRIDOR, AND TRASH CHUTE VESTIBULE SHOWN HEREON, BUT WHICH ARE COMMON ELEMANT AND NOT PART OF THE UNIT.

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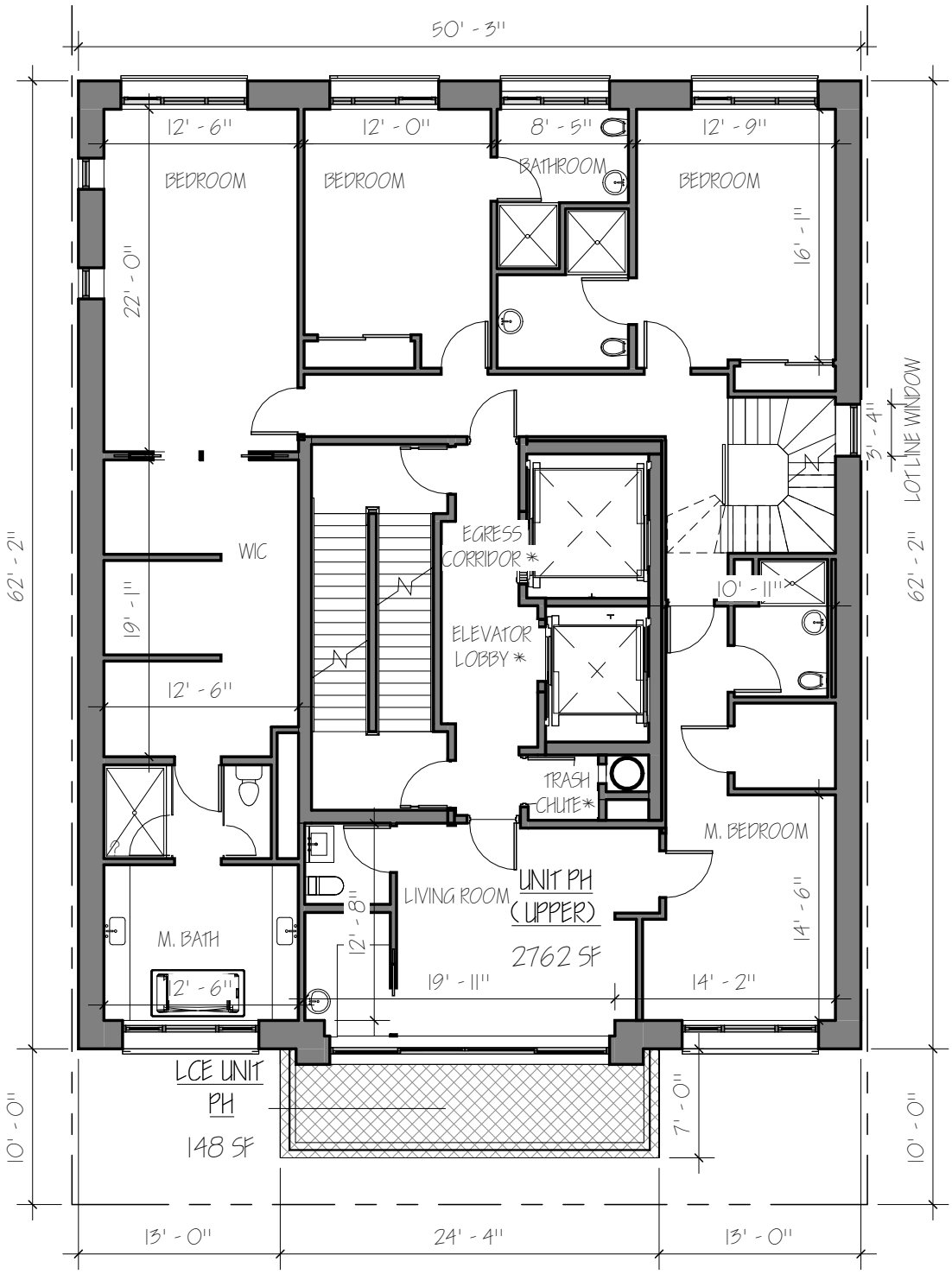
LCE UNIT PH

UNIT PH (UPPER)



1 UNIT PH (UPPER)
3/32" = 1'-0"

DATE: 4/24/2023 12:49:05 PM	C-027 UNIT PH UPPER 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
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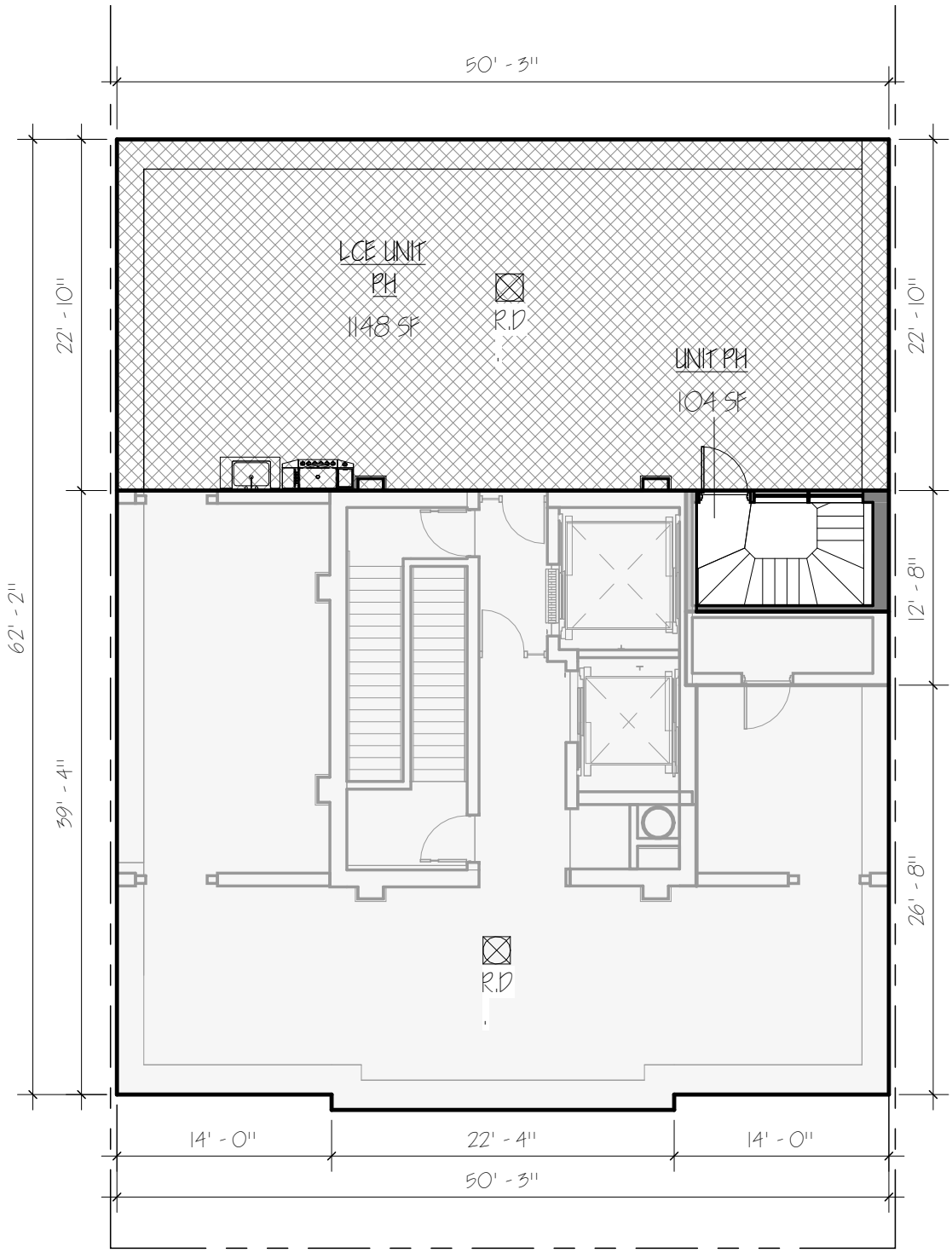

LCE UNIT PH

RESIDENTIAL COMMON AREA

UNIT PH

1 UNIT PH LCE
3/32" = 1'-0"

DATE: 4/24/2023 12:49:05 PM	C-028 UNIT PH LCE 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	

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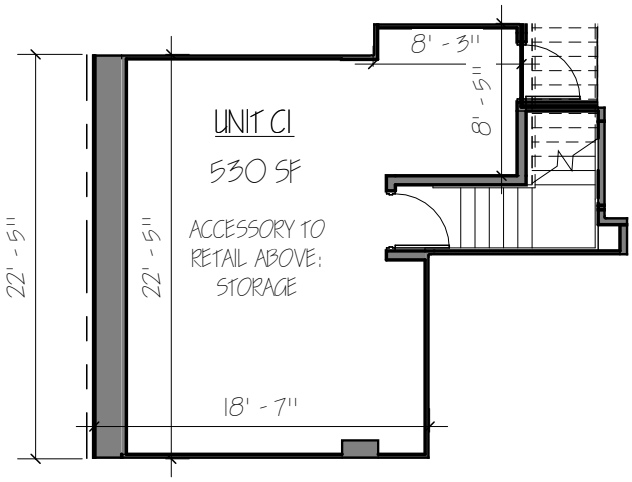
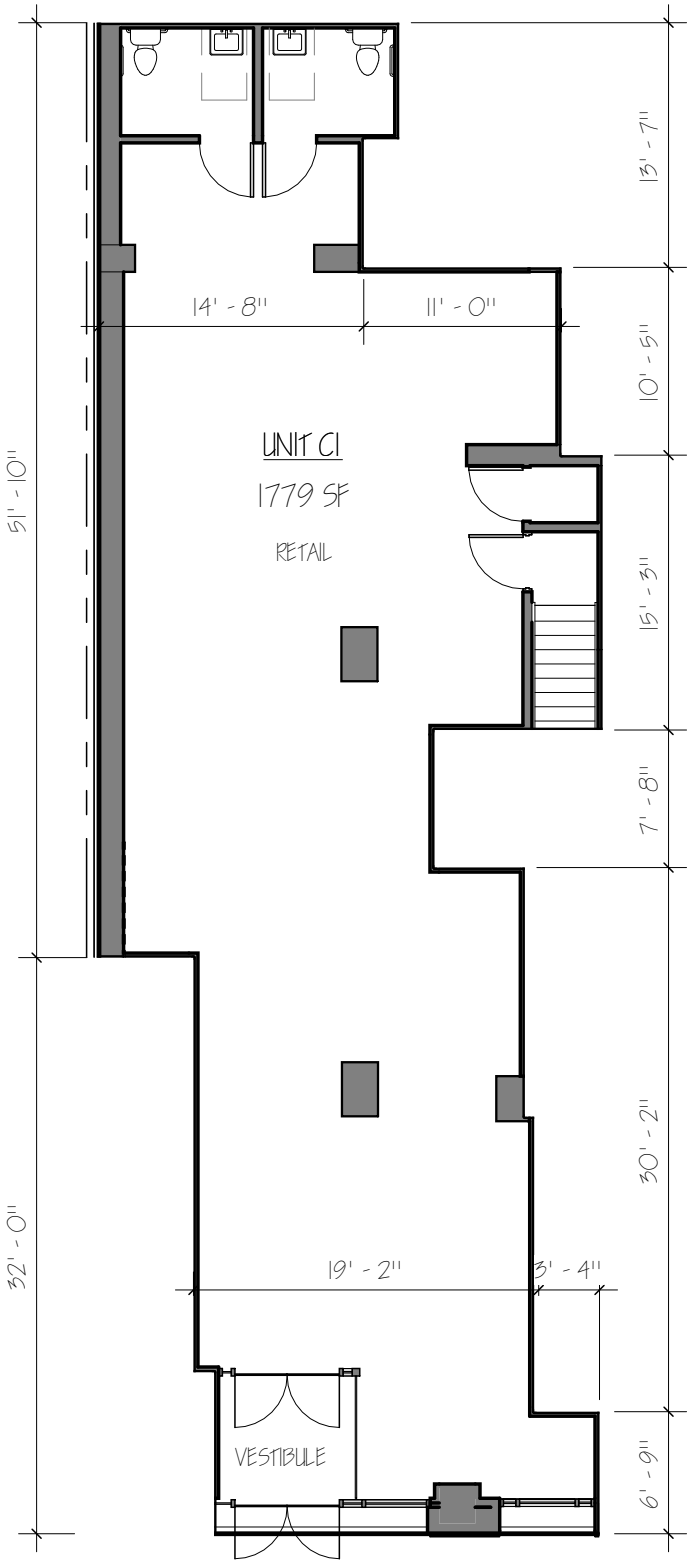


UNIT C1

1 UNIT C1 - CELLAR
3/32" = 1'-0"



RESIDENTIAL COMMON AREA

UNIT C1

2 UNIT C1 - FIRST FLOOR
3/32" = 1'-0"

DATE: 4/24/2023 12:49:06 PM	C-029 UNIT C1 3/32" = 1'-0"	1. ALL DIMENSIONS ARE APROXIMAYE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. DIMENSIONS INDICATED REFLECT, APROXIMATELY, THE PREDOMINANT DIMENSION OF EACH SPACE AND MAY INCLUDE, WITH RESPECT TO OPEN SPACE, DIMENSIONS THAT OVERLAP WITH THE DIMENSIONS OF AN ADJACENT SPACE. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLITE OFFERING TERMS ARE IN OFFERING PLAN AVAILABLE FROM SPONSOR.
PROJECT#: 20-002	PROJECT 126 EAST 86TH ST NY, NY	

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FORM OF PURCHASE AGREEMENT

ARLOPARC CONDOMINIUM
124 East 86th Street & 126 East 86th Street
New York, NY 10028

THIS PURCHASE AGREEMENT, (hereinafter called this "Agreement"), made as of the _____ day of _____, 20__, between Sponsor, Purchaser and Escrow Agent, as defined below.

Unit No.: _____
Common Interest: _____%

Sponsor: 126 East 86 Street Development LLC
227 Sea Breeze Avenue, 4th fl., Suite C-403
Brooklyn, NY 11224

Sponsor's Attorney Mikhail Litt, Esq.
TSYNGAUZ & ASSOCIATES, P.C.
225 Broadway, Suite 2640
New York, NY 10007
ph. (212) 337-9770; fax (212) 337-9773; e-mail mlitt@nytlaw.com

Purchaser: _____
_____
_____
Soc. Sec. No. _____
_____
_____

Manner in which title to be taken: _____

Purchaser's Attorney _____
_____
_____
_____
_____

Brokers: _____
_____

For good and valuable consideration, receipt of which is hereby acknowledged, Sponsor, Purchaser and Escrow Agent agree as follows:

1. THE PLAN

Sponsor has promulgated a condominium offering plan, (as amended to date hereinafter called the "Plan"), for Arloparc Condominium, having an address at 124 East 86th Street & 126 East 86th Street, New York, NY 10028, (hereinafter called the "Building"), pursuant to which the Building and the land upon which the Building is situated, (hereinafter called the "Land"), (the Building and the Land are collectively hereinafter called the "Property"), will be submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York, (hereinafter called the "Condominium Act").

Purchaser acknowledges having received and read a copy of the Plan and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, including, without limitation the plans and specifications for the Unit and the Building, the Schedules, the Declaration, By-Laws and Rules and Regulations contained therein, at least three (3) business days prior to Purchaser's signing of this Agreement.

The Plan, including, the plans and specifications for the Unit and the Building, the Schedules, the Declaration, By-Laws and Rules and Regulations contained therein as well as all amendments to the Plan duly filed by Sponsor are incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length.

2. UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the Unit as designated above, together with its undivided interest in the Common Elements appurtenant to the Unit, (the Unit and its undivided interest are collectively hereinafter called the "Unit").

3. PURCHASER'S RIGHT TO RESCIND THIS AGREEMENT

If (i) the actual date of closing of title to the first Residential Unit, or (ii) the projected date of closing of title to the first Residential Unit occurs later than twelve (12) months after the projected date for the first closing, Sponsor will offer Purchaser a right of rescission until the midnight of the fifteenth day following receipt of Sponsor's offer to rescind. If the Plan is amended to provide for a later projected date for the first closing, and the first closing occurs more than twelve (12) months beyond that amended, later date, Sponsor will also offer Purchaser a right of rescission until the midnight of the fifteenth day following receipt of Sponsor's offer to rescind. Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day.

If the actual or projected date of the commencement of the first year condominium operations is delayed by more than six (6) months from the budget year projected in the Plan, Sponsor will amend the Plan to include a revised budget disclosing amended projections. If such amended projections exceed the original projections by 25% or more, Sponsor will offer Purchaser a right of rescission until the midnight of the fifteenth day following receipt of Sponsor's offer to rescind. Purchaser must either personally deliver a written notice of rescission to Sponsor or Selling Agent prior to the midnight of said fifteenth day or mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor or Selling Agent so that mailing is post-marked by post-office prior to the midnight of said fifteenth day.

If there is a material amendment to the Plan that adversely affects Purchaser, Sponsor will offer Purchaser a right of rescission until the midnight of the fifteenth day following service of the amendment. Purchaser must either personally deliver a written notice of rescission to Sponsor or Selling Agent prior to the midnight of said fifteenth day or mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor or Selling Agent so that mailing is post-marked by post-office prior to the midnight of said fifteenth day.

If this Agreement is rescinded by Purchaser pursuant to this Section 3, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan, except that the Deposit, the Advance and all other monies paid on account of the Purchase Price shall be refunded to Purchaser within ten (10) days after receipt of written notice of rescission.

4. <u>PURCHASE PRICE</u>

4.1 Purchaser shall pay to Sponsor the sum of _____ Dollars ($_____), (hereinafter called the "Purchase Price"), payable as follows:

(a) _____ Dollars ($_____) as a downpayment under this Agreement, (hereinafter called the "Deposit"), upon Purchaser's signing and delivering this Agreement, by a check subject to collection;

(b) _____ Dollars ($_____) as an advance for upgrades, extras, special or custom work in the Unit ordered by Purchaser, (hereinafter called the "Advance"), upon Purchaser's signing and delivering this Agreement, by a check, subject to collection, if any;

(c) _____ Dollars ($_____), (hereinafter called the "Balance of the Purchase Price"), at the Closing hereinafter defined, by a certified or bank check.

4.2 All checks shall represent United States currency, be drawn on or issued by a United States Bank or trust company which is a member of the New York Clearing House Association and shall be unendorsed. The Deposit and the Advance, if any, shall be made payable to the direct order of "TSYNGAUZ & ASSOCIATES, P.C., as Escrow Agent". The Balance of the Purchase Price shall be made payable to the direct order of "126 East 86 Street Development LLC" (or such other party as Sponsor directs to Purchaser, in writing, at least one (1) business day prior to the Closing).

5. DEPOSIT TO BE HELD IN ESCROW ACCOUNT

5.1 The law firm of TSYNGAUZ & ASSOCIATES, P.C., having an address at 225 Broadway, Suite 2640, New York, NY 10007 and telephone number (212) 337-9770, shall serve as escrow agent, (hereinafter called "Escrow Agent"), for Sponsor and Purchaser.

5.2 Escrow Agent has established the escrow account at Capital One, N.A., having an address at 6521 18th Avenue, Brooklyn, NY 11204, a bank authorized to do business in the State of New York. The escrow account is entitled “TSYNGAUZ & ASSOCIATES, P.C., Escrow Account, IOLA”, (hereinafter called the "Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit. Any deposit in excess of $250,000.00 will not be insured.

5.3 The Escrow Account is a non-interest bearing account established pursuant to Section 497(4)(a) of the Judiciary Law of the State of New York. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

5.4 Escrow Agent has designated Yevgeny Tsyngauz and Mikhail Litt to serve as signatories. All designated signatories are admitted to practice law in the State of New York. Neither Escrow Agent nor any authorized signatories on the account are Sponsor, Selling Agent, Managing Agent (as those terms defined in the Plan), or any principal thereof, or has any beneficial interest in any of the foregoing.

5.5. 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 release of the Deposit and the Advance, if any, from the Escrow Account.

5.6 All Deposits and Advances, if any, received from Purchaser shall be in the form of a check and shall be made payable directly to the order of "TSYNGAUZ & ASSOCIATES, P.C, as Escrow Agent”. Any check payable to, or endorsed other than as required hereby, and which cannot be deposited in the Escrow Account shall be returned to Purchaser promptly, but in no event more than five (5) business days following receipt of such check by the Escrow Agent. In the event of such return of the Deposit and/or the Advance, if any, the check shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of this Agreement.

5.7 Within five (5) business days after this Agreement has been tendered to Escrow Agent along with the Deposit and the Advance, if any, Escrow Agent shall sign this Agreement and place the Deposit and the Advance, if any, into the Escrow Account. Within ten (10) business days of the placing the Deposit and the Advance, if any, in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the deposit and disclosing the account number. The Advance, if any, shall be initially deposited into the Escrow Account, and released in accordance with the terms of this Agreement.

5.8 Escrow Agent is obligated to send notice to Purchasers once the Deposit and Advance, if any, are placed in the Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit and the Advance, if any, Purchaser may cancel this Agreement within ninety (90) days after tender of this Agreement and the Deposit and the Advance, if any, to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the Department of Law of the State of New York Real Estate Finance Bureau, 28 Liberty Street, New York, NY 10005, (hereinafter called the "Department of Law"). Rescission shall not be afforded where proof satisfactory to the Department of Law is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the Department of Law's regulations concerning deposits and requisite notice was timely mailed to Purchaser.

5.9 All Deposits, but not the Advance received in connection with this Agreement, are and shall continue to be Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, as per Section 352-h of the General Business Law of the State of New York. Advances for upgrades cease to be Purchaser's money when the funds are used in commission of the upgraded work.

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

5.11 Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in this Agreement upon the Closing; 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 Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) above, and Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both 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 parties informing them of said release. If Escrow Agent receives a written notice from either party 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 paragraphs (a) through (c) 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 New York County and shall give written notice to both parties of such deposit.

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

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

(b) 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. Escrow Agent shall make available to the Department of Law, upon request, all books and records of the Escrow Agent relating to the funds deposited and disbursed hereunder.

5.12 Any provision of this Agreement or separate agreement, whether oral or in writing, by which Purchaser purports to waive or indemnify any obligation of Escrow Agent holding any Deposit in trust is absolutely void. The provisions of applicable regulations of the Department of Law and Sections 352-e(2-b) and 352-h of the General Business Law of the State of New York concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in this Agreement, Plan, or any amendment thereto.

5.13 Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

5.14 A fiduciary relationship shall exist between Escrow Agent and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to Sections 352(e)(2-b) and 352(h) of the General Business Law of the State of New York.

5.15 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.

5.16 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in Sections 352-(e)(2-b) and 352-(h) of the General Business Law of the State of New York and applicable regulations of the Department of Law.

5.17 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.

5.18 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 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 the obligations set forth in 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.

5.19 Escrow Agent shall maintain all records concerning the Escrow Account for seven (7) years after release of the Deposit.

5.20 Upon 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 Department of Law of such transfer.

5.21 Sponsor agrees that Sponsor and its agents, including Selling Agent, shall deliver the Deposit and the Advance, if any, received by them to Escrow Agent within two (2) business days of tender of the Deposit and the Advance, if any, by Purchaser.

5.22 Sponsor shall have the right to cancel designation of Escrow Agent to act in said capacity by written notice given by Sponsor to Escrow Agent. The 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 Department of Law. Purchaser shall be deemed to have consent to such cancellation.

5.23 Escrow Agent shall have the right to resign. The resignation of Escrow Agent 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 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.

5.24 Upon termination of the duties of Escrow Agent as described in paragraph 5.22 or 5.23 above, Escrow Agent shall deliver the Deposit held by Escrow Agent and any other documents maintained by Escrow Agent relating to the Deposit to the successor escrow agent.

6. CLOSING DATE AND PLACE

6.1 The Closing shall be held at the offices of Sponsor's attorney, as defined above, or such other place in the City and State of New York as Sponsor may designate and:

Strike Inapplicable:

(__) on such date and hour as Sponsor may designate on not less than thirty (30) days' prior written notice, (hereinafter called the "Initial Closing Notice").

(__) on _____, at _____

If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorney at the Closing an extra fee as set forth in the Plan. After the Initial Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date

and hour for the Closing on not less than five (5) business days' notice to Purchaser, which new closing notice shall fix a new date, hour and place for the Closing and which date shall not be earlier than the date set forth in the Initial Closing Notice.

Only the Initial Closing Notice shall require thirty (30) day prior written notice. Notwithstanding anything to the contrary, if a firm closing date is set forth in this Agreement, and such date is within thirty (30) days of the execution of this Agreement, Purchaser shall be deemed to have waived thirty (30) day notice requirement. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser.

6.2 The term "Closing" shall mean the date on which the deed to the Unit is delivered to Purchaser upon payment of the Balance of the Purchase Price.

7. CLOSING DOCUMENTS

7.1 At the Closing, Sponsor shall deliver to Purchaser the following:

(a) bargain and sale deed with covenants against grantor's acts substantially in the form set forth in Part II of the Plan conveying to Purchaser title to the Unit free and clear of all liens, encumbrances and title exceptions other than Permitted Exceptions set forth in Exhibit A to this Agreement. The deed shall be executed and acknowledged by Sponsor and Purchaser in proper statutory form for recording;

(b) a statement by the Condominium or its managing agent that the common charges and any assessments then due and payable the Condominium have paid to the date of the Closing;

(c) New York City Real Property Transfer Tax Return (NYC-RPT), prepared, executed and acknowledged by Sponsor in proper statutory form for submission;

(d) Combined Real Property Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from Payment of Estimated Personal Income Tax (TP-584), prepared and executed by Sponsor in proper statutory form for submission;

(e) Real Property Transfer Report (RP-5217NYC), prepared and executed by Sponsor in proper statutory form for submission;

(f) affidavit that a single station smoke detecting alarm device is installed pursuant to Section 378(5) of the Executive Law of the State of New York, prepared, executed and acknowledged by Sponsor in proper statutory form for submission;

(g) certification that Sponsor is not a foreign person in compliance with Section 1445 of the Internal Revenue Code, as amended, or any successor provision or regulation promulgated thereunder, prepared, executed and acknowledged by Sponsor;

(h) such affidavits and/or evidence as the title company, (hereinafter called the "Title Company") from which Purchaser has ordered a title insurance report and which is authorized to do business in the State of New York

shall reasonably require in order to omit from its title insurance policy all exceptions for judgments, bankruptcies or other returns against Sponsor and persons or entities whose names are similar to Sponsor's name;

(i) all keys to the doors of, and mailbox for, the Unit;

(j) the assignment by Sponsor to Purchaser of the right to proceed under any existing assignable warranties actually received by Sponsor, its agents, affiliates, employees or contractors, covering appliances, equipment or fixtures installed in the Unit. Neither Sponsor nor its principals, managers, members, agents, designees or affiliates make any representation as to which, if any, of the warranties will continue to remain in force upon the Closing. If any warrantor is unable to perform under its warranty due to inability, unwillingness or any other reason, neither Sponsor nor its principals, managers, members, agents, designees or affiliates shall under any circumstances be considered a successor warrantor. Neither Sponsor nor its principals, managers, members, agents, designees or affiliates shall have any obligations or responsibilities with respect to such warranties, or the work or item warranted, even if the warrantor goes out of business, declares bankruptcy or simply fails to fulfill the conditions of the warranty. Recourse is only to the warrantor and not to Sponsor, its principals, managers, members, agents, designees or affiliates.

7.2 At the Closing, Purchaser shall deliver to Sponsor the following:

(a) power of attorney in the form set forth in Part II of the Plan. The power of attorney shall be executed and acknowledged by Purchaser in proper statutory form for recording;

(b) New York City Real Property Transfer Tax Return (NYC-RPT), executed and acknowledged by Purchaser in proper statutory form for submission;

(c) Combined Real Property Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from Payment of Estimated Personal Income Tax (TP-584), executed by Purchaser in proper statutory form for submission;

(d) Real Property Transfer Report (RP-5217NYC), executed by Purchaser in proper statutory form for submission;

(e) affidavit that a single station smoke detecting alarm device is installed pursuant to Section 378(5) of Executive Law of the State of New York, executed and acknowledged by Purchaser in proper statutory form for submission;

(f) affidavit in lieu of registration pursuant to the Multiple Dwelling Law of the State of New York, each in proper form for submission, executed and acknowledged by Purchaser in proper statutory form for submission;

(g) such affidavits and/or evidence as the Title Company shall reasonably require;

(h) checks in payment of the Balance of the Purchase Price;

(i) checks in payment of all closing adjustments and closing costs required to be paid by Purchaser as set forth in the Plan or in this Agreement, including, without limitation, checks in payment of all applicable New York City and New York State real property transfer taxes.

7.3 The executed deed, power of attorney and all transfer tax forms shall be delivered to the Title Company for recording in the Office of the City Register, which recording shall be at Purchaser's expense. After being recorded the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium.

7.4 Purchaser's payment of the Balance of the Purchase Price and acceptance of the deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to the Closing. However, nothing herein contained shall excuse Sponsor from performing those obligations, if any, expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of Purchaser's rights under Article 23-A of the General Business Law of the State of New York, the Plan, and applicable regulations of the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing, Sponsor shall convey to Purchaser, and Purchaser shall accept such fee title to the Unit as the Title Company will approve and insure without additional premium to Purchaser, provided that the only liens and encumbrances affecting title shall be those set forth in the deed and Schedule A, annexed hereto and made a part hereof and those expressly agreed to by Purchaser. Any lien and encumbrance or condition which is not set forth in the deed or Schedule A shall not be an objection to title if:

(a) the instrument required to remove it of record is delivered at or prior the Closing to the Title Company, together with the attendant recording or filing fee, if any, or

(b) the Title Company is or would be willing, in a policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

Sponsor shall not be obligated to cause the Title Company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exceptions.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in the deed or Schedule A. However, if such defect existed at least ten (10) days prior to the Closing, and Purchaser or Purchaser's attorney failed to send Sponsor's attorney written notice of such defect in title at least ten (10) days prior to the Closing, then, for purposes of Section 13 below, 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 as being at the request of Purchaser.

8.3 If, subsequent to the Closing, Purchaser claims that Sponsor did not convey title to the Unit in accordance with the Plan, Purchaser must first seek recovery against the Title Company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by the Title Company. If Purchaser did not obtain the title insurance at the Closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from the Title Company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subparagraph shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law of the State of New York.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of the midnight of the day preceding the Closing with respect to the Unit:

(a) real estate taxes and assessments, if any, on the basis of the period for which assessed;

(b) common charges and assessments for the month in which the Closing occurs; and

(c) if Purchaser is allowed to occupy the Unit prior to the Closing, accrued occupancy fees and any other charges pursuant to an interim lease, if any, covering the Unit.

9.2 In the event that the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor shall place in escrow in the name of the Board of Managers an amount equal to the real estate taxes attributable to the Unsold Units, which will be levied against them for the six (6) month period following the first closing, or until the Units are separately assessed, whichever is sooner, and will collect at each Unit closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers shall pay the real estate taxes from the escrow account when taxes are due and payable, and Sponsor shall be entitled to reimbursement from Unit Owners to the extent of the actual assessment. If the Unit has not been separately assessed for real estate taxes as of the Closing for the then current tax period, the adjustment will be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit. Installments for tax assessments due after delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title.

9.3 Purchaser agrees that, if Sponsor obtains a refund for real property taxes paid, or there is a deficiency in the taxes, Purchaser and Sponsor will apportion the refund/deficiency (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit. The provisions of this Section 9.3 shall survive the Closing.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing:

(a) the Closing apportionments described in Section 9.1 of this Agreement will be made as of the midnight of the day preceding the originally scheduled Closing, regardless of when the actual Closing occurs, and

(b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from and including the originally scheduled Closing to and including the day before the actual Closing. The interest rate charged will not exceed maximum legal usury limits.

If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing, these provisions shall apply to the rescheduled Closing if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be.

9.6 Any errors or omissions calculating apportionments at the Closing shall be corrected, and any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing.

10. MORTGAGE TAX CREDIT

In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Real Property Law of the State of New York, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at the Closing, Purchaser obtaining a financing secured by the Unit will be required to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount.

11. CLOSING COSTS

In addition to those costs and adjustments described in Sections 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in "Unit Closing Costs and Adjustments" Section of the Plan. All such closing costs shall be paid by Purchaser at the Closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn on or issued by a United States Bank or trust company which is a member of the New York Clearing House Association. No personal check shall exceed $500.00.

Purchasers will be required to pay the New York City real property transfer tax and the New York State real property transfer tax to the Department of Finance of the City of New York.

The amount of the New York State real property transfer tax is excluded from the calculation of consideration for the transfer tax purposes.

Accordingly, the consideration for the transfer tax purposes is the purchase price of the Unit plus the New York City transfer tax calculated on the amount of the purchase price.

12. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Building or the Unit as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses.

At the time of conveyance of the Unit, each mortgagee will either:

(a) consent to the formation of the Condominium and acknowledge that its lien will be limited to the Unsold Units;
(b) subordinate the lien of its mortgage to the Declaration of the Condominium; or
(c) release its lien on the Unit being conveyed and its interest in the Common Elements.

The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgages are subordinated to the Declaration.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" hereunder:

(a) Purchaser's failure to pay the Balance of the Purchase Price, or any closing adjustment or closing costs required to be paid by Purchaser as set forth in the Plan or in this Agreement, or the dishonor of any check given by Purchaser to Sponsor; or
(b) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or
(c) if Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay occupancy fees or to otherwise comply with some other terms of interim lease; or

(d) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(e) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(f) if a judgment or tax lien is filed against Purchaser, and Purchaser does not pay or bond the judgment or lien; or

(g) Purchaser's assignment or transfer of this Agreement without the prior written consent of Sponsor; or

(h) Purchaser's listing the Unit for resale or rental with any broker or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental without Sponsor's prior written consent; or

(i) Purchaser’s refusal to execute and deliver the power of attorney to Sponsor; or

(j) an Event of Default by Purchaser beyond any applicable grace period under a Purchase Agreement between Purchaser and Sponsor for another Unit in the Building.

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Balance of the Purchase Price and to pay, perform or comply with Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to cancel this Agreement. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the written notice of cancellation to cure the specified default.

If the default is not cured within said thirty (30) days, **TIME BEING OF THE ESSENCE**, then this Agreement will be deemed cancelled, and Sponsor will have the right to retain the Deposit and actual costs incurred by Sponsor for any upgrades, extras, special or custom work in the Unit ordered by Purchaser, as and for liquidated damages. Upon the cancellation of this Agreement, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

Sponsor shall not seek the remedy of specific performance in connection with this Agreement.

13.3 Except in connection with the exercise of the Purchaser’s right to specific performance, Purchaser hereby waives any right or privilege to place a lis pendens upon the Unit and, accordingly, notwithstanding anything contained herein to the contrary, Purchaser shall be liable for all damages, including, without limitation, treble damages, relating to the Purchaser’s failure to comply with the terms of this Section 13.3. This Section 13.3 shall survive the termination of this Agreement.

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, the Advance and all other monies paid on account of the Purchase Price shall be returned to Purchaser within five (5) days of the acceptance of the abandonment amendment. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, this Agreement shall be deemed cancelled and the Deposit, the Advance and all other monies paid on account of the Purchase Price shall be returned to Purchaser within five (5) days of Sponsor's notification to Purchaser that it cannot convey title. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property, which are described in the Plan as being included in the Unit, are included in this sale. No portion of the Purchase Price shall be attributable to such items.

17. CONSTRUCTION OF THE BUILDING AND THE UNIT

17.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the plans and specifications, subject to the right of Sponsor to amend the Plan and the plans and specification in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a permanent certificate of occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the plans and specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in “Rights and Obligations of Sponsor” Section of the Plan.

17.2 The construction of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and plans and specifications as indicated in “Rights and Obligations of Sponsor” Section of the Plan and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The Closing shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Terms of Sale” Section of the Plan. As a result, if all such prerequisites are met, Purchaser shall be obligated to close and complete payment of the entire Balance of the Purchase Price, without credit or set-off and without provision for escrow, notwithstanding any construction items noted on Purchaser's Inspection Statement (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligation under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building or the Unit.

17.4 The actual date for the first closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in "Terms of Sale” Section of the Plan. Purchaser acknowledges that construction of the Building may be delayed by acts of God, inclement weather conditions, restrictions imposed by any governmental agency, labor strikes, material shortages, late delivery of material or equipment, unavailability of trades, and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the first closing. The order in which these Units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise provided in the Plan, Purchaser shall not be excused from paying the entire Balance of the Purchase Price, without credit or set-off and without provision for escrow, and shall have no claim against Sponsor for damages or losses, in the event that the first closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

18. INSPECTION OF THE UNIT

18.1 Upon receipt of the Initial Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the Unit within seven (7) days prior to the Closing. Purchaser or Purchaser's duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement in the form set forth as Schedule B to this Agreement and deliver same to Sponsor's representative at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within seven (7) days prior to the Closing or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the Balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit as is. However, nothing herein shall relieve Sponsor of its obligations as set forth in “Rights and Obligations of Sponsor” Section of the Plan.

18.2 Any work set forth on the Inspection Statement shall be completed by Sponsor in a reasonable period of time following the Closing and shall not be grounds for delaying the

Closing. Purchaser will be required to provide Sponsor with reasonable access to the Unit subsequent to the Closing in order to complete punch-list work. Sponsor has no obligation under the Plan to deposit any monies in escrow at the Closing as a result of any punch-list items.

19. DAMAGE TO THE UNIT

If between the date of this Agreement and the Closing the Unit is damaged by fire or other casualty, the following shall apply:

19.1 Risk of loss from fire or other casualty remains with Sponsor until legal title to the Unit has been conveyed to Purchaser, unless Purchaser, with the prior written consent of Sponsor, takes possession of the Unit before the closing pursuant to the Interim Lease. In such a case, Purchaser will assume risk of loss not covered by insurance.

Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be in its sole discretion and made within sixty (60) days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall complete the repair or restoration within ninety (90) days after the notice. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board of Managers of the Condominium and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing.

19.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within sixty (60) days of the damage to the Unit), or, if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and the Deposit, the Advance and all other monies paid on account of the Purchase Price, shall be returned to Purchaser within ten (10) days of Sponsor's notification to Purchaser that it does not elect to repair or restore the Unit or Unit Owners' notification that they do not intend to repair or restore the Unit pursuant to the By-Laws, whichever is sooner. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

20. NO REPRESENTATIONS

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated proportionate real estate taxes on the Unit,

the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented. Purchaser has relied solely on Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. 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.

Except as otherwise set forth in the Plan, Purchaser agrees that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error.

The provisions of this Section 20 shall survive the Closing.

21. PROHIBITION AGAINST ADVERTISING

Prior to the Closing, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to the Closing shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

22. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Section 22 shall survive the Closing.

23. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be withheld for any reason. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor and be deemed a default of Purchaser. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor.

Sponsor may not withhold permission for the assignment of the Purchase Agreement based upon race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

24. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been sent out to Purchaser or Purchaser's attorney.

Within thirty (30) days after delivery by Purchaser of an executed copy of this Agreement, together with the Deposit and the Advance, if any, Sponsor shall either:

(a) accept this Agreement and cause to be returned to Purchaser the fully executed counterpart thereof, or
(b) reject this Agreement offer and refund the Deposit and the Advance, if any, tendered.

If Sponsor takes no action within said thirty (30) day period, this Agreement shall be deemed null and void. Upon refund of the Deposit and the Advance, if any, to Purchaser, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor.

Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser.

Notwithstanding anything to the contrary, this Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status, or other grounds proscribed by law.

25. NOTICES

25.1 Any notice, election, demand, request, letter, consent or other communication to Purchaser, hereunder or under the Plan, shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed or via facsimile with a confirmation letter, to Purchaser's attorney at the address given at the beginning of this Agreement.

Any notice, election, demand, request, letter, consent or other communication to Sponsor, hereunder or under the Plan, shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other

reputable overnight courier, with receipt confirmed or via facsimile with a confirmation letter, to Sponsor's attorney at the address given at the beginning of this Agreement.

Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent.

Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected, or in the case of mailing, three (3) business days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

25.2 Any notice given by the other party's attorney shall be deemed to be notice from such party itself. Any notice given to the other party's attorney shall be deemed to be notice to such other party.

25.3 The parties hereunder authorize their attorneys to modify this Agreement on behalf of the parties and such modification shall be have the same force and effect as if given by the parties.

26. JOINT PURCHASERS

The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be joint and several.

27. FORCE MAJEURE

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

Purchaser's time to perform any obligation or undertaking provided for in this Agreement shall be tolled for the length of the period during which such performance was prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Purchaser. Sponsor cannot limit any rights which Purchaser may have pursuant to Article 23A of the General Business Law, NYCRR regulations, and the Plan, except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency or by executive order.

28. FURTHER ASSURANCES

Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

29. AGREEMENT CONTINGENT UPON FINANCING

(a) The obligation of Purchaser to purchase under this Agreement is conditioned upon issuance, on or before a date which is forty five (45) days after a fully executed copy of this Agreement is given to Purchaser or Purchaser's attorney in the manner set forth in Section 25 or 29(j), (hereinafter called the "Commitment Date"), of a written commitment through

Valley National Bank
350 Park Avenue
New York, NY 10022
Attn.: Dave DeBonis
Tel: (973) 207-6500
Fax: (973) 807-3466
Email: Ddebonis@valley.com

(hereinafter called the "Preferred Lender"), pursuant to which the Preferred Lender agrees to make a first mortgage loan, other than a VA, FHA or other governmentally insured loan, to Purchaser, at Purchaser's sole cost and expense, in the amount of $_____ for a term of at least thirty (30) years (or such lesser sum or shorter term as Purchaser shall be willing to accept) at the prevailing fixed or adjustable rate of interest and on other customary commitment terms, (hereinafter called the "Commitment"). To the extent a Commitment is conditioned on Preferred Lender's approval of an appraisal, the sale of Purchaser's current home, payment of any outstanding debt, no material adverse change in Purchaser's financial condition or any other customary conditions, Purchaser accepts the risk that such conditions may not be met.

Under New York law, when a mortgage commitment is not fulfilled through no fault of a purchaser, performance is excused. Sponsor may not condition purchaser's obligations upon obtaining a commitment. Therefore, if the Purchaser acts in good faith and the Intuitional Lender revokes the Commitment after the contingency period expires, performance is excused, and Sponsor must grant to the Purchaser a right of rescission and a reasonable period of time to exercise such right.

PURCHASER UNDERSTANDS THAT PURCHASER IS FREE TO SEEK FINANCING DIRECTLY FROM OTHER LENDERS, EITHER SOLELY OR PARALLEL WITH THE APPLICATION TO THE PREFERRED LENDER, BUT THE CONTINGENCY CONTAINED IN THIS SECTION 29 SHALL ONLY APPLY IF AN APPLICATION ON THE ABOVE-SPECIFIED TERMS IS MADE IN GOOD FAITH TO

THE PREFERRED LENDER AND IS DILIGENTLY PURSUED. THEREFORE, REFUSAL BY ANY LENDER TO MAKE A COMMITMENT TO PURCHASER WILL NOT ENTITLE PURCHASER TO CANCEL THIS AGREEMENT OR RECEIVE A REFUND OF THE DEPOSIT.

The Condominium complies with the Preferred Lender's requirements applicable to condominiums, including, without limitation, the amount of the reserve fund and the by-laws. The Preferred Lender requires that at least 15% of the Residential Units be sold and 51% of the Residential Units be owner-occupied before it will close a loan. As the closing of the Purchaser's loan is contingent upon the satisfaction of this condition, it is a special risk that even if a Purchaser obtains and satisfies all conditions of the financing commitment applicable to the Purchaser, the closing of the loan may be delayed or may not occur if the minimum sales and owner-occupancy requirements are not satisfied. If the Preferred Lender does not close a Purchaser's loan for this reason, Sponsor shall grant to such Purchaser a right of rescission and a reasonable period of time to exercise such right.

(b) Purchaser shall (i) make prompt application to the Preferred Lender, for such mortgage loan within five (5) days after the fully executed copy of this Agreement is given to Purchaser or Purchaser's attorney in the manner set forth in Section 25 or 29(j), (ii) furnish to the Preferred Lender accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (iii) pay all fees, points and charges required in connection with such application and loan, (iv) pursue such application with diligence, and (v) cooperate in good faith with the Preferred Lender. Purchaser shall accept a Commitment meeting the terms set forth in Section 29(a) and shall comply with all requirements of such Commitment (or any other commitment accepted by Purchaser). IF PURCHASER FAILS TO COMPLY WITH THESE OBLIGATIONS AND REQUIREMENTS, PURCHASER SHALL BE DEEMED TO HAVE WAIVED PURCHASER'S RIGHT TO CANCEL THIS AGREEMENT AND TO RECEIVE A REFUND OF THE DEPOSIT BY REASON OF THE CONTINGENCY CONTAINED IN THIS SECTION 29. Purchaser shall furnish Sponsor with a copy of the Commitment promptly after receipt thereof.

(c) If a Commitment was issued but it lapsed or expired prior to the Closing, Purchaser shall make a good faith effort to extend the Commitment and pay all required costs, fees and expenses to extend the Commitment up to the Closing. In no event whatsoever will Sponsor be liable for any costs, fees or expenses relating to the extension of the Commitment, even if the lapse or expiration of the Commitment resulted from a delay in the closing caused by Sponsor. If a Commitment was issued but its terms were not materially and adversely changed prior to the closing, Purchaser shall nevertheless be required to purchase a Unit.

Notwithstanding anything to the contrary stated anywhere in this Agreement, if a Commitment was issued but it lapsed or expired prior to the Closing, and Purchaser has made a good faith effort the extend the Commitment, but the Preferred Lender nevertheless refused or failed to extend the Commitment, Purchaser will have a right of rescission until the midnight of the fifteenth day following notice from the Preferred Lender of its failure or refusal to extend the Commitment. Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the

notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day.

Notwithstanding anything to the contrary stated anywhere in this Agreement, if Purchaser acts in good faith and the Preferred Lender revokes a Commitment after the Commitment Date, Purchaser will have a right of rescission until the midnight of the fifteenth day following notice from the Preferred Lender of its revocation of the Commitment. Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day. If Purchaser fails to give timely notice of cancellation, then Purchaser will be deemed to have waived Purchaser's right to cancel this Agreement and to receive a refund of the Deposit by reason of the contingency.

(d) If the Preferred Lender denies such application in writing prior to the Commitment Date, Purchaser will have a right of rescission until the midnight of the fifteenth day following the Commitment Date, provided that Purchaser has complied with all his obligations under this Section 29. Purchaser will have a right of rescission until the midnight of the fifteenth day following the Commitment Date, provided that Purchaser has complied with all his obligations under this Section 29. Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day.

(e) If no Commitment is issued by the Preferred Lender on or before the Commitment Date, then, unless Purchaser has accepted a written commitment from the Preferred Lender that does not conform to the terms set forth in Section 29(a), Purchaser will have a right of rescission until the midnight of the fifteenth day following the Commitment Date, provided that Purchaser has complied with all his obligations under this Section 29. Purchaser or Purchaser's attorney must either [i] personally deliver a written notice of rescission to Sponsor's attorney prior to the midnight of said fifteenth day, [ii] mail the notice of rescission by certified or registered mail, return receipt requested, to Sponsor's attorney, so that mailing is post-marked by post-office prior to the midnight of said fifteenth day, or [iii] send the notice of rescission to Sponsor's attorney by an email set forth in the Purchase Agreement, prior to the midnight of said fifteenth day.

(f) If this Agreement is canceled by Purchaser pursuant to Sections 29(c), (d) or (e), neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan, except that the Deposit shall be promptly refunded to Purchaser and except as set

forth in Section 22.

(g) If Purchaser fails to give timely notice of cancellation pursuant to Sections 29(c), (d) or (e) or if Purchaser accepts a written commitment from the Preferred Lender that does not conform to the terms set forth in Section 29(a), then Purchaser shall be deemed to have waived Purchaser's right to cancel this Agreement and to receive a refund of the Deposit by reason of the contingency contained in this Section 29.

(h) If Sponsor has not received a copy of a Commitment from the Preferred Lender accepted by Purchaser by the Commitment Date, Sponsor may cancel this Agreement by giving notice to Purchaser within five (5) business days after the Commitment Date, which cancellation shall become effective unless Purchaser delivers a copy of such Commitment to Sponsor within five (5) business days after the Commitment Date. After such cancellation, neither party shall have any further rights against, or obligations or liabilities to, the other by reason of this Agreement, except that the Deposit shall be promptly refunded to Purchaser (provided Purchaser has complied with all of his obligations under this Section 29) and except as set forth in Section 22.

(i) The attorneys for the parties are hereby authorized to give and receive on behalf of their clients all notices and deliveries under this Section 29.

(j) For purposes of Sections 29(a) and (b), Purchaser shall be deemed to have been given a fully executed copy of this Agreement, when personal delivery or delivery by overnight courier is effected, or in the case of ordinary or regular mailing, three (3) business days after the date of mailing.

30. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Sponsor’s rights or Purchaser's obligations hereunder if Sponsor prevails in any such dispute.

31. SEVERABILITY

If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

32. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and

each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

33. GOVERNING LAW

The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

34. WAIVER OF JURY TRIAL

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

35. HOUSING MERCHANT IMPLIED WARRANTY.

The Housing Merchant Implied Warranty (Article 36-B of the General Business Law of the State of New York), does not apply to this offering because the Building consists of more than five (5) stories. Thus, Sponsor will not provide the warranty required by that Article.

NO DISCLAIMER OR LIMITATION OF LIABILITY ON SPONSOR'S PART SHALL APPLY TO SPONSOR'S OBLIGATIONS UNDER ALL APPLICABLE STATUTES, LAWS AND REGULATIONS AND SPONSOR'S OBLIGATIONS UNDER THE PLAN.

The Sponsor's obligation, regardless of any limitations in the warranty, is to construct the Building and the Unit in accordance with all applicable laws, codes, plans and specifications, and in accordance with all representations and obligations set forth in the Plan.

36. SMOKING POLICY OF THE CONDOMINIUM.

[A] Inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designed for people to use to inhale smoke, and [B] use of battery-operated devices that heat a liquid, gel, herb or other substance and produces vapor for people to inhale are not permitted:

[i] inside of the Units;
[ii] anywhere in the Limited Common Elements of the Units;
[iii] anywhere inside of the Building;
[iv] outdoor Common Elements, including play areas, rooftops, courtyards, patios, porches or yards; and

[v] outdoors within 15 feet of entrances, exits, windows, and air intake units in the Building.

37. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

In the event of any inconsistency or conflict between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding.

38. CERTAIN REFERENCES

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

39. CAPTIONS

The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

40. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall be binding on Sponsor, Escrow Agent and their respective successors and assigns, and upon Purchaser and Purchaser's permitted successors and assigns.

41. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by the parties hereto or by an amendment to the Plan.

42. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

43. COUNTERPARTS

This Agreement may be executed in any number of counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement. A PDF, facsimile or electronic signature shall be deemed an original.

IN WITNESS WHEREOF, the parties have duly executed this Agreement the day and year first above written.

Purchaser(s):

_____

_____

Sponsor
126 East 86 Street Development LLC

_____
By:

Escrow Agent
TSYNGAUZ & ASSOCIATES, P.C.

_____
By: Yevgeny Tsyngauz/Mikhail Litt

Exhibit A - Permitted Exceptions

(a) Zoning laws and regulations and landmark, historic or wetlands designations which are not violated by the Unit and which are not violated by the Common Elements to the extent that access to or use of the Unit would be materially and adversely affected.

(b) Consents for the erection of any structure or structures on, under or above any street or streets on which the Building may abut.

(c) The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations set forth in the Declaration, By-Laws and rules and regulations of the Condominium, the Power of Attorney to the Board of Managers of the Condominium and the Floor Plans of the Condominium, all as may be amended from time to time.

(d) Rights of utility companies to lay, maintain, install and repair pipes, lines, poles, conduits, cable boxes and related equipment on, over and under the Building and Common Elements, provided that none of such rights imposes any monetary obligation on the owner of the Unit or materially interferes with the use of or access to the Unit.

(e) Encroachments of stoops, areas, cellar steps, trim, cornices, lintels, window sills, awnings, canopies, ledges, fences, hedges, copings and retaining walls projecting from the Building over any street or highway or over any adjoining property and encroachments of similar elements projecting from adjoining property over the Common Elements.

(f) Any state of facts which an accurate survey or personal inspection of the Building, Common Elements or Unit would disclose, provided that such facts do not render title unmarketable.

(g) The lien of any unpaid common charge, real estate tax, water charge, sewer rent or vault charge, provided the same are paid or apportioned at the Closing.

(h) The lien of any unpaid assessments to the extent of installments thereof payable after the closing.

(i) Liens, encumbrances and title conditions affecting the Common Elements, which do not materially and adversely affect the rights of the Unit Owner to use and enjoy the Common Elements.

(j) Notes or notices of violations of law or governmental orders, ordinances or requirements affecting the Building or the Common Elements (other than the Unit), which the other Unit Owner or the Board of Managers of the Condominium are obligated to correct.

(k) Standard exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring the Owner’s title to the Unit.

(l) Lot Line Window Restrictive Declaration as recorded in 2021000343469.

(m) Zoning Lot Certificate as recorded in CRFN 2020000354144.

(n) Zoning Lot Description as recorded in CRFN 2020000351734.

(o) Light and Air Easement Agreement as recorded in CRFN 2020000348194.

(p) Zoning Lot and Development Agreement as recorded in CRFN 2020000348193.

(q) Waiver of Declaration of Zoning Lot Restrictions as recorded in CRFN 2020000348192.

(r) Declaration of Zoning Lot Restrictions as recorded in CRFN 2020000348191.

(s) Zoning Lot Certificate as recorded in CRFN 2020000348190.

Exhibit B – Inspection Statement

Date: _____

126 East 86 Street Development LLC
227 Sea Breeze Avenue, 4th fl., Suite C-403
Brooklyn, NY 11224

Re: Residential Unit No. _____, (hereinafter called the "Unit") in
Arloparc Condominium
124 East 86th Street & 126 East 86th Street, New York, NY 10028

Ladies and Gentlemen:

1. On the date hereof, the undersigned, _____, Purchasers of the Unit, (hereinafter collectively called "Purchaser"), inspected the Unit and have found the Unit to be in good condition, except as otherwise noted below:

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

2. Purchaser acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs, plumbing fixtures, electrical trims and mechanical chimes will be installed just prior to the date Purchaser moves into the Unit. Purchaser agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

3. In the event Purchaser performs work in the Unit of any kind affecting any of the areas or items listed above after the closing, Sponsor will be relieved of any and all obligations related to the items listed herein.

_____
Purchaser

_____
Purchaser

FORM OF INTERIM LEASE

ARLOPARC CONDOMINIUM
124 East 86th Street & 126 East 86th Street
New York, NY 10028

THIS PRE-CLOSING POSSESSION AGREEMENT, (hereinafter called this "Possession Agreement"), made as of the _____ day of _____, 20__, between Sponsor and Purchaser, as defined below.

Unit No.: _____
Common Interest: _____%

Sponsor: 126 East 86 Street Development LLC
227 Sea Breeze Avenue, 4th fl., Suite C-403
Brooklyn, NY 11224

Purchaser: _____
_____
_____

Date of
Purchase Agreement: _____

Purchaser desires to have possession of the Unit prior to the Closing, and the parties have agreed to same upon the following terms and conditions:

1. POSSESSION. Purchaser shall be entitled to possession as of _____.

2. CONDITION OF PREMISES. Purchaser accepts in all respect the Unit in the condition that now exists and will promptly close the purchase of the Unit as provided in the above-mentioned Purchase Agreement.

3. RISK OF LOSS. Once Purchaser takes possession of the Unit, Purchaser shall assume risk of loss from fire or other casualty not covered by insurance.

4. OCCUPANCY FEES. Purchaser shall pay Sponsor the sum of $_____ per month in advance commencing on the above possession date, through and including the date of the Closing. Any excess prepaid sums shall be refunded at the Closing or upon Purchaser vacating the Unit as provided herein.

5. UTILITIES. Purchaser shall be responsible for all utilities as of the date of possession until the Closing or return of possession to Sponsor.

6. INSURANCE. Purchaser shall obtain liability insurance coverage and fire insurance to protect Purchaser's personal belongings as of the date of possession.

7. <u>ALTERATION OF UNIT.</u> If Purchaser vacates the Unit without completing the purchase of same, Purchaser shall return the Unit in substantially the same condition in which it was delivered to Purchaser by Sponsor. Purchaser shall be liable for any damages or repairs, ordinary wear and tear excepted, caused by Purchaser during this occupancy of the Unit. Purchaser shall not make any repairs, additions, alterations or improvements without the express written consent of Sponsor, which under no circumstances shall result in any cost or charge to Sponsor even if the above-mentioned Purchase Agreement is terminated.

8. <u>PERSONAL USE.</u> Purchaser shall not rent or allow use of the Unit except as a residence for the immediate family of Purchaser.

9. <u>DEFAULT.</u> If at any time Purchaser defaults under the above-mentioned Purchase Agreement or this Interim Lease and fails to cure said default within thirty (30) days after receipt of written notice to cure, Sponsor may give written notice to vacate the Unit within (30) days after receipt of written notice of termination of this Interim Lease. Upon receipt of said termination notice, Purchaser shall vacate the Unit within thirty (30) days after receipt of said termination notice and return possession of the Unit, free of any occupants, to Sponsor. Sponsor will continue to retain all of its other rights under the above-mentioned Purchase Agreement and this Interim Lease.

An uncured default under the Purchase Agreement will be a default under the Interim Lease. An uncured default under this Interim Lease will be a default under the Purchase Agreement. Before Sponsor may utilize the default under this Interim Lease to declare a default under the Purchase Agreement, 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.

10. <u>RETURN OF POSSESSION.</u> If the above-mentioned Purchase Agreement is no longer in effect for any reason, Purchaser shall, within thirty (30) days thereafter, vacate the Unit and return possession of the Unit, free of any occupants, to Sponsor.

For all the purposes of this Interim Lease, even though Purchaser may vacate the Unit, Purchaser shall be deemed to remain in possession until (1) Purchaser delivers the Unit in substantially the same condition as now exists, (2) delivers all keys to Sponsor and (3) removes all property of Purchaser from the Unit.

11. <u>PENALTIES.</u>

(a) if Purchaser fails to vacate the Unit and return possession to Sponsor in accordance with this Interim Lease, then Purchaser shall become immediately obligated to pay Sponsor the sum of $500.00 per day of liquidated damages for each day, or part of each day, that Purchaser continues in possession thereafter.

(b) If legal action becomes necessary for Sponsor to retake possession or recover damages because of Purchaser's breach, Sponsor shall also be entitled to recover reasonable legal fees and disbursements, if Sponsor prevails in a dispute or successfully defends itself.

(c) If Purchaser defaults under the above-mentioned Purchase Agreement or this Interim Lease, Seller shall have the right to retain the Deposit under the above-mentioned Purchase Agreement and actual costs incurred by Sponsor for any upgrades, extras, special or custom work in the Unit ordered by Purchaser, as and for liquidated damages.

12. NO LANDLORD-TENANT RELATIONSHIP. This Interim Lease is intended only to give Purchaser the right of possession pending the Closing, and is not intended to establish a Landlord-Tenant relationship.

13. NOTICES. Section 25 of the above-mentioned Purchase Agreement is incorporated herein in its entirety.

14. INCORPORATION. This Interim Lease is in all respects subject to the Purchase Agreement and the Plan. Capitized terms used but not defined in this Interim Lease shall have the meanings given to them in the Purchase Agreement and Plan.

15. SMOKING POLICY OF THE CONDOMINIUM. [A] Inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designed for people to use to inhale smoke, and [B] use of battery-operated devices that heat a liquid, gel, herb or other substance and produces vapor for people to inhale are not permitted:

[i] inside of the Units;
[ii] anywhere in the Limited Common Elements of the Units;
[iii] anywhere inside of the Building;
[iv] outdoor Common Elements, including play areas, rooftops, courtyards, patios, porches or yards; and
[v] outdoors within 15 feet of entrances, exits, windows, and air intake units in the Building.

IN WITNESS WHEREOF, the parties have duly executed this Interim Lease the day and year first above written.

Purchaser(s):

_____

_____

Sponsor
126 East 86 Street Development LLC

_____
By:

FORM OF POWER OF ATTORNEY

The undersigned, _____, the owner of the Condominium Unit _____, (hereinafter called the "Unit"), in the condominium known as Arloparc Condominium, having an address at 124 East 86th Street & 126 East 86th Street, New York, NY 10028, (hereinafter called the "Building"), said Unit being known as and by the street number 124 East 86th Street & 126 East 86th Street, Unit No. _____, New York, NY 10028, and designated as Unit No. _____, in that certain declaration dated the _____ day of _____, 20__, made by 126 East 86 Street Development LLC, (hereafter called "Sponsor"), under Article 9-B of the Real Property Law of the State of New York, (hereinafter called the "Condominium Act"), establishing the plan for the condominium ownership of the Building and the land upon which the Building is situated, (hereinafter called the "Land), (the Building and the Land are collectively hereinafter called the "Property"), recorded in the Office of the Register of the City of New York on the _____ day of _____, 20__ in CRFN _____, (hereinafter called the "Declaration"), and also designated as Tax Lot No. _____ in Block 1514 on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of the Building, certified by Igor Zaslavskiy, R.A., on the _____ day of _____, 20__, and filed simultaneously with the Declaration in the Office of the Register of the City of New York in CRFN _____ as Map No. _____, (hereinafter called the "Floor Plans"), do hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of Arloparc Condominium, jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to acquire, in their own name, as members of the Board of Managers, or in the name of its designee, corporate or otherwise on behalf of all Owners of Units in the Property, in accordance with their Common Interests, any Unit whose Owner desires 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, corporate or otherwise on behalf of all Unit Owners, or in the proceeds of the sale or lease thereof, if any, and the rights and privileges appurtenant thereto, the interest of such Unit Owner in all other assets of the Condominium as defined in the 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 shall, in their sole discretion, deem proper, and thereafter to convey, sell, lease, sublease, mortgage or otherwise deal with any such Units so acquired by them (but not to vote the votes appurtenant thereto), 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.

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

The undersigned do further hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of Arloparc Condominium, jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, the By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect

any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or Sponsor-designee in accordance with Article 16 of the Declaration or (2) shall be required by (a) an institutional lender to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The acts of a majority of such persons shall constitute the acts of said attorneys-in-fact. The terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph shall remain in full force and effect until such time as Sponsor or Sponsor-designee shall cease to own any Units in the Condominium.

This Power of Attorney shall be irrevocable.

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

_____
Purchaser

_____
Purchaser

STATE OF NEW YORK)
) ss:
COUNTY OF)

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, and that by his/her/their signature(s) on the instrument, the individual(s) or the person(s) upon behalf of which individual(s) acted, executed the instrument.

_____
Notary Public

FORM OF RESIDENTIAL UNIT DEED

THIS INDENTURE made the _____ day of _____, 20__, between 126 East 86 Street Development LLC, having an address at 227 Sea Breeze Avenue, 4th fl., Suite C-403, Brooklyn, NY 11224, (hereinafter called the "Grantor"), and _____, having an address at _____, (hereinafter called the "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 Condominium Unit _____, (hereinafter called the "Unit"), in the condominium known as Arloparc Condominium, having an address at 124 East 86th Street & 126 East 86th Street, New York, NY 10028, (hereinafter called the "Building"), said Unit being known as and by the street number 124 East 86th Street & 126 East 86th Street, Unit No. _____, New York, NY 10028, and designated as Unit No. _____, in that certain declaration dated the _____ day of _____, 20__, made by the Grantor under Article 9-B of the Real Property Law of the State of New York, (hereinafter called the "Condominium Act"), establishing the plan for the condominium ownership of the Building and the land upon which the Building is situated, which land is described in Schedule A annexed hereto and made a part hereof, (hereinafter called the Land), (the Building and the Land are collectively hereinafter called the "Property"), recorded in the Office of the Register of the City of New York on the _____ day of _____, 20__ in CRFN _____, (hereinafter called the "Declaration"), and also designated as Tax Lot No. _____ in Block 1514 on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of the Building, certified by Igor Zaslavskiy, R.A., on the _____ day of _____, 20__, and filed simultaneously with the Declaration in the Office of the Register of the City of New York in CRFN _____ as Map No. _____, (hereinafter called the "Floor Plans").

TOGETHER with an undivided _____% interest in the Common Elements of the Property described in the 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 Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building, 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 Building 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 Unit;

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 and for the maintenance of all encroachments of such adjoining Units or Common Elements on the Unit, now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building 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 Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

SUBJECT ALSO TO an easement in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utility lines and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;

SUBJECT ALSO TO the transferable development rights which the Grantor has retained for itself, its successors and assignees;

SUBJECT ALSO TO the permitted exceptions set forth in Exhibit A annexed hereto and made a part hereof;

TOGETHER with and **SUBJECT TO** covenants, easements, rights of way, consents, restrictions and encumbrances created by the Declaration;

SUBJECT TO the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Office of the 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 at any time any interest or estate in the Unit, as though such provisions were recited and stipulated at length herein;

EXCEPT as otherwise specifically permitted by the Board of Managers of the Condominium or provided in the Declaration or in the By-Laws, the Unit is intended for residential use only;

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.

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 Article 17 of the Declaration shall control.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, 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.

This conveyance is made in the regular course of business actually conducted by the Grantor herein.

The term “Grantee” shall be read as “Grantees” whenever the sense of this deed so requires.

IN WITNESS WHEREOF, the Grantor and Grantee have duly executed this deed the day and year first above written.

126 East 86 Street Development LLC

_____

By:

_____

Grantee

_____

Grantee

STATE OF NEW YORK)
) ss:
COUNTY OF)

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 whose name is subscribed to the within instrument and acknowledged to me that he executed same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss:
COUNTY OF)

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, and that by his/her/their signature(s) on the instrument, the individual(s) or the person(s) upon behalf of which individual(s) acted, executed the instrument.

_____
Notary Public

Exhibit A - Permitted Exceptions

(a) Zoning laws and regulations and landmark, historic or wetlands designations which are not violated by the Unit and which are not violated by the Common Elements to the extent that access to or use of the Unit would be materially and adversely affected.

(b) Consents for the erection of any structure or structures on, under or above any street or streets on which the Building may abut.

(c) The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations set forth in the Declaration, By-Laws and rules and regulations of the Condominium, the Power of Attorney to the Board of Managers of the Condominium and the Floor Plans of the Condominium, all as may be amended from time to time.

(d) Rights of utility companies to lay, maintain, install and repair pipes, lines, poles, conduits, cable boxes and related equipment on, over and under the Building and Common Elements, provided that none of such rights imposes any monetary obligation on the owner of the Unit or materially interferes with the use of or access to the Unit.

(e) Encroachments of stoops, areas, cellar steps, trim, cornices, lintels, window sills, awnings, canopies, ledges, fences, hedges, copings and retaining walls projecting from the Building over any street or highway or over any adjoining property and encroachments of similar elements projecting from adjoining property over the Common Elements.

(f) Any state of facts which an accurate survey or personal inspection of the Building, Common Elements or Unit would disclose, provided that such facts do not render title unmarketable.

(g) The lien of any unpaid common charge, real estate tax, water charge, sewer rent or vault charge, provided the same are paid or apportioned at the Closing.

(h) The lien of any unpaid assessments to the extent of installments thereof payable after the closing.

(i) Liens, encumbrances and title conditions affecting the Common Elements, which do not materially and adversely affect the rights of the Unit Owner to use and enjoy the Common Elements.

(j) Notes or notices of violations of law or governmental orders, ordinances or requirements affecting the Building or the Common Elements (other than the Unit), which the other Unit Owner or the Board of Managers of the Condominium are obligated to correct.

(k) Standard exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring the Owner’s title to the Unit.

(l) Lot Line Window Restrictive Declaration as recorded in 2021000343469.

(m) Zoning Lot Certificate as recorded in CRFN 2020000354144.

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(o) Light and Air Easement Agreement as recorded in CRFN 2020000348194.

(p) Zoning Lot and Development Agreement as recorded in CRFN 2020000348193.

(q) Waiver of Declaration of Zoning Lot Restrictions as recorded in CRFN 2020000348192.

(r) Declaration of Zoning Lot Restrictions as recorded in CRFN 2020000348191.

(s) Zoning Lot Certificate as recorded in CRFN 2020000348190.

FORM OF COMMERCIAL UNIT DEED

THIS INDENTURE made the _____ day of _____, 20__, between 126 East 86 Street Development LLC, having an address at 227 Sea Breeze Avenue, 4th fl., Suite C-403, Brooklyn, NY 11224, (hereinafter called the "Grantor"), and _____, having an address at _____, (hereinafter called the "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 Condominium Unit _____, (hereinafter called the "Unit"), in the condominium known as Arloparc Condominium, having an address at 124 East 86th Street & 126 East 86th Street, New York, NY 10028, (hereinafter called the "Building"), said Unit being known as and by the street number 124 East 86th Street & 126 East 86th Street, Unit No. _____, New York, NY 10028, and designated as Unit No. _____, in that certain declaration dated the _____ day of _____, 20__, made by the Grantor under Article 9-B of the Real Property Law of the State of New York, (hereinafter called the "Condominium Act"), establishing the plan for the condominium ownership of the Building and the land upon which the Building is situated, which land is described in Schedule A annexed hereto and made a part hereof, (hereinafter called the Land), (the Building and the Land are collectively hereinafter called the "Property"), recorded in the Office of the Register of the City of New York on the _____ day of _____, 20__ in CRFN _____, (hereinafter called the "Declaration"), and also designated as Tax Lot No. _____ in Block 1514 on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of the Building, certified by Igor Zaslavskiy, R.A., on the _____ day of _____, 20__, and filed simultaneously with the Declaration in the Office of the Register of the City of New York in CRFN _____ as Map No. _____, (hereinafter called the "Floor Plans").

TOGETHER with an undivided _____% interest in the Common Elements of the Property described in the 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 Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building, 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 Building 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 Unit;

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 and for the maintenance of all encroachments of such adjoining Units or Common Elements on the Unit, now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building 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 Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

SUBJECT ALSO TO an easement in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utility lines and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;

SUBJECT ALSO TO the transferable development rights which the Grantor has retained for itself, its successors and assignees;

SUBJECT ALSO TO the permitted exceptions set forth in Exhibit A annexed hereto and made a part hereof;

TOGETHER with and **SUBJECT TO** covenants, easements, rights of way, consents, restrictions and encumbrances created by the Declaration;

SUBJECT TO the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Office of the 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 at any time any interest or estate in the Unit, as though such provisions were recited and stipulated at length herein;

EXCEPT as otherwise specifically permitted by the Board of Managers of the Condominium or provided in the Declaration or in the By-Laws, the Unit is intended for any legal use permitted by the certificate of occupancy of the Building, the Zoning Resolution of the City of New York or other applicable laws, including without limitation, as a bank, antique store, commercial art gallery, artists' supply store, automobile store, bicycle shop, book store, candy

and ice cream shop. The Commercial Unit shall not be used for: (1) conduct or maintenance of any gambling or gaming activities; (2) homeless shelter; (3) any fire, auction, going-out-of-business or bankruptcy sales, (4) massage parlor, (5) any obscene performances in violation of Article 235 of the Penal Law of the State of New York or any obscene or pornographic purposes or activities including, without limitation, the sale, or distribution of any obscene or pornographic material. The terms "obscene", "material" and "performances" shall be defined for purposes of this covenant as they are defined in Section 235.00 of the Penal Law of the State of New York.

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.

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 Article 17 of the Declaration shall control.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, 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.

This conveyance is made in the regular course of business actually conducted by the Grantor herein.

The term "Grantee" shall be read as "Grantees" whenever the sense of this deed so requires.

IN WITNESS WHEREOF, the Grantor and Grantee have duly executed this deed the day and year first above written.

126 East 86 Street Development LLC

_____

By:

_____

Grantee

_____

Grantee

STATE OF NEW YORK)
) ss:
COUNTY OF)

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 whose name is subscribed to the within instrument and acknowledged to me that he executed same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss:
COUNTY OF)

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, and that by his/her/their signature(s) on the instrument, the individual(s) or the person(s) upon behalf of which individual(s) acted, executed the instrument.

_____
Notary Public

Exhibit A - Permitted Exceptions

(a) Zoning laws and regulations and landmark, historic or wetlands designations which are not violated by the Unit and which are not violated by the Common Elements to the extent that access to or use of the Unit would be materially and adversely affected.

(b) Consents for the erection of any structure or structures on, under or above any street or streets on which the Building may abut.

(c) The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations set forth in the Declaration, By-Laws and rules and regulations of the Condominium, the Power of Attorney to the Board of Managers of the Condominium and the Floor Plans of the Condominium, all as may be amended from time to time.

(d) Rights of utility companies to lay, maintain, install and repair pipes, lines, poles, conduits, cable boxes and related equipment on, over and under the Building and Common Elements, provided that none of such rights imposes any monetary obligation on the owner of the Unit or materially interferes with the use of or access to the Unit.

(e) Encroachments of stoops, areas, cellar steps, trim, cornices, lintels, window sills, awnings, canopies, ledges, fences, hedges, copings and retaining walls projecting from the Building over any street or highway or over any adjoining property and encroachments of similar elements projecting from adjoining property over the Common Elements.

(f) Any state of facts which an accurate survey or personal inspection of the Building, Common Elements or Unit would disclose, provided that such facts do not render title unmarketable.

(g) The lien of any unpaid common charge, real estate tax, water charge, sewer rent or vault charge, provided the same are paid or apportioned at the Closing.

(h) The lien of any unpaid assessments to the extent of installments thereof payable after the closing.

(i) Liens, encumbrances and title conditions affecting the Common Elements, which do not materially and adversely affect the rights of the Unit Owner to use and enjoy the Common Elements.

(j) Notes or notices of violations of law or governmental orders, ordinances or requirements affecting the Building or the Common Elements (other than the Unit), which the other Unit Owner or the Board of Managers of the Condominium are obligated to correct.

(k) Standard exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring the Owner’s title to the Unit.

(l) Lot Line Window Restrictive Declaration as recorded in 2021000343469.

(m) Zoning Lot Certificate as recorded in CRFN 2020000354144.

(n) Zoning Lot Description as recorded in CRFN 2020000351734.

(o) Light and Air Easement Agreement as recorded in CRFN 2020000348194.

(p) Zoning Lot and Development Agreement as recorded in CRFN 2020000348193.

(q) Waiver of Declaration of Zoning Lot Restrictions as recorded in CRFN 2020000348192.

(r) Declaration of Zoning Lot Restrictions as recorded in CRFN 2020000348191.

(s) Zoning Lot Certificate as recorded in CRFN 2020000348190.

DECLARATION

Establishing the Plan for the Condominium Ownership, Pursuant to Article 9-B of the Real Property Law of the State of New York, of

ARLOPARC CONDOMINIUM

124 East 86th Street & 126 East 86th Street
New York, NY 10028

Declarant:

126 East 86 Street Development LLC
227 Sea Breeze Avenue, 4th fl., Suite C-403
Brooklyn, NY 11224

Date of Declaration: _____

Record & return to:

Yevgeny Tsyngauz, Esq.
TSYNGAUZ & ASSOCIATES, P.C.
225 Broadway, Suite 2640
New York, NY 10007

The land affected by the within instrument lies

In Block 1514, f/k/a Lot 59
n/k/a Lots: _____

DECLARATION
Establishing the Plan for the Condominium Ownership, Pursuant to Article 9-B of the Real Property Law of the State of New York, of ARLOPARC CONDOMINIUM

126 East 86 Street Development LLC, having an address at 227 Sea Breeze Avenue, 4th fl., Suite C-403, Brooklyn, NY 11224, (hereinafter called "Sponsor") does hereby declare:

1. SUBMISSION OF PROPERTY. Sponsor hereby submits the land, described on Schedule A annexed hereto and made a part hereof, (hereinafter called the "Land"), together with the building and improvements thereon erected, (hereinafter called the "Building"), (the Building and the Land are collectively hereinafter called the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York, (hereinafter called the "Condominium Act").

Sponsor owns the Property in fee simple absolute.

2. NAME OF CONDOMINIUM. This condominium shall be known as "Arloparc Condominium", (hereinafter called the "Condominium").

The Board of Managers of the Condominium is hereinafter called the Board of Managers.

3. AREA OF LAND. The Land has an area of approximately 5,128.84 square feet square feet.

4. DESCRIPTION OF BUILDING. The Building consists of the cellar, lobby, the 2nd through 19th floors, penthouse lower and upper floors, roof, bulkhead and elevator bulkhead. There are twenty eight (28) residential units, i.e. Units 2A, 3A, 4A, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 13A, 13B, 14A, 14B, 15A, 15B, 16A, 17A, 18A, 19A, and PH (hereinafter called the "Residential Units" or "Residential Unit"), and one (1) commercial unit, i.e. Unit C1 (hereinafter called the "Commercial Unit"), and, in the Building. The Residential Units and Commercial Unit are collectively hereinafter called the "Units", or the "Unit", where applicable.

5. UNITS. (a) 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; location; permitted usage; percentage of interest in the Common Elements; number of bedrooms and bathrooms; approximate area of appurtenant Limited Common Elements and approximate area of the Unit.

(b) The location of each Unit 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. As shown on the floor plans of the Building, (hereinafter called the "Floor Plans"), certified by Igor Zaslavskiy, R.A., and intended to be filed in the Office of the Register of the City of New York simultaneously with the recording of this Declaration, the horizontal physical dimensions of each Unit consist of the floor area enclosed by the outside face of the masonry

work at the exterior walls of the Building and the non-unit side of the walls and partitions (dividing the Units from corridors, stairs and mechanical space). The vertical physical dimensions of each Unit will consist of the area enclosed vertically from the centerline of the floor slab to the centerline of the ceiling slab. The area adjacent to each Residential Unit which comprises the egress corridor, private elevator lobby, and trash chute on each floor containing a Residential Unit, as more particularly identified on the Floor Plans, is a Residential Common Element, but is included in the square foot area of the Residential Unit to which such space is adjacent, and has been measured to the centerline of the partitions defining such space.

The Limited Common Elements are not included in the dimensions.

Any Common Elements located within a Unit will not be considered a part of such Unit.

(c) The Commercial Unit may be subdivided into two (2) or more Commercial Units without the approval of the Board of Managers and without paying any cost or charge to the Board of Managers provided, however, that all such subdivision must comply with all applicable codes, rules and regulations.

(d) If the Commercial Unit is subdivided, (i) a dividing wall or walls will be deemed Limited Common Elements for the exclusive use of the Commercial Unit Owners whose Commercial Units are separated by such walls and will be maintained, repaired or replaced by the Owners of the subdivided Units at their sole expense and as their joint and several obligation and (ii) all pipes, wires, ducts, cables, conduits, public utility lines and mechanical equipment (except equipment installed by the Owner of the subdivided Commercial Unit or tenant of such Owner) used in common by two or more Commercial Unit Owners will maintained, repaired and replaced by the Owners of the subdivided Commercial Units at their sole expense and as their joint and several obligation.

(e) In no case may the subdivision of a Commercial Unit result in a greater percentage of Common Interest for the total of the new Commercial Units created by such subdivision than existed for the original Commercial Unit before the subdivision.

6. COMMON ELEMENTS AND LIMITED COMMON ELEMENTS.

A. The Common Elements mean and include all portions of the Property, other than the Units and Limited Common Elements. The Common Elements are divided into General Common Elements, Residential Common Elements, and Commercial Common Elements.

General Common Elements mean and refer to those common elements shared by all Unit Owners, and include, without limitation, the following, as shown on the Floor Plans:

(a) The Land on which the Building is located;
(b) The foundations, columns, girders, beams, supports, chutes, bearing walls, those portions of the exterior walls and insulation beyond the interior exposed face of the exterior wall, those portions of the walls and partitions dividing the Units from corridors, lobbies, stairs, and other mechanical

spaces located beyond the unexposed face of the dry walls enclosing the Units, or, where applicable, the subfloor and framing joists including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roof bulkhead; skylights (other than those located in the Unit), if any; roofs, halls, vestibules, corridors, lobbies, stairways, fire escapes, and entrances and exits of the Building;

(c) The basements, cellars, gardens, utility rooms, mechanical rooms, trash compactor rooms, pump rooms, meter rooms, sprinkler rooms, boiler rooms, hot water heater rooms, mail rooms, package rooms, recreation and storage areas outside the Units;

(d) The premises for the lodging or use of janitors and other persons employed for the operation of the Property;

(e) The central and appurtenant installations for services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning;

(f) The garbage compactors, elevators, escalators, tanks, pumps, motors, fans compressors, water storage tanks, vents, trash chutes, detention tanks, ducts and in general all apparatus and installations existing for common use;

(g) The sewer pipes and drainage pipes;

(h) The bicycle storage room;

(i) The water meter and electrical meters;

(j) The condensing units, cooling towers, boiler plants; and

(k) The spa and sauna;

(l) The gym;

(m) The lounge;

(n) The music room;

(o) The stroller parking;

(p) The dog spa;

(q) All other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use.

Commercial Common Elements mean and refer to those common elements restricted for the exclusive use of all Commercial Unit Owners, as shown on the Floor Plans as "Commercial Common Elements".

Residential Common Elements mean and refer to those common elements restricted for the exclusive use of all Residential Unit Owners, shown on the Floor Plans as "Residential Common Elements".

B. The Limited Common Elements mean and refer to those parts of the Building which are restricted for the exclusive use of individual Residential Units, and include the storage spaces, balconies and terraces appurtenant to the Residential Units in the Building as shown on Schedule B annexed hereto and made a part hereof, and on the Floor Plans.

7. <u>USE OF THE BUILDING, THE UNITS, THE COMMON ELEMENTS AND THE LIMITED COMMON ELEMENTS</u>. The Building shall be used solely for the purposes for which the Units may be used.

Each Residential Unit may be used as a residence only.

The Commercial Unit may be used for any legal use permitted by the certificate of occupancy of the Building, the Zoning Resolution of the City of New York or other applicable laws, such as such as a bank, antique store, commercial art gallery, artists' supply store, automobile store, bicycle shop, book store, candy and ice cream shop. The Commercial Unit shall not be used for: (1) conduct or maintenance of any gambling or gaming activities; (2) homeless shelter; (3) any fire, auction, going-out-of-business or bankruptcy sales, (4) massage parlor, (5) any obscene performances in violation of Article 235 of the Penal Law of the State of New York or any obscene or pornographic purposes or activities including, without limitation, the sale, or distribution of any obscene or pornographic material. The terms “obscene”, “material” and “performances” shall be defined for purposes of this covenant as they are defined in Section 235.00 of the Penal Law of the State of New York.

Notwithstanding the foregoing, Sponsor or Sponsor-designee shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages:

(a) to maintain general, sales or leasing offices in one or more 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;
(b) to have its employees, contractors and sales agents present on the Property;
(c) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction of the Building or Units and to comply with its obligations.

The Common Elements and the Limited Common Elements may only be used for the furnishing of the services and facilities for which they are reasonably suited and which are incidental to the use and occupancy of Units. However, the Common Elements and the Limited Common Elements may not be used as a dwelling space, and for kindling, building, maintaining or using an open fire, including, without limitation, charcoal, piped natural gas or LPG fired barbeques. The use of roof terraces as contemplated in the Plan will comply with the requirements set forth in the New York City Department of Building's Buildings Bulletin 2018-002.

The storage spaces may only be used for the storage of personal effects of Unit Owners. In no event shall any (a) valuable items, (b) animals, (c) food or other perishable items, (d) hazardous substances, (e) flammable, combustible, explosive or other dangerous items, (f) items which have an objectionable odor or which may spoil or decay, or (g) items which may impose a health or safety threat or cause dirt or other sanitary problems or create a nuisance, be stored therein. A storage space may not be legally used for any residential uses including bedroom,

dining room, or any other use considered to be a habitable space as defined by the New York City Building Code. The use of a storage space as a living or sleeping space may result in a building code violation being issued against the Building and the imposition of fines against the Building. The Unit Owner, who caused the violation, will be obligated to remove it and pay all fines associated with the violation.

8. DETERMINATION OF PERCENTAGES IN COMMON ELEMENTS. The percentage 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 the particular Unit. The aggregate percentage of Common Interest is 100%.

9. ENCROACHMENTS. If any portion of the Common Elements now encroaches 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 Building, 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 Building 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 encroachment and for the maintenance of the same so long as the Building shall stand.

10. 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 or her Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, wires, ducts, cables, 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 of access to each Unit, all Common Elements 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. Sponsor, Sponsor-designees, successors, assigns, invitees, licensees, contractors, employees and tenants shall have an easement in, on, over and across the Property for:

(a) 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 for the benefit of the Property, and

(b) 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

(c) 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. Sponsor, Sponsor-designees, successors, assigns, invitees, licensees, contractors, employees and tenants:

(a) shall have an easement to erect, maintain, repair and replace from time to time one or more signs on the Building and elsewhere 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 and access to Units and Common Elements consistent with the purposes of the condominium 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

(b) 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 Sponsor, Sponsor-designees, successors, assigns, invitees, licensees, contractors, employees and tenants shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or for the general health or welfare of any Unit Owner, or the residents of any property adjacent to the Property, or users of any recreation facilities, if any, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for its intended purpose. 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 of access to any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right of access is exercised in such a manner as not unreasonably to interfere with the use of the Units, and provided that affected Unit Owners are given at least seven (7) day prior written notice of such access.

All Unit Owners, affected by Sponsor's right to access any Unit, will be given at least seven (7) day prior written notice of such access.

D. The Commercial Unit Owners or their tenants pursuant to the terms of any lease pertaining thereto, shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to install, repair and maintain either within or in the immediate location of such particular Unit at the facade of the front of the Building a

sign or signs, which may be illuminated, for advertising or identification purposes. Such Unit Owners and any tenant of space in such Units shall comply with all of the laws, orders, rules and regulations of the governmental authorities having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Commercial Owners or their tenants shall obtain and pay for all permits required for such signs and any necessary renewal fees.

E. Users of any easement granted by subparagraphs B, C and D of this Article 10 shall have the responsibility of repairing any damage resulting therefrom.

11. POWER OF ATTORNEY TO BOARD OF MANAGERS. Each Unit Owner shall grant to the persons who shall from time to time constitute the Board of Managers, an irrevocable power of attorney, coupled with an interest, to acquire title to any Unit whose owner desires to surrender the same, or which may be the subject of a foreclosure or other judicial sale, in the name of the Board of Managers or its designee, corporate or otherwise on behalf of all Unit Owners, and to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise deal with any such Units so acquired.

12. ACQUISITION OF UNITS BY BOARD OF MANAGERS. In the event any Unit Owner shall surrender his or her Unit, together with: (i) the undivided interest in the Common Elements, general and limited, appurtenant thereto; (ii) the interest of such Unit Owner in any other Units acquired by the Board of Managers or its designee, corporate or otherwise on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium, (hereinafter called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Real Property Law of the State of New York, or in the event the Board of Managers shall purchase at a foreclosure or other judicial sale, a Unit, together with the Appurtenant Interests, title to any such Unit, together with the Appurtenant Interests, shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Shared Percentages of Common Interests. The lease covering any Unit leased by the Board of Managers or its designee, corporate or otherwise shall be held by the Board of Managers or its designee, corporate or otherwise on behalf of all Unit Owners, in proportion to their respective Shared Percentages of Common Interests.

13. PERSON TO RECEIVE SERVICE. For the period during which Sponsor is in control of the Board of Managers, 126 East 86 Street Development LLC, having an address at 227 Sea Breeze Avenue, 4th fl., Suite C-403, Brooklyn, NY 11224, 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, having an address at 124 East 86th Street & 126 East 86th Street, New York, NY 10028.

14. 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 of a lease or the entering into 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.

15. AMENDMENT TO DECLARATION. This Declaration may be amended, modified, added to or deleted from by the affirmative vote of at least 66 2/3% in number and in 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 66 2/3% in number and in Common Interest of all Unit Owners, provided, however:

(a) 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(s); no amendment which shall increase the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of the mortgagees of such Unit, or Units, if any;

(b) no amendment, modification, addition or deletion of or to the Declaration will be effective in any respect against Sponsor, its designee, or any Unsold Unit until Sponsor or such designee shall consent thereto in writing;

(c) no amendment of a material adverse nature to mortgagees shall be made unless agreed to by mortgagees that represent at least 51% of the votes of Units that are subject to mortgages.

A mortgagee shall be deemed to have consented to any amendment, which requires the consent of such mortgagee when the mortgagee fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided that the notice was delivered by certified or registered mail, with a “return receipt” requested.

Sponsor hereby reserves to itself and its designees the right to amend the Declaration at any time without the requirement 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 Section 339-p of the Real Property Law of the State of New York for any portion or portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, Unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p. No such amendment shall be effective until recorded in the Office of the Register of the City of New York.

16. CHANGES IN UNSOLD UNITS. For any Unit owned by Sponsor or Sponsor-designees, if not prohibited by the Condominium Act, Sponsor or Sponsor-designees shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to:

(a) make alterations, additions, or improvements, structural and non-structural, ordinary and extraordinary, interior and exterior, in, to and upon the Unit;
(b) change the layout or number of rooms in the Unit;
(c) 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
(d) reapportion among such Unit(s) affected by such change in size or number, subdivision, combination or alteration, their appurtenant interests in the Common Elements; provided, however, that Sponsor or Sponsor-designees 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 consents 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 Sponsor or Sponsor-designees for a Unit adversely affected as a result of the above changes, if they have not consented to such changes, will be given the right to rescind their Purchase Agreements and receive a refund of any deposit or downpayment. The above changes, if made, will be disclosed in an amendment to the condominium offering plan for the Property. The provisions of this Article 16 may not be added to, amended or deleted without the prior written consent of Sponsor or Sponsor-designees.

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.

17. 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 the 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 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 as a part of 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.

B. Subject to the terms of paragraph A of this Article 17, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of the Declaration or the 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 provision as a covenant running with the Land.

18. TERMINATION OF CONDOMINIUM. The Condominium may be terminated by casualty loss, condemnation or eminent domain in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the Condominium Act, if authorized by an affirmative vote of Unit Owners who own not less than 80% in number and in Common Interest of the Units. Sponsor or Sponsor-designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least 80% in number and in Common Interests of all other Unit Owners have elected for such withdrawal, in which event 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 Shared Percentages of Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his or her share of such net proceeds all liens on his or her Unit, in the order of priority of such liens.

Notwithstanding anything stated anywhere to the contrary, any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs or for other reasons must be agreed to by mortgagees that represent at least 51% of the votes of the Unit estates that are subject to mortgages. A mortgagee shall be deemed to have consented to any action, which requires the consent of such mortgagee when the mortgagee fails to submit a response to any written proposal for an action within sixty (60) days after it receives proper notice of the proposal, provided that the notice was delivered by certified or registered mail, with a “return receipt” requested.

19. COMMON EXPENSES. 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 the Condominium Act, this Declaration or the By-Laws.

20. DEFINITION OF "SPONSOR-DESIGNEE". The term "Sponsor-designee" as used in this Declaration shall mean any person or entity designated by Sponsor to acquire title to a Unit. 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".

21. WAIVER. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

22. CAPTIONS. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision thereof.

23. GENDER. The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

24. MORTGAGEE PROTECTION. A Unit Owner or any other party shall have no priority over any rights of the first mortgagee of the 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 the Unit and/or Common Elements.

IN WITNESS WHEREOF, Sponsor has duly executed this Declaration the _____ day of _____, 20__.

126 East 86 Street Development LLC

_____

By:

STATE OF NEW YORK)
) ss:
COUNTY OF)

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 whose name is subscribed to the within instrument and acknowledged to me that he executed same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which individual acted, executed the instrument.

_____
Notary Public

SCHEDULE A
TO THE DECLARATION

ARLOPARC CONDOMINIUM
124 East 86th Street & 126 East 86th Street
New York, NY 10028
Block: 1514, Lots:

Legal Description of Land

ALL that certain plot, piece or pared of land situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, being bounded and described as follows:

BEGINNING at a point on the Southerly side of East Eighty Sixth Street distant Two hundred and eighty six Feet eight inches easterly from the corner formed by the intersection of the Southerly side of East Eighty Sixth Street with the easterly side of Park (Formerly Fourth) Avenue;

RUNNING THENCE Southerly parallel with said Park Avenue, one hundred and two feet two inches to the centre line of the Block;

THENCE easterly along said centre line of the Block, Fifty one feet one and one third inches;

THENCE northerly again parallel with said Park Avenue, One hundred and two feet two inches to the southerly side of East Eighty Sixth Street, and

THENCE westerly along said Southerly side of East Eighty Sixth Street, Fifty one feet one and one third Inches to the point or place of BEGINNING.

SCHEDULE B
TO THE DECLARATION

Arloparc Condominium
126 East 86th Street
New York, NY 10028
Block: 1514, Lots:

Description of Units

						Sq. ft. of Limited Common Elements									
Unit No.	**Tax Lot No.**	**Floor Location**	**Usage**	**Bdrs/ Bths**	**Sq. ft. of Units**	Storage Space	Storage Space	Balcony	Balcony	Balcony	Terrace	Terrace	**Shared % of Common Interests**	**Residential % of Common Interests**	**Commercial % of Common Interests**
C1		Cellar/First	Commercial	0/2	**2,309.00**	None	None	None	None	None	None	None	**4.33**	**0.00**	**100.00**
2A		Second	Residential	2/2.5	**1,534.00**	10.00	None	36.00	None	None	None	None	**2.46**	**2.57**	**0.00**
3A		Third	Residential	4/3.5	**3,191.00**	13.00	None	36.00	None	None	None	None	**4.94**	**5.17**	**0.00**
4A		Fourth	Residential	4/3.5	**3,191.00**	13.00	None	36.00	None	None	None	None	**4.94**	**5.17**	**0.00**
5A		Fifth	Residential	2/2	**1,324.00**	10.00	None	36.00	None	None	None	None	**2.17**	**2.27**	**0.00**
5B		Fifth	Residential	3/2.5	**1,696.00**	11.00	None	36.00	None	None	None	None	**2.78**	**2.91**	**0.00**
6A		Sixth	Residential	2/2	**1,324.00**	11.00	None	36.00	None	None	None	None	**2.17**	**2.27**	**0.00**
6B		Sixth	Residential	3/2.5	**1,696.00**	13.00	None	36.00	None	None	None	None	**2.78**	**2.91**	**0.00**
7A		Seventh	Residential	2/2	**1,324.00**	11.00	None	36.00	None	None	None	None	**2.22**	**2.32**	**0.00**
7B		Seventh	Residential	3/2.5	**1,696.00**	13.00	None	36.00	None	None	None	None	**2.84**	**2.97**	**0.00**
8A		Eighth	Residential	2/2	**1,324.00**	11.00	None	36.00	None	None	None	None	**2.22**	**2.32**	**0.00**

Arloparc Condominium
126 East 86th Street
New York, NY 10028
Block: 1514, Lots:

Description of Units

						Sq. ft. of Limited Common Elements									
Unit No.	**Tax Lot No.**	**Floor Location**	**Usage**	**Bdrs/ Bths**	**Sq. ft. of Units**	Storage Space	Storage Space	Balcony	Balcony	Balcony	Terrace	Terrace	**Shared % of Common Interests**	**Residential % of Common Interests**	**Commercial % of Common Interests**
8B		Eighth	Residential	3/2.5	**1,696.00**	13.00	None	36.00	None	None	None	None	**2.84**	**2.97**	**0.00**
9A		Ninth	Residential	2/2	**1,324.00**	11.00	None	36.00	None	None	None	None	**2.22**	**2.32**	**0.00**
9B		Ninth	Residential	3/2.5	**1,696.00**	13.00	None	36.00	None	None	None	None	**2.84**	**2.97**	**0.00**
10A		Tenth	Residential	2/2	**1,324.00**	11.00	None	36.00	None	None	None	None	**2.22**	**2.32**	**0.00**
10B		Tenth	Residential	3/2.5	**1,696.00**	13.00	None	36.00	None	None	None	None	**2.84**	**2.97**	**0.00**
11A		Eleventh	Residential	2/2	**1,324.00**	11.00	None	36.00	None	None	None	None	**2.22**	**2.32**	**0.00**
11B		Eleventh	Residential	3/2.5	**1,696.00**	13.00	None	36.00	None	None	None	None	**2.84**	**2.97**	**0.00**
12A		Twelfth	Residential	2/2	**1,324.00**	13.00	None	36.00	None	None	None	None	**2.22**	**2.32**	**0.00**
12B		Twelfth	Residential	3/2.5	**1,696.00**	11.00	None	36.00	None	None	None	None	**2.84**	**2.97**	**0.00**
14A		Fourteenth	Residential	2/2	**1,324.00**	11.00	None	36.00	None	None	None	None	**2.27**	**2.37**	**0.00**
14B		Fourteenth	Residential	3/2.5	**1,696.00**	13.00	None	36.00	None	None	None	None	**2.91**	**3.04**	**0.00**

Arloparc Condominium
126 East 86th Street
New York, NY 10028
Block: 1514, Lots:

Description of Units

						Sq. ft. of Limited Common Elements									
Unit No.	**Tax Lot No.**	**Floor Location**	**Usage**	**Bdrs/ Bths**	**Sq. ft. of Units**	Storage Space	Storage Space	Balcony	Balcony	Balcony	Terrace	Terrace	**Shared % of Common Interests**	**Residential % of Common Interests**	**Commercial % of Common Interests**
15A		Fifteenth	Residential	2/2	**1,324.00**	11.00	None	36.00	None	None	None	None	**2.32**	**2.42**	**0.00**
15B		Fifteenth	Residential	3/2.5	**1,696.00**	13.00	None	36.00	None	None	None	None	**2.97**	**3.10**	**0.00**
16A		Sixteenth	Residential	4/3.5	**2,863.00**	13.00	None	431.00	None	None	None	None	**5.11**	**5.34**	**0.00**
17A		Seventeenth	Residential	4/3.5	**2,863.00**	14.00	None	80.00	80.00	None	None	None	**5.20**	**5.44**	**0.00**
18A		Eighteenth	Residential	3/3.5	**2,762.00**	14.00	None	148.00	170.00	None	None	None	**5.10**	**5.33**	**0.00**
19A		Nineteenth	Residential	3/3.5	**2,762.00**	14.00	None	148.00	170.00	None	None	None	**5.20**	**5.43**	**0.00**
PH		Penthouse lower level	Residential	1/1.5	**2,762.00**	14.00	14.00	148.00	170.00	148.00	1149.00	868.00	**11.97**	**12.51**	**0.00**
PH		Penthouse upper level	Residential	4/4.5	**2,762.00**										
PH		Roof	Residential	0/0	**104.00**										
TOTALS:					**57,303.00**								**100.00**	**100.00**	**100.00**

SCHEDULE C
TO THE DECLARATION

BY-LAWS OF

ARLOPARC CONDOMINIUM

124 East 86th Street & 126 East 86th Street
New York, NY 10028

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ARTICLE I
PLAN OF UNIT OWNERSHIP

Section 1. Unit Ownership. The land situated in the Borough of Manhattan, City and State of New York, (hereinafter called the "Land"), together with the building and improvements thereon erected, (hereinafter called the "Building"), (the Building and the Land are collectively hereinafter called the "Property"), has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York, (hereinafter called the "Condominium Act"), by the Declaration recorded in the Office of the Register of the City of New York, simultaneously herewith. The Condominium thereby shall hereinafter be known as Arloparc Condominium.

The Residential Units and Commercial Unit are collectively hereinafter called the "Units", or the "Unit", where applicable.

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 Building and all other improvements thereon (including the Units, the Common Elements and 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 the Condominium Act.

Section 3. Application. All present and future owners, mortgagees, lessees and occupants of Units, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Rules and Regulations attached hereto as Schedule A and the provisions of the Declaration.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupying a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations attached hereto 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
BOARD OF MANAGERS

Section 1. Number, Qualification and Term. The affairs of the Condominium shall be governed by a Board of Managers. The number of Managers, which shall constitute the whole Board of Managers, shall be three (3). Until succeeded by the Managers elected at the first meeting of Unit Owners called for such purpose, Managers need not be Unit Owners.

Thereafter, all Managers, other than representatives of Sponsor, shall be individuals over 18 years of age who is either a Unit Owner or his or her spouse or a domestic partner residing in

the Unit, or a partner in a partnership, if the partnership is a Unit Owner, or a principal of a corporation, association, trust or other legal entity that may legally own real property in the State of New York, if such entity is a Unit Owner.

The Managers shall be elected by the Unit Owners at their annual meetings. There shall always be an odd number of Managers.

Managers designated by Sponsor shall serve until the election and qualification of Managers elected at the first meeting of Unit Owners. Managers elected at the first meeting of Unit Owners, and at meetings subsequent thereto, shall serve until the next annual meeting of Unit Owners and until the election and qualification of their respective successors.

After the expiration of 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 Sponsor and its principals.

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 and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

(a) contracting for necessary services for the operation, care, upkeep and maintenance of the Common Elements;

(b) determining the Common Expenses and Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property;

(c) collecting the Common Charges and expenses of the Condominium from the Unit Owners;

(d) employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements;

(e) adopting and amending the Rules and Regulations covering the details of the operation and use of the Property subject to the right of the Unit Owners to overrule the Board (See Article VI, Section 16);

(f) opening bank accounts on behalf of the Condominium and designating the signatories required therefor;

(g) purchasing or otherwise acquiring, in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered surrendered by their Owners to the Board of Managers;

(h) purchasing Units at foreclosure or other judicial sale in the name of the Board of Managers or its designee, corporate or otherwise on behalf of all Unit Owners;

(i) acquiring in the name of the Board of Managers or its designee, corporate or otherwise on behalf of all Unit Owners, rights and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium, as described in the Declaration and these By-Laws;

(j) selling, leasing, mortgaging (but not voting the votes appurtenant thereto), or otherwise dealing with Units acquired by the Board of Managers or its designee, corporate or otherwise on behalf of all Unit Owners;

(k) organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units on behalf of all Unit Owners;

(l) obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Article VI, Section 2 hereof;

(m) making repairs, additions and improvements to or alterations of the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(n) negotiating and settling all claims and actions relating to the Condominium;

(o) borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that

(a) the consent of a majority of all Unit Owners shall be required for the borrowing of any sum in excess of $50,000 and

(b) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Unit Owner.

If any sum borrowed by the Board of Managers on behalf of the Condominium, pursuant to the authority contained in this paragraph (o), is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements, shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit Owner's Unit;

(p) levying fines against Unit Owners for violations of the Rules and Regulations governing the operation and use of the Property and levying late payment charges against Unit Owners for late payment of their Common Charges;

(q) notwithstanding anything to the contrary contained in these By-Laws, [i] for a period of five (5) years following the closing date of the first Unit, or [ii] so long as Sponsor or any Sponsor-designee, separately, will continue to own Units, the percentage Common Interest of which, in the aggregate, equals more than 25%, whichever is earlier, the Board of Managers may not, without Sponsor's or Sponsor-designee's prior written consent, as the case may be:

(a) increase the number, or change the type, of employees provided for in Schedule B;
(b) make any addition, alteration or improvement to the Common Elements or to any Unit;
(c) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B of the condominium offering plan for the Property to the extent that the aggregate amount of such fund does not exceed 10% of the budgeted expenses of the Condominium; or
(d) borrow money on behalf of the Condominium (except where necessary to perform work required by applicable law or regulations, or remedy violations or a mortgagee's work order(s) to the extent that existing reserves are insufficient).

If both Sponsor and Sponsor-designee, individually, continue to own Units, the percentage Common Interest of which, in the aggregate, equals more than 25%, they are both entitled to veto power. Sponsor or Sponsor-designee will not retain veto power for a period greater than five (5) years after the closing of the first Unit.

As long as Sponsor or any Sponsor-designee shall continue to own a Unit, the Board of Managers may not, without the prior written consent of Sponsor or Sponsor-designee:

(a) amend the Declaration, the By-Laws or the Rules and Regulations attached hereto so as to limit in any way or eliminate rights of Sponsor or Sponsor-designee under the Declaration, the By-Laws or the Rules and Regulations attached hereto; or
(b) interfere with the offer and sale or leasing of Units or the operation of general, sales or leasing offices at the Property or interfere with actions necessary for construction, renovation, repair or correction at the Property, as required by Sponsor or Sponsor-designee.

Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding the provisions of_this Section 2(q), Sponsor or Sponsor-designee shall not withhold its consent, or use its veto power:

(a) to the making of capital repairs or replacements to the Common Elements or assessment of any Common Charge for expenses required to comply with applicable law or regulations;
(b) to remedy any notice of violation;

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

(d) to preserve the safety of the Building or the safety and health of its occupants.

Sponsor or Sponsor-designee may not exercise veto power over expenses in Schedule B.

(r) establishing the reserve fund, which will be used only for capital expenditures. The amount of the reserve fund will be equal to 10% of the projected annual budget of the Condominium, including the reserve amount.

Section 3. Managing Agent and Manager. The Board of Managers may employ for the Condominium a managing agent and/or a manager, at a compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize. The Board of Managers may delegate to the managing agent or manager, all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (j), (k), (n), (o) and (p) of Section 2 of this Article II.

Section 4. First Board of Managers. The first Board of Managers shall consist of persons designated by Sponsor, who shall hold office and exercise all powers of the Board of Managers until the first meeting of Unit Owners called for the purpose of electing Managers. Any or all of said Managers shall be subject to replacement in the event of resignation or death in the manner set forth in Section 6 of this Article.

Section 5. Removal of Members of the Board of Managers. At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers may be removed without cause by the affirmative vote of Unit Owners whose aggregate Common Interest exceeds 50% of the Common Interest of the Condominium, and a successor may then and there or thereafter be elected to fill the vacancy thus created.

At any regular or special meeting of the members of the Board of Managers, any one or more of the members of the Board of Managers may be removed for cause by the affirmative vote of the remaining members of the Board of Managers, and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed for cause shall be given an opportunity to be heard at the meeting.

If a member of the Board of Managers ceases to be a Unit Owner, the principal or officer of a Unit Owner or the spouse of a Unit Owner, unless such member is Sponsor or Sponsor-designee, he or she shall be deemed to have resigned, effective as of the date such ownership interest ceased.

If a member of the Board of Managers designated by Sponsor or Sponsor-designee is removed by either the Board of Managers or Unit Owners, then only Sponsor or Sponsor-designee shall have the right to designate a replacement.

Section 6. Vacancies. Vacancies on the Board of Managers caused by any reason, other than the removal of a member thereof by a vote of the Unit Owners, shall be filled by a vote of the majority of the remaining members at a special meeting of the Board of Managers held for that purpose, promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Managers until a successor is elected and qualified at the next annual meeting of the Unit Owners. If all members of the Board of Managers die or resign, any Unit Owner may call a special meeting of Unit Owners as provided herein, and Managers for the unexpired term may be elected at such special meeting in the manner provided for their election at the annual meeting. Notwithstanding the foregoing, vacancies of members designated by Sponsor or Sponsor-designee shall be filled only by a person designated by Sponsor or Sponsor-designee.

Section 7. Organization Meeting. The first meeting of the members of the Board of Managers following the annual meeting of the Unit Owners shall be held within ten (10) days thereafter, at such time and place as shall be fixed by a majority of the members of the Board of Managers, elected at the meeting at which they shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Managers in order to legally constitute such meeting, providing a majority of the whole Board of Managers shall be present thereat.

Section 8. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Managers, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each member of the Board of Managers, by mail, at least five (5) business days prior to the day named for such meeting. The business to be transacted at any regular meeting of the Board of Managers need not be specified in the notice of such meeting.

Section 9. Special Meetings. Special meetings of the Board of Managers may be called by the President on three (3) business days' notice to each member of the Board of Managers. Notice of special meetings shall be given by mail or personal delivery to each member of the Board of Managers and shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Board of Managers.

Section 10. Waiver of Notice. Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Managers. At all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If,

at any meeting of the Board of Managers, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time, without notice other than the announcement at the meeting, until a quorum shall be present. At any such adjourned meeting at which a quorum is present, any business, which might have been transacted at the meeting originally called, may be transacted without further notice. Any action required or permitted to be taken by the Board of Managers or any committee thereof may be taken without a meeting if all members of the Board consent in writing to the adoption of a resolution authorizing such action, and the writing or writings are filed with the minutes of the proceedings of the Board or the committee.

If there are non-Sponsor members of the Board of Managers, and there is a vote on whether to sue Sponsor, the Sponsor's board representative cannot lawfully vote on that issue.

Section 12. Fidelity Bonds. The Board of Managers may obtain fidelity bonds in the amount of $50,000.00 or more for all officers and employees of the Condominium handling or responsible for Condominium funds and for the managing agent. The premiums on such bonds, if obtained, shall constitute a Common Expense.

Section 13. Compensation. No member of the Board of Managers shall receive any salary or compensation from the Condominium for his or her services as Manager.

Section 14. 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 severally indemnify and hold harmless each of the members of the Board of Managers against any liability or claims except those arising out of the bad faith or willful misconduct of the members of the Board of Managers. A Unit Owner’s liability is limited to such proportionate share of the total liability as the Common Interests of such Unit Owner bear to the aggregate Common Interest of all Unit Owners and such Unit Owner’s interest in his or her Unit’s and its appurtenant Common Interest, unless otherwise provided by law. 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 possible that the original Board of Managers may contract with Sponsor and affiliated corporations without fear of being charged with self-dealing, however the Board shall at all times uphold its fiduciary duty to the Unit Owners, notwithstanding anything to the contrary. 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 or her interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by the manager, on behalf of the Condominium, shall provide that the members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

Section 15. Executive Committee. The Board of Managers may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) members of the Board of Managers, at least one of whom shall be a member designated by Sponsor or Sponsor-designee, so long as Sponsor or Sponsor-designee has the right to designate a member of the Board. Such Executive Committee shall have and may exercise all the powers of the Board of Managers in the management of the business and affairs of the Condominium during the intervals between the meetings of the Board of Managers insofar as may be permitted by law, except that the Executive Committee may not exercise any of the powers set forth in subdivisions (b), (e), (g), (h), (i) and (o) of Section 2 of Article II.

Section 16. Other Committees. The Board of Managers may, by resolution, create such other committees as it shall deem appropriate and such committees shall have such powers and authority as the Board of Managers shall vest therein. The members of any such committee, at least one of whom shall be designated by Sponsor or Sponsor-designee, so long as Sponsor or Sponsor-designee has the right to designate a member of the Board, shall be appointed by the President of the Condominium. The members of any such committee need not be a member of the Board of Managers, but must be eligible to be elected to the Board of Managers. Such committee shall not have power to do any act, which the Executive Committee may not do under Section 15 of Article II.

ARTICLE III
UNIT OWNERS

Section 1. Annual Meetings.

A. Within thirty (30) days after the closing of title to Units whose aggregate Common Interest equals more than 50%, or one (1) year after the first closing, whichever is sooner, Sponsor shall call a special Unit Owners meeting for the purpose of electing a Board of Managers. At such meeting, the Board of Managers shall resign and a new Board shall be elected by the Unit Owners. Thereafter, annual meetings shall be held on or about the anniversary of such date each succeeding year. At such meetings, there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article II of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them.

B. Sponsor or Sponsor-designee will retain voting control of the Board of Managers for one (1) year after the closing of title to the first Unit or whenever the Unsold Units constitute, less than 50% of the Common Interests, whichever is sooner. Sponsor or Sponsor-designee, during the time there are Unsold Units, will have the right to, and intends to, vote the percentage of Common Interests allocated to such Units, but subsequent to its relinquishing voting control of the Board of Managers Sponsor or Sponsor-designee will not use such vote to elect a particular individual to the Board of Managers, which would, by the election of such individual, give Sponsor or Sponsor-designee voting control of the Board. So long as Sponsor or Sponsor-designee will continue to own Unsold Units Sponsor or Sponsor-designee will have the right to

elect one (1) member of the Board of Managers. The Unit Owners may transact such other business at such meetings as may properly come before them.

Section 2. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owners as defined in Section 9 of this Article III having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice for such meeting.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners, at least ten (10) days but not more than thirty (30) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the building or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided for in this Section shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting from time to time, without notice other than the announcement at the meeting, until a quorum shall be present. No such adjourned meeting shall be held earlier than 48 hours from the time the prior meeting was called.

Section 6. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

(a) call to order;
(b) roll call and presentation and examination of proxies;
(c) presentation of proof of due calling of meeting;
(d) reading of minutes of previous meeting;
(e) reports of officers;
(f) report of Board of Managers;
(g) reports of committees;
(h) appointment of inspectors of election (when so required);
(i) election of members of the Board of Managers (when so required);
(j) unfinished business;
(k) new business;
(l) adjournment.

Section 7. Title to Units. Title to Units may be taken in the name of an individual or in the names of two (2) or more persons, as joint tenants, tenants-in-common, tenants by the entirety or in the name of a corporation or partnership, or in the name of a fiduciary or trust,

estate, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York. 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. The above shall not constitute consent of any activity not permitted under existing certificates of occupancy, zoning requirements or other applicable law or regulation.

Section 8. Voting. The Owner or Owners of each Unit, or some person designated by such Owner or Owners to act as proxy on their behalf, who need not be an Owner, shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing but need not be acknowledged or witnessed and shall be filed with the Secretary at or previous to the time of the meeting and shall be revocable at any time by written notice to the Secretary by the Owner or Owners so designating. Any or all of such Owners may be present at any meeting of Unit Owners. The Owners of each Unit (including Sponsor or Sponsor-designee, if Sponsor or Sponsor-designee shall then own one or more Units) shall be entitled to cast one vote for each 1% of interest in the Common Elements attributable to the Unit or Units owned by them on all matters put to a 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 1% of Common Interest attributable to his or her Unit per member to be elected, and (ii) shall not have the right to cumulate his or her votes in favor of any one or more members to be elected. If one or more Units are owned by more than one person as joint tenants, tenants-in-common, tenants by the entirety or in the name of a corporation or partnership or other entity permitted for herein, the persons owning said Unit shall agree among themselves and cast the votes for their Unit. 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, corporate or otherwise shall not be entitled to vote.

Section 9. 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 8 of this Article III.

Section 10. Quorum. Except as otherwise provided for in these By-Laws, the presence in person or by proxy of a majority of Unit Owners shall constitute a quorum at all meetings of the Unit Owners.

Section 11. Majority Vote. The vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where, in the Declaration or these By-Laws or by law, a higher percentage vote is required.

Section 12. Action Without Meeting. Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, these By-Laws or applicable law, consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the records of the Condominium.

ARTICLE IV
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 an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, each must be both a member of the Board of Managers and either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner.

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.

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 or her 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 members of committees created by the Board of Managers 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. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers of the Condominium or by such other person or persons as may be designated by the Board of Managers.

Section 9. Compensation of Officers. No officer shall receive any salary or compensation from the Condominium for his or her services as officer.

Section 10. Liability of Officers. The officers of the Condominium shall have the same rights and liabilities as the members of the Board of Managers under Article II Section 14 of these By-Laws.

ARTICLE V
NOTICES

Section 1. Definition. Whenever, under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any 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, any manager, Unit Owner or mortgagee at such address as appears on the books of the Condominium. Members of the Board of Managers may be given notice in writing personally delivered to them.

Section 2. Service of Notice Waiver. Whenever any notice is required to be given under the provisions of the Declaration or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

Section 3. Service on Mortgagee. The Board of Managers shall give the mortgagee and guarantor of the mortgage on any Unit in the condominium timely written notice of:

(a) any condemnation or casualty loss that affects either a material portion of the condominium or the Unit securing its mortgage;
(b) any sixty (60) day delinquency in the payment of assessments or charges owed by the owner of any Unit on which it holds the mortgage;
(c) a lapse, cancellation, or material modification of any insurance policy maintained by the homeowners' association; and
(d) any proposed action that requires the consent of a specified percentage of mortgagees.

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, at least annually, prepare a budget for the Condominium, determine the amount of Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such Common Charges among the Unit Owners according to their respective Shared Percentages of Common Interests, except as otherwise indicated. The Board of Managers, in apportioning expenses for insurance on the Building may take into consideration higher premium rates on some units than on others. 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 Section 2 of this Article VI and the fees and disbursements of the Insurance Trustee, if any.

The Common Expenses shall 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 for working capital of the Condominium for a general operating reserve, and for a reserve fund for capital expenditures only, the amount of reserve fund will be equal to 10% of the projected annual budget of the Condominium.

The Common Expenses may also include such amounts as may be required for the purchase by the Board of Managers or its designee, corporate or otherwise on behalf of all Unit Owners, of any Unit, which is to be sold at a foreclosure or other judicial sale, together with such amounts as may be necessary to maintain such Units.

The Board of Managers shall also, where necessary, impose an assessment or additional Common Charge in order to meet any unanticipated Common Expense. The Board of Managers shall advise all Unit Owners, promptly, in writing, of the amount of Common Charges payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such charges are based, to all Unit Owners and to their mortgagees, if so required.

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.

Notwithstanding anything to the contrary stated anywhere in these By-Laws or the Declaration of the Condominium, the Common Charges allocated to the Residential Units, Parking Units and Storage Units shall be apportioned among them based on the Residential Percentages of Common Interests allocated to each as set forth in Schedule B.

Notwithstanding anything to the contrary stated anywhere in these By-Laws or the Declaration of the Condominium, the Commercial Unit will only be responsible for 4.33% of the Common Expenses, except for the costs of labor, common water charges and sewer

rents, and gas. The Commercial Unit will not be responsible for the costs of labor, common water charges and sewer rents, and gas.

The Commercial Unit will be billed separately by the Board of Managers for water charges and sewer rents based on actual amount used. The Commercial Unit will be required to install and maintain a water sub-meter and shall be responsible for the payment of all water charges and sewer rents actually used as per sub-meter reading. The Board of Managers shall bill and collect payment from the Commercial Unit for all water charges and sewer rents as levied by the Department of Environmental Protection.

Section 2. Insurance. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance:

(a) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Building containing the Units (including all of the Units and the fixtures initially installed therein by Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including improvements, 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 as their interests may appear, in an amount to be determined by the Board of Managers but in no event to be less than eighty 80% of the full replacement cost of the Building, including the above noted items, but exclusive of footings and foundations, as approved by a fire insurance company or a qualified insurance broker; each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee, if any, as herein provided;

(b) directors and officers liability insurance;

(c) worker's compensation insurance if the Condominium has employees; and

(d) such other insurance as the Board of Managers may determine.

All policies of physical damage insurance shall provide that adjustment of loss shall be made by the Board of Managers (with the approval of the Insurance Trustee, if any, if more than $50,000.00), and that the total proceeds thereof, if $50,000.00 or less, shall be payable to the Board of Managers, and if more than $50,000.00, shall be payable to the Insurance Trustee, if any.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insured as a result of any insurance carried by Unit Owners or of invalidity arising from any acts of the insured or any Unit Owners, and the individual Unit Owners as well as the Condominium shall be primary insureds to the extent as their interests shall also appear. Such policies may not be cancelled or substantially modified without at least

ten (10) days prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies if so requested in writing by them.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager and each Unit Owner. Such public liability coverage shall also cover cross-liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of at least $1,000,000.00 covering all claims for bodily injury with respect to any one occurrence.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Such policies shall be so endorsed so as to state that they will in no way conflict with any insurance carried by the Board of Managers.

If, by reason of the occupancy or use of a Unit, the rate of fire or liability insurance for the Property shall be increased, such Unit Owner shall (if such occupancy or use continues for more than thirty (30) days after written notice from the Board of Managers specifying the occupancy or use) become liable for the additional insurance premiums incurred by the Condominium as if such additional premium constituted an assessment.

During the time in which Sponsor is in control of the Board of Managers, the insurance coverage will not be less than that required by the Department of Law.

Section 3. Repair or Reconstruction After Fire or Other Casualty. In the event of a fire or other casualty which damages or destroys less than 75% of the Building containing the Units, the Board of Managers shall arrange for the prompt repair and restoration of the Building containing the Units (including any damaged Units, and any kitchen and bathroom fixtures and floor coverings initially installed therein by Sponsor, but not including any wall, ceiling or floor decorations or coverings or other improvements, furniture, furnishings, fixtures, appliances or equipment installed in the Units by the Unit Owners), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies in appropriate progress payments for distribution to the contractors engaged in such repairs and restoration. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If 75% or more of the Building containing the Units is destroyed or substantially damaged and Unit Owners whose percentage of Common Interest totals 75% in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration,

the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his or her Unit, in the order of the priority of such liens.

Whenever in this Section the words "promptly repair" are used it shall mean repairs are to begin not more than sixty (60) days from the date the Insurance Trustee notified the Board of Managers and the Unit Owner or Unit Owners that it shall hold proceeds of insurance funds sufficient to pay the estimated costs of such work; or not more than ninety (90) days after the Insurance Trustee notified said Board of Managers and Unit Owner or Unit Owners that such funds are insufficient to pay said estimated costs and advising them of the amount of the required completion bond, if necessary. If there is no Insurance Trustee, then the aforementioned sixty (60) and ninety (90) day periods shall be from the date of notification by an insurance adjuster retained by the Board of Managers. Wherever the words, "promptly resolve" are used it shall mean not more than sixty (60) days from the date of receipt of said insurance funds.

Section 4. 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 this 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 or her Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VIII of these By-Laws) of such Unit, together with the Appurtenant Interests, as defined in Section 1 of Article VIII hereof. In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that his or her Unit is free and clear of liens and encumbrances, other than permissible mortgages and the statutory lien for unpaid Common Charges, convey his or her Unit, together with the "Appurtenant Interests" to the Board of Managers or its designee, corporate or otherwise on behalf of all other Unit Owners, and in such event be exempt from Common Charges thereafter assessed. Purchaser of a Unit shall be liable for the payment of Common Charges assessed and unpaid against such Unit prior to the acquisition by him of such Unit.

However, any first mortgagee who obtains title to a condominium Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid regularly budgeted common charges accrued before acquisition of the title to the Unit by the mortgagee. Any first mortgagee who obtains title to a condominium Unit pursuant to the remedies in the mortgage or through foreclosure will be liable for any fees or costs related to the collection of the unpaid common charges.

Section 5. Collection of Common Charges and Assessments. The Board of Managers shall assess Common Charges against the Unit Owners from time to time at least annually and

shall take prompt action to collect any Common Charges 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. Common Charges and assessments shall be paid by the fifth day of the month in which they are due or they shall be deemed to be late. The Board of Managers shall have the right to place a lien against a Unit whose Owner fails to pay common charges for the Unit within fifteen (15) days of same becoming due and payable.

Section 6. 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 Owner 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 late fees charged by the Board of Managers and attorneys' 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 attorneys' 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 of the Real Property Law of the State of New York. A Unit Owner defaulting in the payment of Common Charges or assessments shall not be permitted to vote at any regular or special meeting of Unit Owners.

SPONSOR SHALL CAUSE THE BOARD OF DIRECTORS TO FILE A LIEN AS PROVIDED FOR IN SECTION 339-aa OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK ON UNITS IN WHICH SPONSOR IS MORE THAN THIRTY (30) DAYS IN ARREARS OF COMMON CHARGES WHILE IT IS IN CONTROL OF THE BOARD OF MANAGERS.

Section 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his or her 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 the foreclosure sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same (but not to vote the votes appurtenant to). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 8. Statement of Common Charges and Assessments. The Board of Managers, managing agent or manager 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 9. Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-law

contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in these By-Laws:

(a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or

(b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; and

(c) in any event, to charge the Unit Owner with the cost of reasonable legal and other fees and costs incurred in enjoining, abating or remedying such violation, which costs and fees shall be deemed a Common Charge against the Unit Owner.

Section 10. Maintenance and Repairs.

A. All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except the painting of the exterior side of Unit entrance door), windows (except the painting and cleaning of the exterior side of windows), electrical (except the Common Elements), plumbing (except the Common Elements) and heating fixtures, air conditioning units and appliances, if any, within the Unit or belonging to the Unit Owner will be at the Unit Owner's expense, except as otherwise specifically provided herein.

B. All maintenance, repairs and replacements to the Common Elements as defined in the Declaration, and the painting, decorating, maintenance and repairs of the exterior side of Unit entrance doors and windows, and the cleaning of the exterior side of windows and the replacements of the windows and Unit entrance doors will be made by the Board of Managers and be 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 will 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:

(a) by the Board of Managers as a Common Expense, if such Limited Common Element involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, all necessary waterproofing of the Limited Common Elements except as set forth below, and the repair of any leaks that are not caused by the acts or omissions of the Unit Owner, having direct and exclusive access thereto), or

(b) the Unit Owner having direct and exclusive access thereto at his or her sole cost and expense, if involving non-structural ordinary maintenance, repairs

or replacements, including but not limited to painting, decorating and/or maintenance, waterproofing, repair and/or replacement of decking, tile or railings and/or means of terrace or balcony access constructed or installed by or at the request of the Unit Owner, or as a result of the Unit Owner's negligence, misuse or neglect.

Section 11. Restrictions on Use of the Units, the Common Elements and the Limited Common Elements. 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 provisions:

A. Each Residential Unit may be used as a residence only.

The Commercial Unit may be used for any legal use permitted by the certificate of occupancy of the Building, the Zoning Resolution of the City of New York or other applicable laws, such as such as a bank, antique store, commercial art gallery, artists' supply store, automobile store, bicycle shop, book store, candy and ice cream shop. The Commercial Unit shall not be used for: (1) conduct or maintenance of any gambling or gaming activities; (2) homeless shelter; (3) any fire, auction, going-out-of-business or bankruptcy sales, (4) massage parlor, (5) any obscene performances in violation of Article 235 of the Penal Law of the State of New York or any obscene or pornographic purposes or activities including, without limitation, the sale, or distribution of any obscene or pornographic material. The terms “obscene”, “material” and “performances” shall be defined for purposes of this covenant as they are defined in Section 235.00 of the Penal Law of the State of New York.

Notwithstanding the foregoing, Sponsor or Sponsor-designee shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages:

(a) to maintain general, sales or leasing offices in one or more 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;
(b) to have its employees, contractors and sales agents present on the Property;
(c) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction of the Building or Units and to comply with its obligations.

B. The Common Elements and the Limited Common Elements may only be used for the furnishing of the services and facilities for which they are reasonably suited and which are incidental to the use and occupancy of Units. However, the Common Elements and the Limited Common Elements may not be used as a dwelling space, and for kindling, building, maintaining or using an open fire, including, without limitation, charcoal, piped natural gas or LPG fired barbeques. The use of roof terraces as contemplated in the Plan will comply with the requirements set forth in the New York City Department of Building's Buildings Bulletin 2018-002.

C. The storage spaces may only be used for the storage of personal effects of Unit Owners. In no event shall any (a) valuable items, (b) animals, (c) food or other perishable items, (d) hazardous substances, (e) flammable, combustible, explosive or other dangerous items, (f) items which have an objectionable odor or which may spoil or decay, or (g) items which may impose a health or safety threat or cause dirt or other sanitary problems or create a nuisance, be stored therein. A storage space may not be legally used for any residential uses including bedroom, dining room, or any other use considered to be a habitable space as defined by the New York City Building Code. The use of a storage space as a living or sleeping space may result in a building code violation being issued against the Building and the imposition of fines against the Building. The Unit Owner, who caused the violation, will be obligated to remove it and pay all fines associated with the violation.

D. 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.

E. No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

F. With the exception of the Commercial Unit, no portion of a Unit other than the entire Unit, including any Limited Common Elements appurtenant thereto, may be rented. The Commercial Unit may be rented in parts to different tenants.

Section 12. Additions, Alterations or Improvements by the Board of Managers. Subject to the provisions of Section 2 of Article II of these By-Laws, whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements (but not maintenance) costing in excess of $50,000.00, and the making of such additions, alterations or improvements shall have been approved by a majority of the Unit Owners, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing $50,000.00 or less may be made by the Board of Managers without approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses.

The Board of Managers shall:

(i) cause the façade of the Building to be inspected annually by either a registered architect or professional engineer, and keep a log of each inspection and issue a directive to make all required repairs;

(ii) cause all outdoor drains to be inspected semi-annually by either a licensed plumber or professional engineer, and keep a log of each inspection and issue a directive to make all required repairs in order to ensure that no further damage or deterioration occurs;

(iii) cause the roof to be inspected semi-annually by either a licensed plumber or professional engineer, and keep a log of each inspection and issue a directive to make all required repairs in order to ensure that no further damage or deterioration occurs.

Section 13. Additions, Alterations or Improvements by Unit Owners. Except as provided below, no Unit Owner shall make any addition, alteration or improvement in or to his or her Unit which is structural or which affects the exterior of the Building or the value of other Units, without the prior written consent thereto of the Board of Managers which consent shall not be unreasonably withheld. Any requests for consent to make additions, alterations or improvement in a Unit which is structural in nature, or affects the exterior of the Building of the value of other Unit, must be made via certified mail with return receipt. The Board of Managers must grant or deny such consent within thirty (30) days of receiving a request for such consent. If such request is neither granted nor denied within forty five (45) days of receipt of the notice, such request shall be deemed granted. In connection with the approval of any addition, alteration or improvement by a Unit Owner as required herein, the Board of Managers may require that such Unit Owner enter into a written agreement, reasonably satisfactory to the Board of Managers, regarding such work. Such agreement may include, but shall not be limited to, provisions for adequate insurance, indemnification of the Condominium and the Board of Managers, submission of all plans and specifications to the Board of Managers, and restrictions on the hours during which the work may be done. Any 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 materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

The Unit Owners of Residential Unit PH shall have the right to install a pool at one of its terraces provided the installation complies with all applicable laws, rules, and regulations of governmental agencies having jurisdiction thereof and further complies with all recommendations and requirements of the Board of Managers and its engineer.

In the event the Board of Managers grants its consent to any addition, alteration or improvement to be made by a Unit Owner in accordance with the provisions of this Section 13, such consent shall be deemed to 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 insurance (certificates of 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 such addition, alteration, or improvement, or due to improper design or construction of such addition, alteration, or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and for any services provided in connection with such addition, alteration, 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 13, which require the consent of the Board of Managers in connection with an addition, alteration or improvement in or to a Unit, which is structural or which affects the exterior of the Building or the value of other Units shall not apply to Units owned by Sponsor or Sponsor-designee or a Commercial Unit Owner. Sponsor or Sponsor-designee or a Commercial Unit Owner shall not need such consent. All other provisions of this Section 13 shall apply to all Units. For example, with respect to such addition, alteration or improvement to a Sponsor-owned Unit or a Commercial Unit Owner, such work shall be at the sole cost and expense of Sponsor or Sponsor-designee or a Commercial Unit Owner, and shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances. All work must be done by reputable contractors with adequate liability, property damage and Workers Compensation insurance (certificates of which shall be delivered to the Board of Managers prior to the commencement of construction). Any such additions, alterations or improvements, shall be maintained in their entirety by Sponsor or Sponsor-designee or a Commercial Unit Owner, as the case may be, 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 any addition, alteration, or improvement, or due to improper design or construction of the structural addition, alteration, or improvement. Additionally, Sponsor or Sponsor-designee or a Commercial Unit Owner, as the case may be, shall reimburse the Board of Managers any reasonable out-of-pocket expenses incurred by the Board of Managers for any services provided in connection with such addition, alteration, or improvement.

Non-structural additions, alterations or improvements to Units that do not affect the exterior of the Building or the value of other Units may be made without the prior approval of the Board of Managers except that the Board of Managers may require that the Unit Owner enter into a written agreement, reasonably satisfactory to the Board of Managers, regarding such work as required for additions, alterations or improvements which require the consent of the Board of Managers, prior to commencing such work.

Section 14. 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. Sponsor and Sponsor-designee shall have the right to use the Common Elements, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, for the purposes set forth in Section 11 of this Article VI.

Section 15. Right of Access. A Unit Owner shall grant a right of access to his or her Unit, to the manager and/or the managing agent 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 or her 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 or her Unit or elsewhere in the Building, or remedying any condition which would violate the provisions of any mortgage encumbering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purposes permitted by these By-Laws, 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 for in this Section 15, any costs for repairs shall be borne in accordance with the provisions of Section 10 of this Article VI.

Section 16. 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. The vote of a majority 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. Notwithstanding this provision, for as long as Sponsor or Sponsor-designee remains the Owner of one or more Units, the Rules and Regulations of the Condominium may not be amended or modified in any way so as to adversely affect Sponsor or Sponsor-designee without Sponsor's prior written consent.

Section 17. Water Charges and Sewer Rents. Water shall be supplied to all of the Units and the Common Elements through one building meter and, the Board of Managers shall pay, as a Common Expense, all charges for water consumed by 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 Purchaser of such Unit or to Purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Unit as of the date of closing of title to such Unit, promptly after such charges shall have been billed.

The Community Facility Unit shall be billed separately by the Board of Managers for water charges and sewer rents based on actual amount used. The Community Facility Unit shall be required to install and maintain a water sub-meter and shall be responsible for the payment of all water charges and sewer rents actually used as per sub-meter reading. The Board of Managers shall bill and collect payment from the Community Facility Unit for all water charges and sewer rents as levied by the Department of Environmental Protection.

Section 18. Utilities. Except for telephone, cable and air-conditioning service, gas and electricity in each Unit all utilities shall be paid for by the Condominium as a Common Expense.

Section 19. Vault Charges. All license fees and all periodic taxes and charges for street vaults or other protrusions, if any, beyond the lot line shall be paid by the Board of Managers as a Common Expense.

ARTICLE VII
MORTGAGES

Section 1. Notice to the Board of Managers. A Unit Owner who mortgages his or her Unit shall notify the Board of Managers of the name and address of his or her mortgagee and shall file a conformed 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 shall promptly notify any mortgagee of a Unit of such Unit Owner's default, including non-payment of Common Charges, in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default. The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has heretofore been furnished to the Board of Managers.

Section 4. Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium, during business days, at reasonable times, upon reasonable notice to the manager, managing agent or Board of Managers.

ARTICLE VIII
SALES, LEASES, GIFTS AND MORTGAGES OF UNITS

Section 1. Sales and Leases. Each Unit Owner has the right to sell or lease his or her Unit without any restrictions, unless specifically set forth herein.

Section 2. 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 the Appurtenant Interests, it being the intention hereof 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 interests, 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 or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which

such interest or interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 3. Financing of Purchase of Units by the Board of Managers. Acquisition of Units by the Board of Managers or its designee, corporate or otherwise, 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 or her ownership in the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as provided in Section 6 and 7 of Article VI, or, the Board of Managers, in its discretion, may borrow money to finance the acquisition 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 4. Gifts and Devises, etc. Each Unit Owner has the right to convey or transfer his or her Unit by gift or to devise his or her Unit by will, or pass the same by intestacy, without any restrictions, unless specifically set forth herein.

Section 5. Waiver of Right of Partition with Respect to Such Units as are Acquired by the Board of Managers or its 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 its designee, corporate or otherwise 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 6. 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 the Board of Managers against his or her Unit and until he or she shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 7. Mortgage of Units. Each Unit Owner has the right to mortgage his or her Unit without any restrictions, unless specifically set forth herein.

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.

ARTICLE IX
CONDEMNATION

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 any, if such award amounts to more than $50,000.00. If 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 75% or more of the Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, 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 3 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.

ARTICLE X
RECORDS

Section 1. Records and Audits. The Board of Managers or the managing agent or manager shall keep detailed records of the actions of the Board of Managers and the managing agent or manager, 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, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. In addition, it is the obligation of the Board of Managers of the Condominium to give to all Unit Owners annually, the following:

(a) the financial statement of the Condominium prepared by a certified public accountant or, public accountant within one hundred fifty (150) days after the end of each calendar year for the prior fiscal year;
(b) prior notice of the annual Unit Owner's meeting;
(c) a copy of the proposed annual budget, if any, of the Condominium.

ARTICLE XI
MISCELLANEOUS

Section 1. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 2. 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 these By-Laws, or the intent of any provision thereof.

Section 3. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 4. Waiver. No restriction, condition, obligation or provision contained in these By-Laws, shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 5. Insurance Trustee. The Insurance Trustee, if 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 the approval of each of the holders of Unit first mortgages). In the event that 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 each of the holders of Unit first mortgages). The Board of Managers shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense of the condominium.

Section 6. Definition of "Mortgagee". As used in these By-Laws, the term "mortgagee" or "holder of a first mortgage" shall include the holder of any construction loan mortgage, which shall be a lien on a Unit.

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 66 2/3% in number and in Common Interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose.

No amendment of a material adverse nature to mortgagees shall be made unless agreed to by mortgagees that represent at least 51% of the votes of Units that are subject to mortgages. A mortgagee shall be deemed to have consented to any amendment, which requires the consent of such mortgagee when the mortgagee fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided that the notice was delivered by certified or registered mail, with a "return receipt" requested.

However, for as long as Sponsor or Sponsor-designee remains the Owner of one or more Units, these By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be amended or modified in any way so as to adversely affect Sponsor or Sponsor-designee, in Sponsor's sole discretion, without Sponsor's prior written consent.

ARTICLE XIII
CONFLICTS

Section 1. Conflicts. These By-Laws are set forth to comply with the requirements of the Condominium Act. In case any of these By-Laws conflict with the provisions of the Condominium Act or of the Declaration, the provisions of the Condominium Act or of the Declaration, as the case may be, shall control.

ARTICLE XIV
ARBITRATION

Section 1. Procedure. Any matter arising out of the Condominium Documents, except for an action to foreclose a lien for unpaid common charges by the Board of Managers or an action seeking injunctive relief, shall be submitted for resolution by a panel of three (3) arbitrators in a proceeding held in the City of New York, which arbitrators shall be appointed as follows: One arbitrator shall be chosen by the Board of Managers, one arbitrator shall be chosen by the Unit Owner and the third arbitrator shall be chosen by the two aforementioned arbitrators. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction.

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 Civil Practice Law and Rules of the State of New York 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 Sections 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction. Notwithstanding the foregoing, however, any arbitration held pursuant to the terms of the Condominium Documents with respect to a matter that arose prior to the first annual meeting of all Unit Owners held pursuant to the terms of Section 3.1 hereof shall be non-binding.

Section 4. Costs and Expenses. (A) The fees, costs and expenses of the arbitrators shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses. (B) All costs and expenses paid or incurred by the Board of Managers in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses shall constitute Common Expenses.

SCHEDULE A
RULES AND REGULATIONS
OF
ARLOPARC CONDOMINIUM

1. Except as set forth above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted in any part of the Residential Units or Common Elements or Limited Common Elements, nor shall any "For Sale," "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted in any Unit therein or adjoining Limited Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. The right, however, is reserved by Sponsor, Sponsor-designee and the Board of Managers, or its agent, to place "For Sale," "For Rent" or "For Lease" or similar signs on any unsold or unoccupied Unit, and such right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee. Additionally, Sponsor and Sponsor-designee shall have the right, without any limitation whatsoever and without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to place "For Sale," "For Rent" or "For Lease" signs or similar signs on or in the vicinity of the Building. Sponsor or Sponsor-designee shall be responsible for installing and removing such signs.

2. Except as elsewhere provided, no exterior of any Unit or the windows or doors thereof or any other portions of the Common Elements or the Limited Common Elements shall be painted or decorated by any Owner or in any manner without the prior written consent of the Board of Managers.

3. No furniture, equipment, or other personal articles shall be placed in entrances, hallways, stairways, or other Common Elements.

4. No Unit Owner shall make or permit any noise or objectionable odor that will disturb or annoy the occupants of any of the Units in the Building or do or permit anything to be done therein which will interfere with the rights, comfort, or convenience of other Unit Owners.

5. Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness. Nothing shall be hung or shaken from any doors or windows and no Unit Owner shall sweep or throw or permit to be swept or thrown, any dirt or other substances therefrom.

6. No exterior shades, awnings, window guards, ventilators, fans or air-conditioning devices shall be used on or about the Building or Common Elements except such as shall have been approved by the Board of Managers, or as required by law.

7. Except as provided above, no sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of the Building, except such as shall have been approved in writing by the Board of Managers, nor shall anything be projected out of any window of the Building without similar approval.

8. All garbage and refuse from the Building shall be deposited with care in plastic bags or other suitable receptacles intended for such purpose only at such times and in such manner as the Board of Managers may direct.

9. No Unit Owner shall engage any employee of the Condominium for any private business of the Unit Owner without the prior written consent of the Board of Managers.

10. No pigeons or other birds or animals shall be fed from the window sills, terraces, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

11. No radio or television aerial shall be attached to or hung from the exterior of the Building without the written approval of the Board of Managers. The Board of Managers, upon the request of any Unit Owner, shall allow the installation of any hook-up necessary to provide cable television service to the Units. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

12. The agents of the Board of Managers, and any contractor or workmen authorized by them, may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration, By-Laws, or Rules and Regulations of the Condominium.

13. The Board of Managers or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Board of Managers or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If a Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board of Managers or the Managing Agent, then the Board of Managers, or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

14. All damage to the Building or Common Elements caused by the moving or carrying of any article therein shall be paid for by the Unit Owner responsible for the presence of such article.

15. No Unit Owner shall interfere in any manner with any portion of the heating, air-conditioning, or lighting apparatus, which are part of the Common Elements and not part of the Unit Owner's Unit.

16. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance for the Building, or the contents thereof, without the prior written consent of the Board of Managers. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Limited Common Elements, which will result in the cancellation of

insurance on the Building, or the contents thereof, or that would be in violation of any law. No Unit Owner or any of his or her family members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his or her Unit or Limited Common Elements any flammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

17. Any damage to the Building or equipment caused by Unit Owners, their guests, tenants, or visitors shall be repaired at the expense of the said Unit Owner.

18. Complaints regarding the management of the Property or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.

19. No Unit shall be used or occupied in such manner as to obstruct or interfere with the enjoyment of occupants or owners of adjoining Units, nor shall any nuisance or immoral or illegal activity be committed or permitted to occur in or about any Unit or upon any part of the Common Elements.

20. Children shall not play in the public halls, cellar space, Building exists, Building entrances, stairways, roof or roof landings.

21. The agents of the Board of Managers or the Managing Agent, and any contractor or workmen authorized by the Board of Managers or the Managing Agent, may enter any room in the Building or Unit at any reasonable hour of the day, on at least three (3) days prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

22. Unit Owners will not clean nor require, permit, suffer or allow any windows to be cleaned from the outside in violation of Section 202 of the Labor Law of the State of New York or the rules of the Board of Standards and Appeals or of any other board or body having or asserting jurisdiction thereof.

23. Each Residential Unit Owner shall notify the Board of Managers or Managing Agent of the Condominium, if any, in writing when a child, or children, under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Residential Unit Owner shall install, at such Unit Owner's expense, the required window guards (or safety "stops" in lieu of window guards, designated specifically to prevent a child from falling out of a window) in all windows of the Residential Unit in compliance with all applicable New York City Administrative Code requirements. The Residential Unit Owner should maintain all window guards (or stops) installed in the Unit and shall not remove same until permitted by applicable law and in any event, without prior written notice to the Managing Agent.

24. Refuse should not be placed on the sidewalk except on days of collection. Placing refuse on the sidewalk on days other than days of collection may result in a fine or

penalty being levied against the Building. In turn, the Board of Managers will seek compensation for said fine or penalty from the Unit Owner, who caused said fine or penalty.

25. Subject to provisions of the By-Laws, these Rules and Regulations may be added to or repealed at any time by the Board of Managers. Further, any consent or approval given under these Rules and Regulations may, in the discretion of the Board of Managers or the Managing Agent, be conditional in nature, or may be amended, modified, added to or repealed at any time by resolution of the Board of Managers.

26. The Limited Common Elements of the Units such as the storage spaces, balconies and terraces are uninhabitable spaces. They may not be legally used for any residential uses including bedroom, dining room, or any other use considered to be a habitable space as defined by the New York City Building Code. The use of a parking garage as a living or sleeping space may result in a building code violation being issued against the Building and the imposition of fines against the Building. The Unit Owner, who caused the violation, will be obligated to remove it and pay all fines associated with the violation. Please see "Rules and Regulations" Section of Part II of the Plan.

27. There are no pets, animals or birds restrictions in the Building.

28. [A] Inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designed for people to use to inhale smoke, and [B] use of battery-operated devices that heat a liquid, gel, herb or other substance and produces vapor for people to inhale are not permitted:

[i] inside of the Units;
[ii] anywhere in the Limited Common Elements of the Units;
[iii] anywhere inside of the Building;
[iv] outdoor Common Elements, including play areas, rooftops, courtyards, patios, porches or yards; and
[v] outdoors within 15 feet of entrances, exits, windows, and air intake units in the Building.

Section 339-kk of the Real Property Law of the State of New York

§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 (60) 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 (60) 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 (3) 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 (30) 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.

SOPREMA®

Warranty No.: WP100-

Standard Waterproofing Warranty

Building Name:		
Building Address:		
Roof/Building Section(s): N/A		
Owner Name:		
Owner Address:		
Contractor: MacTech Roofing & Restoration Corp., 3908 New Utrecht Ave., Brooklyn, NY 11219		
Total Squares:	Waterproofing Material:	Flashing Material:
Term of Warranty:	Warranty Start Date:	Warranty End Date:

Express Warranty
SOPREMA, Inc., an Ohio corporation, warrants to you that your SOPREMA® waterproofing will remain watertight for the full term of this warranty. This warranty is made subject to all the terms, conditions, and limitations set forth below.

Reporting Claims
To report a claim, follow the procedure set forth in Form 900 – Warranty Claim Procedure.

Remedy
When you make a valid claim, SOPREMA will provide the material necessary to return the waterproofing to a watertight condition. Prior to warranty repairs commencing, the applicable sections of waterproofing must be exposed, at your expense, to provide full access as necessary to accommodate repairs.

NOTICES
THE WARRANTY EXPRESSED IN THIS DOCUMENT SUPERSEDES AND IS IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

THE ABOVE-STATED REMEDY IS YOUR SOLE AND EXCLUSIVE REMEDY AGAINST SOPREMA.

IN NO EVENT IS SOPREMA LIABLE TO YOU OR ANY OCCUPANT OF THE BUILDING FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, OR OTHER SIMILAR DAMAGES.

This warranty document includes all of the following:

1. The Terms, Conditions and Limitations printed on the reverse.
2. Form 900 – Warranty Claim Procedure.
3. Form 901 – Care and Maintenance Guide.

This warranty is not valid until activated. To be activated, it must be signed by Owner and returned to SOPREMA within three months after the Warranty Start Date stated above, or any later date agreed to by SOPREMA. Once activated, the warranty is effective retroactive to the Warranty Start Date.

SOPREMA, Inc.

By: Tim Kersey
Name: Tim Kersey
Title: Vice President & General Manager
Date: 09.14.2018

Owner:

By: _____
Name:
Title:
Date:

Terms, Conditions and Limitations

1. The SOPREMA® waterproofing materials covered by this warranty (this "**Warranty**") are the waterproofing materials specifically identified by number or other description on the face of this Warranty.

2. The authorized contractor who installed the waterproofing is not an agent of SOPREMA. Any future work impacting the waterproofing must be performed by a contractor selected and hired by Owner and authorized by SOPREMA. Contact SOPREMA if you would like to receive a list of authorized contractors in your area.

3. The design and installation of the waterproofing assembly must be in accordance with applicable instructions, details, specifications, approvals, codes, laws, and regulations. All services by SOPREMA related to design, construction, review of project documents or conditions and site visits are limited in scope and do not expand the provisions of this Warranty. These services were not offered, and should not be considered, as a substitute for fulltime quality assurance, project management or professional design services.

4. Owner is responsible for ensuring that the waterproofing is maintained in accordance with SOPREMA's Care and Maintenance Guide (see Form 901) and for promptly notifying SOPREMA of any change in occupancy usage or any other condition adversely affecting the waterproofing.

5. During the entire term of the Warranty, upon request, SOPREMA and anyone it hires shall have full and free rooftop access. Access shall be provided during regular business hours, and, if requested in advance, any other times.

6. This Warranty covers SOPREMA waterproofing products included in a properly designed and installed waterproofing assembly that develops a waterproofing leak due to a product manufacturing defect. The Warranty will provide Owner with a remedy when Owner follows the Warranty Claim Procedure (see Form 900) and the claim is validated by SOPREMA.

7. Following are some examples of conditions and types of damage that are not covered by the Warranty:
   a. The effects of lightning, fire, flood, acid rain, thermal shock, explosion, hail, seismic event, windstorms, named tropical storm or hurricane, tornado, or microburst.
   b. Installation workmanship.
   c. Improper use, order, sequencing, storage or handling of materials or systems.
   d. The lack of positive slope or inadequate drainage.
   e. Inaccessible leaks concealed below roof-supported equipment, overburden, and all other materials applied to the surface that are not part of the waterproofing.
   f. Failure to apply the waterproofing to a suitable substrate, or subsequent substrate failure.
   g. The failure of waterproofing substrates or attachment.
   h. A deficient pre-existing condition or any sources of water entry other than the waterproofing.
   i. Building or substrate settlement, deflection, movement, vibration, or displacement.
   j. The accumulation of moisture from condensation in or below the waterproofing.
   k. Exposure to extreme temperatures or humidity, for example, from equipment, exhaust, steam, hot water, freezers, or cold storage.
   l. Damage resulting from exposure to plants, plant roots, animals, insects, or other living organisms.
   m. Incompatible materials or substances.
   n. Deliberate or negligent acts such as abusive traffic, the use of solid casters or non-pneumatic tires, physical damage from rooftop storage or rooftop occupancy, vandalism, misuse, or abuse.
   o. Falling, flying, dropped, discharged or blown materials, objects or debris.
   p. Change in building occupancy or usage.
   q. Unauthorized or improper repairs or modifications to the waterproofing.

8. This Warranty becomes a binding contract once it has been signed by both parties and all fees and expenses associated with the waterproofing project have been paid in full.

9. Temporary, emergency repairs to stop a leak may be made at Owner expense and will not void the Warranty, however it is Owner's responsibility to pay the cost of removing any excessive repairs. Promptly after making emergency repairs, Owner is responsible for following the Warranty Claim Procedure (see Form 900).

10. SOPREMA's failure to exercise or enforce any of its rights or powers under this Warranty is not a waiver and does not preclude SOPREMA from exercising any right or power in the future. Owner's failure to comply with any of the provisions of this Warranty applicable to it relieves SOPREMA of its obligations under this Warranty.

11. This Warranty is governed by and shall be construed and enforced in accordance with the internal laws of Ohio, without giving effect to any choice of law rules that may require the application of the laws of another jurisdiction. Any lawsuit by Owner that is related to the Warranty, or the alleged breach of the Warranty, must be filed in the Medina County, Ohio Court of Common Pleas or the U.S. District Court for the Northern District of Ohio. Owner irrevocably consents to the jurisdiction and venue of these courts.

12. In order for Owner to bring a lawsuit against SOPREMA, Owner must, as a condition precedent thereto: (a) have complied with all of the terms and conditions of the Warranty applicable to it, and (b) the lawsuit must be commenced within one (1) year after the cause of action accrues. Time is of the essence. The failure to satisfy either of these conditions precedent shall result in Owner's claims being forever barred.

13. The terms of the Warranty are severable so that any illegal, invalid or unenforceable provision, if feasible, shall be modified so that it becomes legal, valid and enforceable, or if not so feasible, stricken, in either case without affecting the validity or enforceability of the remaining provisions.

14. This Warranty document (and the documents referred to herein) sets forth the entire agreement between SOPREMA and Owner with respect to the waterproofing. SOPREMA disclaims, and Owner waives, any affirmation of fact or promise that may have been made by SOPREMA or any of its employees, agents, representatives, or distributors that is not expressly stated in this Warranty.

15. The damages excluded by the terms of this Warranty include, but are not limited to, loss or reduction of profits, interruption of business, injury to or illness or death of people, animals or other living organisms, damage or loss caused by or attributable to indoor air quality (including, but not limited to, the presence or growth of mold, mildew or other similar substance in, on or about the waterproofing assembly), or damage to or destruction of property, including the building or any of its contents, even if SOPREMA has been advised of the possibility, or even the likelihood, of any of these types of damages.

16. This Warranty may be transferred to a subsequent building owner upon compliance with the following requirements: (a) a transfer request is made in writing to SOPREMA's Warranty Department, (b) at the time the request is made, SOPREMA is paid its then current transfer fee, and (c) you complete any repairs to the waterproofing or other building components that SOPREMA believes are necessary to preserve the watertight integrity of the waterproofing for the remaining term of this Warranty.

For Questions Contact:

SOPREMA, Inc.
Warranty Department
201 Quadral Drive
Wadsworth, OH 44281-9571
Phone: (330) 334-0066
www.soprema.us

SOPREMA®

Warranty No.: WP100-001451

CARE AND MAINTENANCE GUIDE

A routine Care and Maintenance program is fundamental to the long-term performance of your roofing or waterproofing. For roofing and above-grade waterproofing, you, as the Owner, are responsible for ensuring that a minimum of two documented Care and Maintenance inspections are conducted and recorded each year. For areas that are concealed from direct view, record and correct any observable conditions that may have an adverse affect on the roofing or waterproofing.

Required Care and Maintenance:
A Care and Maintenance log, or similar record, is the minimum requirement to document care and maintenance. See the reverse side of this document for an example of a Care and Maintenance Log. The following activities are required:

- **Date of Inspection:** The minimum requirement is **two times per year**.
- **Inspected by:** Name and signature.
- **Conditions:** Record observations of accessible roofing or waterproofing membranes and membrane flashings at all edges, terminations and penetrations. Record observations of any other conditions that may have an effect on the roofing or waterproofing.
- **Leaks:** Document all roofing or waterproofing leaks. Refer to Form 900 – Warranty Claim Procedure.
- **Repairs and Modifications:** Date of all work, and the individual or company who completed work that may have an effect on the roofing or waterproofing.

When to complete Care and Maintenance:
Roofing or waterproofing inspections are required at least **two times per year**, ideally in the spring and fall. Be sure to document each date the roofing or waterproofing is accessed for the purposes of an inspection, maintenance or other work that may have an effect on the roofing or waterproofing. It is recommended that you inspect and document conditions after all severe exposures, such as seismic events, flooding, high winds, or excessive snow, ice, rain or hail. It is also recommended that you inspect and document conditions during and after equipment maintenance and adjacent building work.

Limit Access:
For areas of the roofing or waterproofing not designated for traffic, we recommend you limit access to authorized personnel only and require all individuals to register or sign in. It is good practice to post a sign at all access points that includes the following statement: "STOP. ACCESS RESTRICTED TO AUTHORIZED PERSONNEL ONLY." At your request, SOPREMA will provide you with signs.

Care and Maintenance Inspections:
Record your observations of the roofing or waterproofing as well as conditions at all edges, terminations and penetrations. Record conditions for evidence of physical damage, displacement, open membrane laps, accumulation of sediments or debris, or other conditions that may have an effect on the roofing or waterproofing. Record the condition of adjacent walls, sealants, coatings, equipment, sheet metal flashings, pipes, pitch pans, drains, scuppers, pavers, garden roof components, and any unusual exposures or conditions that may have an effect on the roofing or waterproofing.

Completing Care and Maintenance:
It is your responsibility to promptly correct all deficiencies observed during Care and Maintenance inspections. SOPREMA encourages you to retain the services of a professional contractor or consultant if you do not have personnel qualified to conduct routine Care and Maintenance. All roofing and waterproofing repairs and modifications must be performed by an authorized contractor retained by you. Temporary emergency repairs may be made to the roofing or waterproofing as allowed under the terms and conditions of the warranty. In the event of significant damage, it is prudent for you to retain the services of a roofing or waterproofing processional, and notify your insurance carrier where applicable.

Cleaning the Roofing or Waterproofing:
The roofing or waterproofing must be maintained free of debris that may result in damage. When necessary, low-pressure tap water dispensed from a garden hose and/or soft bristle brooms may be used to remove dirt and debris from the surface of the roofing or waterproofing. Where permissible, mild detergents may be used to clean surfaces, then use clean water to remove the detergent. Prevent dirt, debris and other inappropriate materials from entering storm drainage systems. Tools that may damage the roofing or waterproofing, such as metal shovels and rakes, should NOT be used. High-pressure water should NOT be used unless specifically authorized by SOPREMA. Owner / contractor are responsible to verify that all cleaning operations meet required regulatory environmental requirements. Contact SOPREMA prior to cleaning products with foil or film surfaces.

Documenting Warranty Claims:
Refer to Form 900 – Warranty Claim Procedure, included with your SOPREMA warranty. All valid claims must include a copy of your Care and Maintenance log.

Additional Resource:
For further information and guidance, you may wish to review the Manual of Roof Maintenance and Repair jointly published by the National Roofing Contractors Association and the Asphalt Roofing Manufactures Association, or other applicable industry publications.

This SOPREMA Care and Maintenance Guide include the minimum requirements of your SOPREMA Warranty. Additional care and maintenance beyond these minimum requirements is encouraged.

Care and Maintenance Log:
(Sample)

Instructions: The following activities are **required** to be completed and documented **two (2) times per year** as a record of care and maintenance:

Date of Inspection: _____

Inspected by (Name): _____

Conditions: Record observations of accessible roofing and waterproofing as well as conditions at all edges, terminations and penetrations. Record observations of any other conditions that may have an effect on the roofing or waterproofing.

Leaks: Document all roofing or waterproofing leaks. Refer to Form 900 – Warranty Claim Procedure.

Repairs and Modifications: Date of all work, and the individual or company who completed work that may have an effect on the roofing or waterproofing.

Other information observed or noted that may have an effect on the roofing or waterproofing:

Inspected by (Signature): _____

SOPREMA®

WARRANTY CLAIM PROCEDURE

Warranty claims are required to be submitted within 30 days after a leak or other related issue is discovered, unless a different notice period is expressed in a rider. Time is of the essence. Claims are to be submitted to SOPREMA's Warranty Claim Administrator. Contact information is provided below.

SOPREMA will initiate the claim process when all of the following items have been received:

1. Completed Warranty Claim Form (available here: https:www.sopraconnect.com/Warranty/Warranty_ClaimRequest.aspx).
2. Photos or other documentation of the conditions you believe give rise to the claim (preferably submitted with warranty claim).
3. A copy of your Care and Maintenance log (preferably submitted with warranty claim).
4. Your Warranty Number as indicated on your warranty.

For wind-related claims, the following additional items are to be submitted: (1) a signed and sealed report by a licensed professional engineer documenting findings that identify and support the cause(s) of the damage resulting in the leak, and (2) wind speed data from a rooftop anemometer or other wind speed data collection point for the period of time from the effective date of the Warranty to the date of the claim (or, if such data was submitted in connection with a prior claim, from the end date of the prior data to the date of the claim).

Upon receipt of a properly documented warranty claim, SOPREMA will determine if a site visit is desired. If so, you will be contacted in order to coordinate arrangements. You agree to provide SOPREMA and its designees with prompt, free, safe and ready access through a roof hatch or door to roofing or waterproofing surfaces that are free of snow, ice, and any other obstructions. If there is not a roof hatch or door available, then you agree to provide a suitable ladder. You agree to provide access during normal business hours or, if requested, other times. SOPREMA agrees to follow any safety and security protocols you have in place for visitors.

When SOPREMA determines the claim is valid, SOPREMA will remedy the leak in an expeditious manner. Conditions may vary, thus the remedy and timetable may vary as well. The decisions of SOPREMA with respect to the validity of claims and the scope, manner, and timetable of repairs are final and binding.

In making warranty repairs, SOPREMA will attempt to closely match materials and colors, as inventories allow. Authorized warranty repairs shall become subject to the warranty, but do not extend its term.

Should an investigation reveal that a claim is not covered by the warranty, you will be promptly notified as to why. Should you abuse the claims process, you may be invoiced for the investigation expenses incurred by SOPREMA. If invoiced, then it is your responsibility to pay within 30 days.

It is your responsibility to remedy any condition, not covered by the warranty, that has an adverse effect on the roofing or waterproofing. If you remedy the condition within a reasonable time, then the warranty will remain in effect for the unexpired portion of its term. Failure to address repairs or related issues in a timely and reasonable fashion could result in conditions not covered by the warranty. It is your responsibility to remedy conditions not covered by the warranty that may have an effect on the building or its occupancy, including other damages, safety, codes, laws and regulations.

For additional information contact:

SOPREMA, Inc.
Warranty Claim Administrator
201 Quadral Drive
Wadsworth, Ohio 44281-9571
Phone: (330) 334-0066
Fax: (330) 334-7903
Email: warrantyclaims@soprema.us

YOU ARE ABOUT TO ACCESS A WARRANTED ROOF.

ROOF ACCESS IS RESTRICTED TO AUTHORIZED PERSONNEL ONLY. PLEASE OBSERVE THE FOLLOWING PRECAUTIONS:

- PROTECT THE ROOF MEMBRANE FROM ALL FORMS OF DAMAGE INCLUDING; BUT NOT LIMITED TO:
  - SPILLS
  - CONTAMINANTS
  - DEBRIS
  - BURNS
- STAY ON WALKWAYS (WHEN PROVIDED)
- IMMEDIATELY NOTIFY BUILDING MANAGEMENT SHOULD ANY DAMAGE OR SPILLAGE OCCUR
- NO SMOKING

TAX ESCROW AGREEMENT

AGREEMENT made this 6th day of September, 2022, by and among 126 East 86 Street Development LLC, (hereinafter called the "Sponsor"), and The Board of Managers of Arloparc Condominium, (hereinafter called the "Board").

WITNESSETH:

WHEREAS, the Sponsor has filed the offering plan, (hereinafter called the "Plan), with the Attorney General to offer for sale condominium units, (hereinafter called the "Units" or "Unit"), at the property, located at 124 East 86th Street & 126 East 86th Street, New York, NY 10028 and known as Arloparc Condominium, (hereinafter called the "Condominium"), subject to the terms and conditions set forth in the Plan; and

WHEREAS, the Board is charged with governing the operation of the Condominium; and

WHEREAS, the Units have not been separately assessed for real estate tax purposes prior to the closing of the first Unit; and

WHEREAS, pursuant to the terms of the Plan, the Sponsor desires to secure its obligation to pay real estate taxes for the Unsold Units.

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

1. On the first closing of a Unit, the Sponsor will deposit in escrow with the Board in a special segregated escrow account to be maintained by the Board in its own name, an amount equal to the real estate taxes attributable to the Unsold Units, which will be levied against the premises for the 6-month period following the first closing, or until the Units are separately assessed, whichever is sooner.

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

3. Upon each subsequent closing of the Units, the Sponsor may collect the estimated amount of taxes attributable to such Units for the balance of the six (6) month period from Purchasers thereof.

4. If the escrow is kept in an interest-bearing account, the interest earned thereon shall belong to the Sponsor.

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

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

126 East 86 Street Development LLC

By: Sergey Rybak, Authorized Signatory

The Board of Managers of Arloparc Condominium

By: Sergey Rybak, Manager

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPAL PURSUANT TO SECTION 20.4 OF THE REGULATIONS ISSUED PURSUANT TO ARTICLE 23-A OF THE GENERAL BUSINESS LAW, AS AMENDED

Real Estate Financing Bureau
New York State Department of Law
28 Liberty Street
New York, NY 10005

Re: Arloparc Condominium
124 East 86th Street & 126 East 86th Street
New York, NY 10028

Dear Sir/Madam:

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 of the State of New York, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us, which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where 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 of the State of New York.

126 East 86 Street Development LLC

By: Sergey Rybak
Authorized Signatory

Subscribed and sworn to before me this 6th day of September, 2022

Halyna Smolyar
Notary Public

HALYNA SMOLYAR
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SM6240861
Qualified in Kings County
My Commission Expires 05-09-2023

Sergey Rybak

Subscribed and sworn to before me this 6th day of September, 2022

Halyna Smolyar
Notary Public

HALYNA SMOLYAR
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SM6240861
Qualified in Kings County
My Commission Expires 05-09-2023

Jason Reznik

Subscribed and sworn to before me this 6th day of September, 2022

Halyna Smolyar
Notary Public

HALYNA SMOLYAR
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SM6240861
Qualified in Kings County
My Commission Expires 05-09-2023

ZPROEKT
Architecture, Planning & Consulting
1817 Emmons Avenue, Brooklyn, New York 11235 Phone: 718-934-2322 Email: office@zproekt.com

CERTIFICATION BY SPONSOR'S ARCHITECT PURSUANT TO SECTION 20.4 OF THE REGULATIONS ISSUED PURSUANT TO ARTICLE 23-A OF THE GENERAL BUSINESS LAW, AS AMENDED

Real Estate Financing Bureau
New York State Department of Law
28 Liberty Street
New York, NY 10005

Re: Arloparc Condominium
124 East 86th Street & 126 East 86th Street
New York, NY 10028

Dear Sir/Madam:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me to prepare a report describing the construction of property (hereinafter called the "Report"). I visually inspected the property on April 25, 2023. I prepared the plans and specifications dated January 3, 2023 and the Report dated April 26, 2023. A copy of the Report is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

I am a registered architect in the State of New York.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

(i) sets forth in narrative form the description and physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I prepared;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and 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 I prepared;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Igor Zaslavskiy, R.A.

Subscribed and sworn to before me this 27 day of April, 2023

Helena Melamed

Notary Public

HELENA MELAMED
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01ME6441679
Qualified in King County
Commission Expires 09/26/2026

REGISTERED ARCHITECT
IGOR ZASLAVSKIY
030655
STATE OF NEW YORK

CERTIFICATION BY SPONSOR'S EXPERT ON ADEQUACY OF BUDGET PURSUANT TO SECTION 20.4 OF THE REGULATIONS ISSUED PURSUANT TO ARTICLE 23-A OF THE GENERAL BUSINESS LAW, AS AMENDED

Real Estate Financing Bureau
New York State Department of Law
28 Liberty Street
New York, NY 10005

Re: Arloparc Condominium
124 East 86th Street & 126 East 86th Street
New York, NY 10028

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned property retained me to review Schedule B, containing projections of income and expenses for the first year of condominium operation, and Schedule B-1, containing projections for individual energy costs for the first year of condominium operation. I am familiar with prices, practices and procedures in the area of this condominium. I am the principal of FIDY Management Inc. FIDY Management Inc. is a management company. FIDY Management Inc. has managed seventeen (17) residential and mixed-use buildings in Brooklyn since its formation in 2015.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules B and B-1, (hereinafter collectively called the "Schedules").

I have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying them with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential buildings.

I certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law of the State of New York.

Subscribed and sworn to before me this
[illegible] day of September, 2022

Yana Izmaylov

Notary Public

HALYNA SMOLYAR
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SM6240861
Qualified in Kings County
My Commission Expires 05-09-2023

CERTIFICATION BY THE SPONSOR'S EXPERT ON ADEQUACY OF COMMON CHARGES PAYABLE BY THE OWNERS OF THE COMMERCIAL UNIT PURSUANT TO SECTION 20.4 OF THE REGULATIONS ISSUED PURSUANT TO ARTICLE 23-A OF THE GENERAL BUSINESS LAW, AS AMENDED

Real Estate Financing Bureau
New York State Department of Law
28 Liberty Street
New York, NY 10005

Re: Arloparc Condominium
124 East 86th Street & 126 East 86th Street
New York, NY 10028

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned property retained me to review Schedule B which includes projections of common charges payable by the owners of the commercial unit. I am the principal of FIDY Management Inc. FIDY Management Inc. is a management company. FIDY Management Inc. has managed seventeen (17) residential and mixed-use buildings in Brooklyn since its formation in 2015.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the commercial unit listed in Schedule B.

I have reviewed Schedule B as it impacts upon the commercial unit and investigated the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential buildings.

I certify that the projections in Schedule B for common charges payable by the owners of the commercial unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

I certify that the estimates in Schedule B for the common charges payable by the owners of the commercial unit:

(i) set forth in detail the projected common charges for the commercial unit for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial unit;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Subscribed and sworn to before me this
9th day of September, 2022

Yana Izmaylov

Yana Izmaylov

Halyna Smolyar

Notary Public

HALYNA SMOLYAR
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SM6240861
Qualified in Kings County
My Commission Expires 05-09-2023